

**Date of meeting** Tuesday, 4th February, 2025  
**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

### 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 3 - 10)  
To consider the Minutes of the previous meeting.
- 4 WALLEYS QUARRY ODOUR ISSUES** (Pages 11 - 36)
- 5 REVENUE AND CAPITAL BUDGETS AND STRATEGIES 2025/26** (Pages 37 - 152)
- 6 FINANCIAL AND PERFORMANCE REVIEW REPORT - THIRD QUARTER 2024/25** (Pages 153 - 190)
- 7 TREE RISK MANAGEMENT STRATEGY** (Pages 191 - 212)
- 8 LOCAL DEVELOPMENT SCHEME 2025/28** (Pages 213 - 224)
- 9 FORWARD PLAN** (Pages 225 - 230)
- 10 URGENT BUSINESS**  
To consider any business which is urgent within the meaning of Section 100B(4) of the Local Government Act 1972.
- 11 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 (Leader) (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: IF THE FIRE ALARM SOUNDS, PLEASE LEAVE THE BUILDING IMMEDIATELY THROUGH THE FIRE EXIT DOORS.**

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The Leader asked if the Council was keeping monitoring for further breaches of the abatement notice since the one recorded in Spring 2024 and would these be noticed if they would be communicated to the operator as part of the legal action as well as to the public.

The Chief Executive confirmed that it was indeed the case along with making sure that the data was calibrated and correct.

The Leader commented that it would be interesting to hear from officers when the data would be available so that this can be shared with the public and be used against the appeal process.

The Leader also reiterated the need for residents to continue reporting cases.

- Resolved:**
- (i) That the contents of this update report be noted.
  - (ii) That the request for the Council to be a principal party in the appeal process as set out in section 2 of this report, be noted.
  - (iii) That, if participation on the terms set out in recommendation 2 was to be agreed by the Planning Inspectorate, the participation of the Council in that process be endorsed.

[Watch the debate here](#)

#### 4. **DRAFT REVENUE AND CAPITAL BUDGET AND STRATEGIES 2025/26**

The Deputy Leader introduced the Draft Revenue and Capital Budgets and Strategies 2025/26, highlighting on the fact this was prepared by local people for residents of the borough.

The Leader commented that the budget would be submitted to the Finance, Administration and Performance Scrutiny Committee, then back to Cabinet and finally to Full Council in February. The focus was on the regeneration of the town centre and investment in front line services and leisure.

Cllr Hutchison gave some insights from the Efficiency Board and said savings had been achieved with improved facilities and no redundancies.

Cllr Fear shared his enthusiasm about the budget and the fact the Council had managed to deliver on keeping the Council tax low and maintaining services.

Cllr Skelding also showed support to the budget and report.

Members expressed concerns about the Devolution White Paper, which would be discussed under item 11 as urgent business.

- Resolved:**
- (i) That the progress on the completion of the Revenue (Appendix 1) and Capital Budgets (Appendix 4) be noted.
  - (ii) That the updated Medium Term Financial Strategy 2025/26 to 2029/30 (Appendix 2) be noted.
  - (iii) That the strategy for ensuring a balanced revenue outturn position for 2024/25 be noted.

(iv) That the calculation of the Council Tax base and the Council Tax increase to be proposed for 2025/26 of 1.99% per Band D equivalent property be noted.

(v) That the risk assessment at Appendix 3 and the Section 151 Officer's recommendation on the level of reserves and contingencies provisionally required to be maintained in 2025/26 be noted.

(vi) That the draft Capital Strategy (Appendix 5) for 2025/35 be noted.

(vii) That the draft Treasury Management Strategy (Appendix 6) for 2025/26 be noted.

(viii) That the draft Investment Strategy (Appendix 7) for 2025/26 be noted.

(ix) That the draft Commercial Strategy (Appendix 8) for 2025/26 be noted.

(x) That the Asset Management Strategy (Appendix 9) for 2023/28 be noted.

(xi) That the draft Budget and Council Tax proposals be referred to Finance, Assets and Performance Scrutiny Committee for comment before the final proposals are considered at Cabinet on 4 February 2025.

[Watch the debate here](#)

## 5. **SCALE OF FEES AND CHARGES 2025/26**

The Deputy Leader introduced the report on the Scale of Fees and Charges for 2025/26, highlighting that the Council had always endeavoured to keep the parking charges as reasonable as possible and that the system in place was to control parking and traffic rather than to generate income.

Cllr Hutchison commented on the improvements introduced in relation to bereavement services and environmental health.

**Resolved:** That the fees and charges proposed to apply from 1<sup>st</sup> April, 2025, as set out in Appendix 1, be approved.

[Watch the debate here](#)

## 6. **NAVIGATION HOUSE REFURBISHMENT CONTRACTOR AWARD**

The Portfolio Holder for Community Safety and Wellbeing introduced the report on the procurement of a contractor for the refurbishment of the Navigation House as a homeless hub and accommodation. The Portfolio Holder outlined what Navigation House would provide and also the benefits to the wider community.

The Leader commented on the aspiration to eliminate homelessness by 2025. That had been a commitment by the previous Government but no such commitment had come from the present Government.

The Deputy Leader referred Members to paragraph 8.4 of the report which outlined the various funding streams. He fully supported this, stating that it was a really strong initiative.

The Leader stated that this Council, over many years, had a proud record of homelessness and getting people off the streets.

**Resolved:** (i) That the Deputy Chief Executive, in consultation with the relevant Portfolio Holder be authorised to sign any such agreements as may be necessary to complete the refurbishment of Navigation House for its use as a Homeless Hub and accommodation.

(ii) That an amendment to the Housing Assistance Policy to include discretionary applications for creating 'accessible' supported housing provision for disabled people in housing need, be authorised.

(iii) That the allocation of funding as set out in the report, be authorised.

[Watch the debate here](#)

**7. UPDATE ON DECARBONISATION OF THE COUNCIL'S OPERATIONAL BUILDINGS AND FLEET**

The Leader stated that this item also included the annual report on the Council's climate change aspirations.

The Portfolio Holder for Sustainable Environment introduced the report, updating Cabinet on the progress in decarbonising the Council's operational buildings and fleet.

There was currently an application with the National Lottery for infrastructure upgrades at Brampton Museum.

The Commercial Delivery Sustainable Working Group had led the installation of solar panels on offices at Bradwell Crematorium, Kildsgrove Town Hall and Keele Cemetery and would have a £20,000 per annum saving ongoing, in the electricity costs.

The Planning Sustainable Environment Working Group had embedded bio-diversity net gain into the new Local Plan and Housing Development Sites. Section 106 Agreements would ensure bio-diversity net gain on appropriate sites or locally, within the Borough.

The Leader stated that this was a great progression on the Borough's plans to get to net zero by 2030. It was also helping the Council with efficiency savings.

The Deputy Leader stated that a 68% reduction was an impressive achievement. The incremental approach was working well.

**Resolved:** (a) That the progress achieved from 2009/10 in decarbonising the Councils operational buildings and fleet by 68.37% and 35% during the past twelve months, be noted.

- (ii) That the progress made be referred to the Health, Wellbeing and Environment Scrutiny Committee for scrutiny and comments.
- (iii) That the key activities being undertaken by individual service areas, currently and planned for 2025/26, be noted.

[Watch the debate here](#)

## 8. **MEMORIAL HEADSTONE POLICY**

The Portfolio Holder for Sustainable Environment introduced a report regarding a review of the Council's memorialisation rules and Regulations and seeking approval for changes in memorial sizes and the Terms and Conditions for Memorial Masons.

The size restrictions would mean that there would be uniformity, rather than having a higher headstone next to a standard sized one. Memorial stonemasons had confirmed that the majority of people purchasing headstones (90%) were happy with the Council's current size restrictions. They had also advised that an increase in the restrictions to 40 inches would accommodate approximately 99% of requests.

The Leader invited three public speakers to come forward.

Dr Siobhan Spencer stated that there were many people who would welcome less restrictive rules. She wondered if it was the safety aspect that was the reason for the changes and asked if there was a reason not to increase the height to the neighbouring stones in Stoke on Trent which was five feet.

Lisa Maughan stated that larger memorials would allow for more personalised designs and increasing the height restrictions would ensure that the cemeteries were all inclusive of all local community values.

Mary Maughan stated that the headstones completed a persons life and should be a fitting memorial to them.

The Portfolio Holder stated that the Council had considered the changes to the memorial headstone size and those stated were considered to be best for Newcastle sites and communities. The proposed increase to 40" would allow for more shaped headstones and additional words for inscriptions.

**Resolved:** That the changes in memorial sizes, as detailed in the report, alongside the Terms and Conditions – be approved.

[Watch the debate here](#)

## 9. **FORWARD PLAN**

The Leader went through the Forward Plan

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

[Watch the debate here](#)

**10. URGENT BUSINESS - DEVOLUTION AND LOCAL GOVERNMENT REORGANISATION : WHITE PAPER**

*This item had been brought as a matter of urgent business due to the timescales.*

The Leader introduced a report, seeking the views and agreement of Cabinet in setting out the position of the Council following the release of the English Devolution White Paper in December, 2024.

The Staffordshire Leaders' Board had been working together on a Devolution Deal as sought by the previous Government who had asked for local authorities to come forward with proposals for their areas, to allow the devolution of powers and finances. The new Government had put out a request for expressions of interest and in September, 2024, the Leaders' Board - including this Council put forward an expression of interest for a Deal based on skills as outlined at paragraph 1.5 of the Cabinet report. In addition, it was stated that a Mayor was not wanted and that the Board wanted to keep the existing boundaries of local government.

Just before Christmas it was announced that this would also include local government reorganisation and that councils should be of a minimum of 500,000 people and councils had been asked to submit proposals.

The Leader stated that this Borough had a long proud history and this Council had fought off reorganisation attempts before. Looking at the Government figures of 500,000, a North Staffordshire came to the fore again which would be a merger with Stoke City Council and possibly Staffordshire Moorlands District Council.

This Council did have a bid in for a Devolution Deal and the Leader stated that he would be pushing that that be reaffirmed.

The Leader proposed an additional recommendation - to submit a paper to Full Council later this month.

The Portfolio Holder for Strategic Planning stated that these were proposals that nobody had voted on and had no mandate. In addition, it had not been in the Labour Party's manifesto or been debated upon anywhere. It was not devolution but drawing power upwards and therefore a centralisation programme. Representation per council in those areas would almost half and nothing would be 'local' anymore.

The Deputy Leader stated that this had been presented at the Local Government Association and it had not gone down very well. The Deputy Leader questioned how removing a layer of democracy would make things more democratic.

The Portfolio Holder for Sustainable Environment stated that Newcastle's history traced back to 1173 and had been celebrated in 2023 with the 850<sup>th</sup> Anniversary of the granting of a Royal Charter.

The Portfolio Holder for Community Safety and Wellbeing stated that she was proud to be a resident of this Borough and there had been great opposition to the proposal from everyone that she had spoken with.

The Portfolio Holder for Leisure, Culture and Heritage stated that Newcastle currently had 44 Councillors and that number could potentially drop to 12. This would be a large drop in representation for residents. Services such as the Borough Museum and J2 were valuable to the Borough and they could be lost with reorganisation.



The Leader stated that there was no evidence that a reorganisation would save money. No resource implications had been put forward by the Government, no costs or timescales or what would happen with investments currently taking place such as those here in Newcastle.

This Council had already saved large amounts of money through working with its partners. The Leader stated that this Council vowed to fight the Government's plans to scrap this Borough and wished to see services delivered locally for its communities.

The Leader asked Cabinet members to join him in going across to the office of the local MP and deliver a copy of the 'Lost Charter - 850 Years of the Borough'.

- Resolved:**
- (i) That the contents and implications of the English Devolution White Paper be noted.
  - (ii) That Cabinet pledges to stand up for the historic independence of the Borough.
  - (iii) That Cabinet continue to work through the Staffordshire Leaders Board to develop and deliver devolution as set out in the Board's submission to Government in September 2024.
  - (iv) That the petitioning of residents in relation to the preservation of the Borough be supported.
  - (v) That Newcastle-Under-Lyme's Members of Parliament be called upon to support the Borough's preservation, and that they engage with Government Ministers in stating the case for the Borough.
  - (vi) That the Leader & Chief Executive write to the Deputy Prime Minister and relevant Ministers stating the Council's position.
  - (vii) That a report from the Leader of the Council be submitted to Full Council on 22 January, 2025, setting out the details of the Government's Devolution and Local Government Reorganisation White Paper and how this Council can stand up for the independence of its Borough.

[Watch the debate here](#)

**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.

**12. SCHEDULE OF FEES AND CHARGES 2025/26 - CONFIDENTIAL APPENDIX**

Consideration was given to the confidential appendix.

**Cabinet - 09/01/25**

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

13. **NAVIGATION HOUSE REFURBISHMENT CONTRACTOR AWARD -  
CONFIDENTIAL REPORT**

Consideration was given to the confidential report.

**Resolved:** That the recommendation, contained within the confidential report be agreed

**Councillor Simon Tagg  
Chair**

Meeting concluded at 3.19 pm

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**CORPORATE LEADERSHIP TEAM'S**

**REPORT TO CABINET**

**04 February 2025**

**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 Yes</u></b> <input type="checkbox"/> <b><u>No</u></b> <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. 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 Grego 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 needs 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. Such consent has been obtained.
- 1.5 Members and Officers have attended Liaison Meetings to maintain contact 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 for the last 3 months, reported on a weekly basis. Historical complaint data is attached to this report as Appendix 1.

	Complaints to NuLBC	Complaints to Environment Agency
<b>November 2024</b>		
28/10/24 - 03/11/24	46	163
04/11/24 - 10/11/24	41	153
11/11/24 - 17/11/24	251	793
18/11/24 - 24/11/24	252	842
25/11/24 - 01/12/24	518	1478
<b>December 2024</b>		
02/12/24 - 08/12/24	261	760
09/12/24 - 15/12/24	182	518
16/12/24 - 22/12/24	220	797
23/12/24 - 29/12/24	418	1644
<b>January 2025</b>		
30/12/24 - 05/01/25	303	1315
06/01/25 - 12/01/25	894	3878
13/01/25 - 19/01/25	283	803
20/01/25 - 26/01/25	109	470
27/01/25 - 02/02/25	65*	

\*Figure may alter due to backdated complaints received

- 2.2 The number of odour events (where 10 or more complaints have been reported) was 24 in the month of January compared to 26 odour events reported in the month of December:
- Wednesday 01 January – Friday 17 January 2025
  - Monday 20 January – Thursday 23 January 2025
  - Saturday 25 January 2025
  - Wednesday 29 January – Thursday 30 January 2025

- 2.3 There were 17 consecutive days where the community reported 10 or more odour complaints from 1 January to 17 January.
- 2.4 The highest number of odour complaints was reported on 10 January with 379 complaints with a monthly total 1616 complaints. The second highest number of complaints was reported on 11 January at 185 complaints.
- 2.5 The total number of odour complaints in January exceeded those reported in November and December 2024. Complaints at above 1600 have not been seen since July 2021.

### **NULBC Odour Assessments**

- 2.6 Officers have undertaken odour assessments. The monitoring has been reactive to odour complaints and proactive where low odour dispersion is predicted.

The type of monitoring includes spot assessments (instantaneous assessments) and assessments made over a 5-minute period where the odour intensity is recorded every 10 seconds.

In January, 3 odour assessments (5-minute) were undertaken on 10 January, 17 January and 23 January, all of which recorded an intensity rating of 5 (very strong).

In January, 59 spot assessments were undertaken of which 40 detected landfill related odour ranging from an intensity rating of 2 (slight/weak) to 5 (very strong).

### **NULBC Mobile Air Quality Monitoring (using Jerome monitor)**

- 2.7 Officers have monitored the levels of hydrogen sulphide within the community using the mobile Jerome monitor. The highest level of hydrogen sulphide [H<sub>2</sub>S] recorded in the community was 67.91ppb on 20 January 2025 at 08:33.

### **NULBC Actions**

- 2.8 Critically, under the law, whilst odours may exist off site at levels which could be considered a breach of the notice, that breach would be unenforceable (or a defence against creating a statutory nuisance) if the operator can show that Best Practical Means (BPM) are routinely deployed in the management of the site. Whilst the existence or not of BPM can be debated, it would be a court which would determine whether BPM was in place at the time of the breach. That said, prior to entering any formal legal action it is necessary for the Council to formulate a view with regard to this matter, this is ongoing.
- 2.9 At the core of next steps are two issues – whether the action taken by the Environment Agency as the primary enforcement agency for this site have been successful in remedying the issues; and whether a defence of BPM exists. Where either of these are assessed to be in place it would not be in the public interest for the Council to pursue this matter further.
- 2.10 On 29 July 2024, the Rt Hon Steve Reed OBE MP, Secretary of State Environment, Food and Rural Affairs responded to the Leader's request for permission to prosecute Walleys Quarry Ltd. under statutory nuisance legislation, confirming that he would grant consent for the prosecution to proceed.

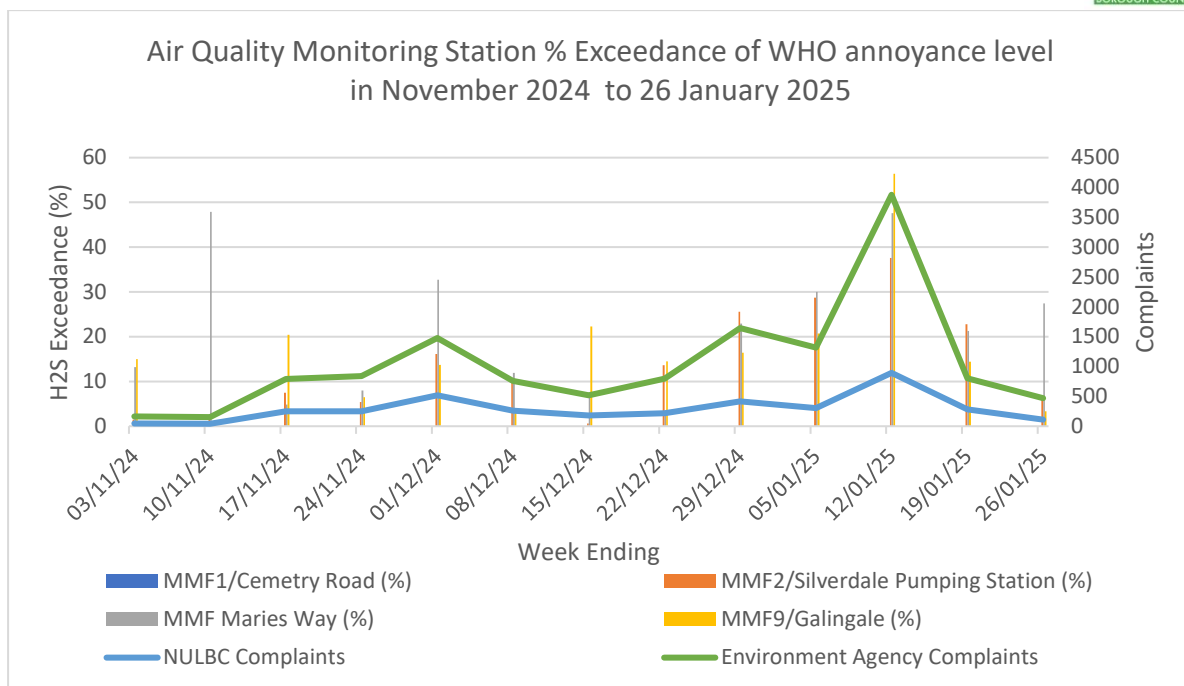
- 2.11** As reported in the previous Cabinet report the EA served a closure notice on Walleys Quarry Ltd on 28 November 2024. Walleys Quarry Limited subsequently submitted an appeal against the closure notice on 6 December.
- 2.12** The Council sought legal advice and subsequently submitted a written representation as an ‘interested party’ to the Planning Inspectorate on 13 January 2025.
- 2.13** The Council requested that the Planning Inspectorate considered the Council as a ‘principal party’ in the inquiry. If the Planning Inspectorate agrees to the request this potentially enables the Council to be a main party in the inquiry in the same way as the EA and WQL.
- 2.14** Cabinet will be informed of the decision by the Planning Inspectorate in due course.

### Air Quality

- 2.15** 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 (EA).
- 2.16** The latest H2S data is set out in the table below, defining the proportion of the time periods where H2S levels were above the WHO Odour Annoyance guideline of 7ug/m<sup>3</sup>. Historic data is available in Appendix 2.

Time Period	MMF Maries Way (%)	MMF Silverdale Pumping Station (%)	MMF Galinagle View (%)
04 November - 10 November 2024	47.9	2.1	0.3
11 November - 17 November 2024	4.8	7.49	20.4
18 November - 24 November 2024	8.0	5.4	6.5
25 November - 1 December 2024	32.7	16.1	13.7
2 December - 8 December 2024	11.9	10.3	3.9
9 December - 15 December 2024	7.1	0.6	22.3
16 December - 22 December 2024	3.3	13.6	14.5
23 December - 29 December 2024	22.9	25.6	16.4
30 December - 05 January 2025	30.0	28.7	20.7
06 January - 12 January 2025	47.6	37.6	56.4
13 January - 19 January 2025	21.3	22.8	14.4
20 January - 26 January 2025	27.4	6.3	3.3

- 2.17** The complaint data and weekly % exceedance of the WHO annoyance level have been combined and is shown on the graph below:



### Environment Agency Regulatory and Enforcement Action

- 2.18** The Environment Agency has continued to provide updates on its regulatory activity on the Walleys Quarry Landfill and can be accessed here: <https://engageenvironmentagency.uk.engagementhq.com/hub-page/walleys-quarry-landfill>
- 2.19** The following Compliance and Assessment Reports have been published on the EA website since the previous Cabinet report(s):

Date of Report	Date issued	CAR reference	Assessment	Compliance Score
02/10/24	29/10/24	DP3734DC/0524572	Procedure Review – announced site inspection	31
15/10/24	30/10/24	DP3734DC/0524588	Site inspection - unannounced	4
24/10/24	30/10/24	DP3734DC/0524854	Site inspection - unannounced	0
31/10/24	14/11/24	DP3734DC/0526931	Site inspection - announced	0
07/11/24	07/11/24	DP3734DC/0525992	Report/data review Decommissioning Leachate Well LS7 methodology	0
13/11/24	06/12/24	DP3734DC/0528654	Site inspection - unannounced	0
27/11/24	11/12/24	DP3734DC/0531324	Site inspection - unannounced	4
03/12/24	03/12/24	DP3734DC/0498087	Procedure review Landfill Gas Management Plan revision 3.10	0
09/12/24	09/12/24	DP3734DC/0530957	Report/data review Leachate Pumping trials – recovery test report	0

## Non-Compliance identified in Compliance and Assessment Reports

### 2.20 Compliance Assessment Report dated 2 October 2024 – 31 CCS points

Non-compliances

C2 General Management – Management System & Operating Procedures - Permit Condition 2.4.1

You have been scored a category 2 non-compliance (31 CCS points), because you have not operated the activities, namely disposal of waste, using the techniques and in the manner described in the documentation specified in Schedule 1, table S1, as you have failed to:

1. Refuse to accept malodourous waste;
2. Remove areas of leachate ponding, which had increased in size since 16 September 2024;
3. Repair and/or replace the malfunctioning leachate pump;
4. Notify and agree with the Environment Agency proposed remedial action in relation to the leachate pump and a timetable for completion as the repair had not been completed within 2 working days.

These are remedial measures for non-conformances which are specified in the Approved OMP, which is a specified operating techniques document, and the Environment Agency has not agreed a different operating techniques document in writing.

This is a non-compliance which could have a significant effect on quality of life if not addressed promptly and adequately. You have identified waste and leachate as potential odour sources but failed to take the measures that you have identified to remediate odour non-conformances and mitigate odour pollution. Fugitive odorous emissions to air are likely to cause offence to local residents' sense of smell and impair or interfere with amenities or other legitimate uses of the environment. There are people living and working within 975 metres of the site perimeter, with some individuals as close as 125 metres.

**Action DP3734DC/0524572:** Remove any areas of leachate ponding.

**Deadline:** 08 November 2024.

### Compliance Assessment Report dated 15 October 2024

**Non-compliances B1 Infrastructure – Engineering for prevention & control of pollution - Permit Condition 2.5.6.**

You have been scored a category 3 non-compliance (4 CCS points), because permanent capping works (Phase 2b) did not take place in accordance with the approved construction proposals, specifically sections 3.3.2, 3.4.1, 3.4.2 and 4.6.1 of the CQA Plan. The change to the approved construction proposal, namely the presence of unsuitable materials in the subgrade which have the potential to damage the overlying geosynthetic materials, is likely to have an adverse impact on the performance of the geomembrane layer. In any event, the Environment Agency did not agree any change to the approved construction proposals. The agreed construction standards have been designed to control landfill gas emissions effectively. This is a non-compliance which could have a minor effect on quality of life if it were not addressed promptly and adequately, due to an increased risk of odorous gas emissions escaping beyond the site boundary causing offence to residents' sense of smell, and along with those who work nearby.



**Action DP3734DC/0524588:** Construct landfill infrastructure in accordance with approved construction proposals.

As construction had already taken place at the time of the inspection, it is not possible for the Environment Agency to require retrospective action. However, the following information should be provided to the Environment Agency to confirm that appropriate action has been taken to address the non-conformances with the CQA plan identified on 15 October 2024, and to prevent future recurrence:

- a. details of checks and approval by the CQA Inspector in respect of the subgrade suitability and authorised deployment of the overlying geosynthetics prior to 15 October 2024.
- b. if no such approval was given, why AJS was allowed to deploy geosynthetic materials contrary to the requirements of the CQA Plan; and
- c. the measures that will be put in place to prevent work which does not meet the requirements of the CQA plan from going ahead; and
- d. copies of the CQA Inspector's daily logs, surface (regulating layer) release forms and geotextile and geomembrane 'pro-forma' information from the date of the installation of the subgrade in the northern extent of Phase 2b capping works, up to and including 15 October 2024

**Deadline:** 15 November 2024

## 2.21 Compliance Assessment Report dated 15 October 2024 – 4 CCS points

Non-compliances

B1 Infrastructure – Engineering for prevention & control of pollution - Permit Condition 2.5.6.

You have been scored a category 3 non-compliance (4 CCS points), because permanent capping works (Phase 2b) did not take place in accordance with the approved construction proposals, specifically sections 3.3.2, 3.4.1, 3.4.2 and 4.6.1 of the CQA Plan.

The change to the approved construction proposal, namely the presence of unsuitable materials in the subgrade which have the potential to damage the overlying geosynthetic materials, is likely to have an adverse impact on the performance of the geomembrane layer. In any event, the Environment Agency did not agree any change to the approved construction proposals.

The agreed construction standards have been designed to control landfill gas emissions effectively. This is a non-compliance which could have a minor effect on quality of life if it were not addressed promptly and adequately, due to an increased risk of odorous gas emissions escaping beyond the site boundary causing offence to residents' sense of smell, and along with those who work nearby.

**Action DP3734DC/0524588:** Construct landfill infrastructure in accordance with approved construction proposals.

As construction had already taken place at the time of the inspection, it is not possible for the Environment Agency to require retrospective action. However, the following information should be provided to the Environment Agency to confirm that appropriate action has been taken to address the non-conformances with the CQA plan identified on 15 October 2024, and to prevent future recurrence:

- a. details of checks and approval by the CQA Inspector in respect of the subgrade suitability and authorised deployment of the overlying geosynthetics prior to 15 October 2024.
- b. if no such approval was given, why AJS was allowed to deploy geosynthetic materials contrary to the requirements of the CQA Plan; and

c. the measures that will be put in place to prevent work which does not meet the requirements of the CQA plan from going ahead; and  
d. copies of the CQA Inspector's daily logs, surface (regulating layer) release forms and geotextile and geomembrane 'pro-forma' information from the date of the installation of the subgrade in the northern extent of Phase 2b capping works, up to and including 15 October 2024

**Deadline:** 15 November 2024

## 2.22 Compliance Assessment Report dated 27 November 2024 – 4 CCS

Non-compliances

You have been scored a category 3 non-compliance (4 CCS points), because placement of geomembrane restoration soils on the permanent capping works (Phase 2b) did not take place in accordance with the approved construction proposals (specified in Capping and Restoration works – CQA plan, rev D, April 2022), specifically sections 7.3.3. and 7.3.5 of the CQA Plan.

The change to the approved construction proposals, namely:

1. the lack of any CQA supervision; and
2. the failure to maintain the minimum thickness of 1000mm of material at any location between the capping system and wheel plant/vehicles', is likely to have an adverse impact on the performance of the geomembrane layer. In any event, the Environment Agency did not agree any change to the approved construction proposals.

The agreed construction standards have been designed to control landfill gas emissions effectively and are one of the procedures that you have in place to mitigate pollution. You have failed to take these appropriate measures. This is a non-compliance which could have a minor effect on quality of life if it were not addressed promptly and adequately, due to an increased risk of odorous gas emissions escaping beyond the site boundary causing offence to residents' sense of smell, along with those who work nearby.

**Action DP3734DC/0531324:** Construct all landfill infrastructure in accordance with the approved construction proposals.

As construction had already taken place at the time of the inspection, it is not possible for the Environment Agency to require retrospective action. However, the following information should be provided to the Environment Agency to confirm that appropriate action has been taken to address the non-conformances with the CQA plan identified on 27 November 2024, and to prevent future recurrence:

1. Confirmation that the soil material has been carefully inspected to verify its suitability.
2. Confirmation that any damage that has occurred to the geomembrane cap as a result of the non-confirming works had been rectified.
3. An explanation of why WQL deployed the restoration soils contrary to the requirements of the CQA Plan.
4. A list of the measures that will be put in place to prevent work which does not meet the requirements of the CQA plan from going ahead again.

**Deadline:** by 18 December 2024. The information shall also be recorded appropriately in the CQA report, when it is submitted.

## UK Health Security Agency [UKHSA] Interim Risk assessment

2.23 On 16 January, the EA published on 'Latest news' on their engagement website:

'The data recorded by our Mobile Monitoring Facilities (MMF's) and the volume of odour reports we received over the last week, reflect an unacceptable level of odour emissions from Walleys Quarry Landfill. We know that this has impacted many within the community and we have every sympathy with those who have been affected.

The Closure Notice, which we issued on 28 November 2024 (The Notice), does not alter Walleys Quarry Ltd's (WQL) obligations to comply with its permit conditions. The company remains responsible for maintaining active pollution control measures. We have informed WQL that it must work at pace to address the sources of the landfill gas and ensure that it is using appropriate measures to capture, contain and destroy the gas.

Since the beginning of January 2025, officers have been on site weekly and will continue to carry out regular inspections to ensure that WQL is making progress to complete the series of steps required by the Notice. As we have previously informed you (see 3 January 2025 update), we expect the odour outside the site to reduce as the additional gas infrastructure and capping required by the Notice are completed. The deadlines in the Notice are challenging but reasonable, based on the work which needs to be done. The capping work is due to be completed by 31 January 2025.

The significant levels of emissions outside the site have been intensified by the recent period of cold, still weather, which leads to poor dispersion conditions that will magnify the impacts on the community.

In recognition of this impact, and in particular the conditions between 9 and 11 January 2025, we have shared the raw MMF data that we have for the period up to 12 January 2025 with the UK Health Security Agency (UKHSA) so that they could undertake an interim risk assessment. It is important to note that this data is based on indicative and incomplete raw data.

UKHSA has produced an interim risk assessment which can be viewed [here](#) and released the following statement

*UKHSA is aware that residents living near Walleys Quarry Landfill have experienced increased odour pollution from the site throughout December, continuing into January.*

*The air quality data supplied by the Environment Agency (EA), for our December risk assessment, shows that hydrogen sulphide levels over the Christmas period were substantially above the World Health Organization (WHO) odour annoyance guideline level, with continual periodic high spikes of emissions throughout this time. This is consistent with the increase in local complaints sent to the EA and local authority.*

*UKHSA felt it was important to carry out an interim risk assessment, due to increasing levels of odour pollution complaints, along with further raw data being received for early January, showing hydrogen sulphide levels periodically exceeding the WHO short-term health guideline value.*

*The assessment is that while the risk to long-term health is still likely to be small, there is an increased likelihood that some residents could experience short-term health impacts affecting breathing, irritation of the eyes, nose and mouth. These effects should be transient (reduce if exposure declines) however, these higher exposures may exacerbate pre-existing chronic lung conditions.*

*Anyone with health concerns or symptoms should contact NHS 111 or their local GP'.*

- 2.24** The UK Health Security Agency Health Risk Assessment of interim air quality monitoring results from 6 to 12 January 2025: Walleys Quarry Landfill Site, Silverdale Newcastle-under-Lyme is provided in full in Appendix 4.

### Closure Notice

- 2.25** On 28 November 2024, the Environment Agency issued a Closure Notice to Walleys Quarry Ltd (WQL).
- 2.26** The Schedule to the Closure Notice requires WQL to comply with steps to initiate closure. The steps specified in the Schedule are summarised in the table below:

<b>Schedule 2</b>	<b>Timescale</b>	<b>Steps</b>
Stage 1 Step 1	<b>From 00:01 on 29 November 2024</b>	Cease accepting waste and do not recommence the acceptance of waste for disposal or recovery at the landfill
Stage 1 Step 2	<b>By 13 December 2024</b>	Construct bench-like horizontal platforms within the waste flanks on the uncapped former active tipping (operational) areas to facilitate access, maintenance and monitoring for the installation of gas control infrastructure (gas wells and connecting pipelines).
Stage 1 Step 3		Any waste left exposed following construction of bench like horizontal platforms in the former active area tipping (operational) areas shall be covered with non-waste material by the end of each working day.
Stage 1 Step 4	<b>By 24 December 2024</b>	Install permanent gas extraction wells as set out in Walleys Next Phase Gas Infrastructure Design 18.11.2024 reference CLP3573 and in those former active tipping (operational) areas without gas extraction, in accordance with the design and specification set out in the LGMP
Stage 1 Step 5		Connect all installed gas extraction infrastructure to the operational gas control system and place it under extraction. This shall occur no later than the end of the day of installation of the specific infrastructure
Stage 1 Step 6	<b>By 31 January 2025</b>	Install temporary geomembrane capping to any uncapped part of the former active tipping area of the landfill. Once installed, the capping shall alleviate gas emissions so that they do not exceed 50 parts per million (ppm) methane.
Stage 1 Step 7		Collect and remove surface water run-off from capped areas in accordance with Temporary Surface Water Management Layout, drawing ECL. 9311.D05.001 Rec C dated 10.07.2024. Any contaminated surface water shall either be removed from site or treated via leachate treatment plant.
Stage 1 Step 8	<b>By 7 February 2025</b>	A surface gas emissions survey shall be undertaken in accordance with LFTGN07 v2 2010 Guidance on monitoring landfill gas surface emissions

Stage 1 Step 9	<b>By 14 February 2025</b>	Submit a report to the EA demonstrating that emissions of methane do not exceed 50 parts per million (ppm) methane.
Stage 1 Step 10	<b>From 14 February 2025</b>	Conduct surface gas emission surveys every four weeks until the permanent cap is installed to ensure that the temporary cap is alleviating methane emissions to below 50ppm.
Stage 1 Step 11	<b>No later than 7 days after each survey carried out in accordance with Step 10 above</b>	Submit a report to the EA demonstrating that emissions of methane do not exceed 50ppm methane
Stage 1 Step 12	<b>Within 24 hours</b> from detection	Repair any defects or leaks in the cap giving rise to methane emissions greater than 50ppm methane
Stage 1 Step 13	<b>By 28 February 2025</b>	Provide the EA with a Landfill Closure and Aftercare Plan [Refer to the Closure Notice for the relevant sector guidance]
Stage 2 Step 1	<b>By 30 May 2025 or such date agreed in writing by the EA</b>	Provide the EA with a closure report which specifies how closure has been achieved and how the activities at the site will be managed, monitored and maintained during the aftercare phase. [Refer to Closure Notice for the relevant sector guidance]

### Appeal against Closure Notice

2.27 Cabinet will be updated on the date(s) of the inquiry in due course.

### Walleys Quarry update

2.28 No further information updates have been provided by Walleys Quarry Ltd since 02 January 2025.

### Impact Study

2.29 An Impact study, commissioned jointly by a group of public bodies, including Staffordshire County Council, Newcastle-under-Lyme Borough Council, the Environment Agency and UK Health Security Agency, will be carried out by the independent Arcadis Consulting.

2.30 The Health and Care Overview and Scrutiny Committee at Staffordshire County Council considered the report at its meeting on 2 December 2024.

2.31 The minutes are now available and are linked [here](#). The Committee endorses the recommendations within the Arcadis report and agreed that the Arcadis report be shared with the Secretary of State for Health and Social Care.

### Key Performance Data

2.32 Through the settlement agreement both Walleys Quarry Ltd and the Council have developed key performance indicators in relation to relevant data from each organisation. The key performance indicator for NuLBC is shown in Appendix 3.

**2.33** The data from the Council covers the period from November 2024 to January 2025 and provides complaint numbers and officer assessments.

**2.34** 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 from September onwards has not been submitted by the operator.

### **3. Recommendation**

#### **3.1 Cabinet is recommended to:**

- Note the contents of this update report.

### **4. Reasons for Proposed Solution**

**4.1** 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.

### **5. Options Considered**

**5.1** To provide regular updates to Cabinet.

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

**6.1** 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.

## **7. Equality Impact Assessment**

- 7.1 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.

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

- 8.1 Dedicated officer resource has been allocated to continue the Council's work regarding Walleys Quarry Landfill.
- 8.2 From April 2024 there is a £300k reserve for works associated with Walleys Quarry Landfill site. Should further funding be required, up to £300k can be made available through the transfer of useable reserves (£100k from the Borough Growth Fund and £200k from the Budget and Borrowing Support Fund). These funds can be transferred without Council approval.
- 8.3 On 20 November 2024 Council approved the sum of £400k (£250k from the General Fund Reserve, £150k from the Budget and Borrowing Support Fund) for costs associated with action to prosecute, and delegate to the Chief Executive and Section 151 Officer, in consultation with the Portfolio Holders for One Council, People and Performance and Town Centres and Finance, to draw down and remit such funds as are necessary for this action.

## **9. Major Risks**

- 9.1 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;
- 9.2 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.

## 10. UN Sustainable Development Goals (UNSDG)



## 11. One Council

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

One Commercial Council

One Digital Council

The Council will use all available monitoring data and digital tools in making strategic and operational decisions in relation to Walleys Quarry.

One Green Council

The Council is not a user of Walleys Quarry. Within its restricted powers, the Council is committed to ensuring that waste does not cause a nuisance for residents and ultimately wishes to see the end of landfill, with a site that is successful closed, capped off and restored.

## 12. Key Decision Information

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

## 13. Earlier Cabinet/Committee Resolutions

13.1 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, 5<sup>th</sup> December 2023, 16<sup>th</sup> January 2024, 6<sup>th</sup> February 2024, 14<sup>th</sup> February 2024, 19<sup>th</sup> March 2024, 10<sup>th</sup> April 2024, 4<sup>th</sup> June 2024, 16<sup>th</sup> July 2024, 10<sup>th</sup> September 2024, 25<sup>th</sup> September 2024, 15<sup>th</sup> October 2024, 5<sup>th</sup> November 2024, 25<sup>th</sup> November 2024. 3<sup>rd</sup> December 2024, 9<sup>th</sup> January 2025.

## 14. List of Appendices

14.1 Appendix 1. Historical Complaint data

14.2 Appendix 2. Percentage exceedance above WHO odour annoyance guideline



- 14.3** Appendix 3. NULBC Key Performance Data
- 14.4** Appendix 4. UKHSA Health Risk Assessment of interim air quality monitoring results from 6 to 12 January 2025

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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	Week Ending	Complaints to NuLBC	Complaints to Environment Agency
11-Jun	19	75	24-Mar	120	330
18-Jun	76	154	31-Mar	81	254
25-Jun	80	170	07-Apr	56	220
02-Jul	40	99	14-Apr	17	75
09-Jul	18	46	21-Apr	32	145
16-Jul	20	54	28-Apr	55	196
23-Jul	15	73	05-May	41	167
30-Jul	28	97	12-May	75	311
06-Aug	21	67	19-May	76	192
13-Aug	7	30	26-May	89	240
20-Aug	10	44	02-Jun	75	207
27-Aug	8	38	09-Jun	38	114
03-Sep	11	59	16-Jun	50	147
10-Sept	26	71	23-Jun	67	189
17-Sept	12	72	30-Jun	117	298
24-Sept	8	31	07-Jul	45	103
01-Oct	8	26	14-Jul	52	155
08-Oct	8	37	21-Juy	118	277
15-Oct	29	64	28-Jul	93	189
22-Oct	22	81	04-Aug	61	162
29-Oct	26	115	11-Aug	53	143
05-Nov	5	15	18-Aug	50	160
12 Nov	40	123	25-Aug	35	185
19-Nov	35	119	01-Sept	7	46
26-Nov	36	135	08-Sept	14	42
3-Dec	115	265	15-Sept	25	95
10-Dec	83	151	22-Sept	43	118
17-Dec	48	180	29-Sept	16	53
24-Dec	28	79	06-Oct	52	147
31-Dec	44	129	13-Oct	80	187
<b>2024</b>			20-Oct	37	136
07-Jan	236	627	27-Oct	100	311
14-Jan	76	268	03-Nov	46	163
21-Jan	270	824	10-Nov	41	153
28-Jan	86	261	17-Nov	251	793
04-Feb	133	416	24-Nov	252	842
11-Feb	382	905	1-Dec	518	1478
18-Feb	186	527	8 -Dec	261	760
25-Feb	397	1264	15-Dec	182	518
03-Mar	333	990	22-Dec	220	797
10-Mar	218	694	29-Dec	418	1644
17-Mar	103	374			

Time Period			
	<b>MMF1 (%)</b>	<b>MMF 2 (%)</b>	<b>MMF 9 (%)</b>
02 October – 08 October 2023			0
09 October – 15 October 2023			9.4
16 October – 22 October 2023	0.9	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
27 November – 3 December 2023	14.9	7.4	26.2
4 December – 10 December 2023	21.4	3.0	10.2
11 December – 17 December 2023	13.4	2.68	8.33
18 December – 24 December 2023	0	0	0.6
25 December- 31 December 2023	23.21	0.3	1.9
01 January – 07 January 2024	16.9	8.7	17.7
08 January – 14 January 2024	0		5.0
15 January – 21 January 2024	17.4		18.4
22 January – 28 January 2024	37.8		11.6
29 January – 04 February 2024	18.6		23.4
05 February – 11 February 2024	20.8		22.6
12 February – 18 February 2024	30.8		9.6
19 February – 25 February 2024	27.4		21.1
26 February – 03 March 2024	33.7		20.1
04 March – 10 March 2024	34		13
11 March – 17 March 2024	17.0		6.0
18 March – 24 March 2024	8	1.8	4.5
25 March – 31 March 2024	37.8	1.8	2.1
01 April - 07 April 2024	15.6	1.2	5.4
08 April – 14 April 2024	10.7	0	4.8
15 April – 21 April 2024	0.9	1.2	7.9
22 April – 28 April 2024	1.8	0	6.7
29 April – 05 May 2024	2.4	0.6	9.0
06 May – 12 May 2024	6.85	0.3	14.3
13 May – 19 May 2024	3.3	0	12.2
20 May – 26 May 2024	1.8	0.6	8.6
27 May – 02 June 2024	5.7	1.2	6.0
03 June – 09 June 2024	0	0	8.1
10 June – 16 June 2024	0.6	0	4.2
17 June – 23 June 2024	0.9	0.6	8.7
24 June – 30 June 2024	0.0	0.3	6.9

01 July - 7 July 2024	0.6	0.0	4.2
08 July - 14 July 2024	0.3	0.0	8.9
15 July - 21 July 2024	7.2	7.5	16.5
22 July - 28 July 2024	2.7	0	15.2
05 August - 11 August 2024	1.2	2.1	5.4
12 August - 18 August 2024	1.2	0.3	1.8
19 August - 25 August 2024	0	0	0
26 August - 01 September 2024	0	0	0.6
	<b>MMF Maries Way (%)</b>	<b>MMF Silverdale Pumping Station (%)</b>	<b>MMF Galinagle View (%)</b>
02 September - 08 September 2024	0.6	0	1.1
09 September - 15 September 2024	1.8	3.3	5.7
16 September - 22 September 2024	0.3	0.0	10.8
23 September - 29 September 2024	4.8	0.6	0.6
30 September - 06 October 2024	18.7	3.6	7.2
07 October -13 October 2024	14.0	11.3	8.0
14 October - 20 October 2024	22.8	5.09	1.8
21 October - 27 October 2024	13.4	14.0	12.0
28 October - 03 November 2024	13.2	1.5	15.0
04 November -10 November 2024	47.9	2.1	0.3
11 November -17 November 2024	4.80	7.49	20.40
18 November - 24 November 2024	8.0	5.4	6.5
02 December - 8 December 2024	11.9	10.3	3.9
09 December - 15 December 2024	7.1	0.6	22.3
16 December - 22 December 2024	3.3	13.6	14.5
23 December - 29 December 2024	22.9	25.6	16.4

### Appendix 3 – NULBC Key Performance Indicators

NULBC		Information	Measurement	November 2024	December 2024	January 2025
KPI 1	COMPLAINTS	Complaints reported to NULBC	Number	1064 * *Data revised to include back dated complaints Number of unique properties reporting complaints= 452  Rating 0 = 3 Rating 1 = 1 Rating 2 = 1 Rating 3 = 57 Rating 4 = 128 complaints (12.03%) Rating 5 = 262 complaints (24.6%) Rating 6 = 612 complaints (57.5%)  % of complaints reporting odour entering the property = 879 (82.6%)  % of complaints reporting health effects =783 (73.6%)	1129 * *Data revised to include back dated complaints Number of unique properties reporting complaints= 478 (amended figure) Rating 0 = 1 Rating 1 = 0 Rating 2 = 5 Rating 3 = 90 Rating 4 = 164 complaints (14.5%) Rating 5 = 287 complaints (25.5%) Rating 6 = 582 complaints (51.6%)  % of complaints reporting odour entering the property = 917 (81.2%)  % of complaints reporting health effects = 785 (69.6%)	1616  Number of unique properties reporting complaints= 708  Rating 0 = 0 Rating 1 = 0 Rating 2 = 9 Rating 3 = 100 Rating 4 = 193 complaints (11.9%) Rating 5 =370 complaints (22.9%) Rating 6 = 944 complaints (58.4%)  % of complaints reporting odour entering the property =1414 (87.5%)  % of complaints reporting health effects = 1279 (79.1%)
KPI 2		Complaints reported (daytime 07:00-23:00)	Number	881	983	1380
KPI 3		Complaints reported (night-time 23:00-07:00)	Number	183	146	236
KPI 4		Highest number of complaints during the period	Date (number of complaints)	28/11/24 (193 complaints)	03/12/24 (103)	10/01/25 (379)

NULBC		Information	Measurement	MMF Location Name	November 2024	December 2024	January 2025
KPI 5	AIR QUALITY	Percentage exceedance Odour Annoyance Guideline (Hydrogen Sulphide 30-minute average)	%	MMF Maries Way	28.4%	12.4%	Awaited
				MMF Silverdale Pumping Station	6.5%	16.5%	Awaited
				MMF Galingale View	11.3%	15.0%	Awaited
KPI 6		Monthly Average H <sub>2</sub> S	ug/m3 over the month	MMF Maries Way	7.2ug/m3	6.0ug/m3	Awaited
				MMF Silverdale Pumping Station	2.7ug/m3	6.8ug/m3	Awaited
				MMF Galingale View	7.8ug/m3	5.0ug/m3	Awaited
KPI 7	H <sub>2</sub> S PEAK LEVEL	Level measured over a 5-minute period Date & Time	ug/m3	MMF Maries Way 28/11/24 06:55	309.34ug/m3 28/11/24 06:55	585.29ug/m3 25/12/2024 20:50	Awaited
				MMF Silverdale Pumping Station 28/11/24 07:25	207.21ug/m3 28/11/24 07:25	1347.35ug/m3 25/12/2024 18:25	Awaited
				MMF Galingale View 26/11/24 22:50	293.38ug/m3 26/11/24 22:50	887.30ug/m3 25/12/24 07:00	Awaited
KPI 8	OFFICER ASSESSMENTS	Odour Rating - Officer odour assessment (5 minute)	Max Intensity Rating		32 assessments of which 30 recorded a max intensity rating of 4 or above on 11/11/24, 20/11/24, 21/11/24, 27/11/24, 28/11/24	N/A	3 assessments of which 3 recorded a max intensity rating of 5 on 10/01/25 17/10/25 23/01/25





UK Health  
Security  
Agency

## **Health Risk Assessment of interim air quality monitoring results from 6 to 12 January 2025: Walleys Quarry Landfill Site, Silverdale Newcastle-under-Lyme**

### **Regarding ongoing response to odours and health concerns associated with the site**

#### **Introduction**

UKHSA is aware that residents living near Walleys Quarry Landfill site have experienced increased odour pollution from the site throughout December, continuing into January.

The air quality data supplied by the Environment Agency (EA), for our December risk assessment, shows that hydrogen sulphide levels over the Christmas period were substantially above the World Health Organization (WHO) odour annoyance guideline level, with continual periodic high spikes of emissions throughout this time. This is consistent with the increase in local complaints sent to the EA and local authority.

UKHSA felt it was important to carry out an interim risk assessment for the period 6 to 12 January 2025, due to increasing levels of odour pollution complaints, along with further raw data being received for early January, showing hydrogen sulphide levels periodically exceeding the WHO short-term health guideline value.

#### **Short Term Exposure**

##### **Assessment of odour pollution impacts**

UKHSA has used the WHO odour annoyance guideline level for hydrogen sulphide to identify the potential for substantial odour pollution complaints. Hydrogen sulphide concentrations exceeding  $7\mu\text{g}/\text{m}^3$  over a 30-minute averaging period are likely to give rise to substantial numbers of odour pollution reports.

The interim concentrations of hydrogen sulphide for the period 6 to 12 January 2025 were above the WHO odour annoyance guideline value for a significant percentage of the time at MMF Maries Way, MMF Silverdale Pumping Station, and MMF Galingale View.

**The more time spent above the guideline, the greater the likelihood of symptoms being experienced and consequently impacting on people's health and wellbeing.**

### **Assessment of daily exposure**

UKHSA has also used the WHO 24-hour air quality guideline value of 150 µg/m<sup>3</sup> to assess daily average exposure to hydrogen sulphide. This value is protective of eye irritation.

The weekly raw (indicative) hydrogen sulphide monitoring data for the period 6 to 12 January 2025 has been converted to 24-hour averages for each of the monitoring days. At MMF Maries Way, 24-hour average values were below the WHO 24-hour guideline value of 150 µg/m<sup>3</sup>. However, at MMF Pumping Station and MMF Galingale, the 24-hour average guideline value was exceeded on three days during the monitoring period: 10 January at MMF Pumping Station, and both 10 and 11 January 2025 at MMF Galingale, with 24-hour average concentrations of 205 µg/m<sup>3</sup> and 213 µg/m<sup>3</sup> (10 January) and 258 µg/m<sup>3</sup> (11 January).

**Exposure to concentrations of hydrogen sulphide above the WHO 24-hour guideline value may cause irritation of the eyes nose and throat.**

### **Peak exposures**

Short-term peaks in hydrogen sulphide concentrations have been compared against the US Environmental Protection Agency (US EPA) Acute Exposure Guideline Levels (AEGs). AEGs are expressed as specific concentrations of airborne chemicals at which health effects may occur and used to assess peaks of exposure. They are designed to protect elderly people and children, and other individuals who may be susceptible. The interim monitoring data from the three MMFs were compared with AEG-1 10-minute, 30-minute, 60-minute, 4-hour and 8-hour levels for hydrogen sulphide for the period 6 to 12 January 2025. At MMF Maries Way, all concentrations were below the AEG-1 values. However, at MMF Pumping Station, the AEG-1 10-minute, 30-minute, 60-minute, 4-hour and 8-hour levels for hydrogen sulphide was exceeded during 9 and 10 January 2025. At MMF Galingale, the AEG-1 4-hour and 8-hour levels for hydrogen sulphide was exceeded during 10 and 11 January 2025.

**Exposure to concentrations above the AEG-1 values may cause notable discomfort, irritation or certain asymptomatic, non-sensory effects. However, the effects are not disabling, and are transient and reversible upon cessation of exposure.**

## **Overall conclusions**

The assessment is that while the risk to long-term health is still likely to be small, short-term transient health effects may be experienced such as irritation to the eyes, nose and throat, in addition to effects resulting from odour such as headache, nausea, dizziness, watery eyes, stuffy nose, irritated throat, cough or wheeze, sleep problems and stress. Individuals with pre-existing respiratory conditions such as asthma and chronic obstructive pulmonary disease (COPD), may be more susceptible to these effects.

UKHSA is working closely with the EA and other multiagency partners to monitor the situation and provide public health risk assessments and health advice. Anyone with health concerns or symptoms should contact NHS 111 or their local GP.

**UKHSA strongly recommends that all measures be taken to reduce the off-site odour pollution from the landfill site, to reduce the health impacts experienced in the local community.**

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**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

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

**04 February 2025**

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

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

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

**Ward(s) affected:** All

<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 enable the Cabinet to recommend the 2025/26 General Fund Revenue Budget and the 2025/26 Capital Programme for approval to Full Council, at the meeting on 12 February 2025 following consideration by the Finance, Assets and Performance Scrutiny Committee on 16 January 2025.</p> <p>To recommend the Capital Strategy for 2025/35, the Treasury Management Strategy for 2025/26, the Investment Strategy for 2025/26 and the Commercial Strategy for 2025/26 for approval to Full Council, meeting on 12 February 2025.</p>	
<b><u>Recommendation</u></b>	
<p><b>That Cabinet:</b></p> <ol style="list-style-type: none"> <li>1. <b>Recommend to Full Council for approval, the Revenue and Capital Budgets as detailed in this report and in the report to Cabinet dated 9 January 2025.</b></li> <li>2. <b>Recommend to Full Council for approval, the updated Medium Term Financial Strategy 2025/26 to 2029/30 (Appendix 2).</b></li> <li>3. <b>Approve the strategy for ensuring a balanced revenue outturn position for 2024/25.</b></li> <li>4. <b>Recommend to Full Council for approval, the calculation of the Council Tax base and a proposed Council Tax increase for 2025/26 of 1.99% per Band D equivalent property.</b></li> <li>5. <b>Recommend to Full Council for approval, the risk assessment at Appendix 3 and the Section 151 Officer's recommendation on the level of reserves and contingencies provisionally required to be maintained in 2025/26.</b></li> <li>6. <b>Approve the Civic Growth Fund priorities for 2025/26.</b></li> <li>7. <b>Recommend to Full Council for approval, the Capital Strategy (Appendix 5) for 2025/35.</b></li> </ol>	

8. **Recommend to Full Council for approval, the Treasury Management Strategy (Appendix 6) for 2025/26.**
9. **Recommend to Full Council for approval, the Investment Strategy (Appendix 7) for 2025/26.**
10. **Recommend to Full Council for approval, the Commercial Strategy (Appendix 8) for 2025/26.**
10. **Recommend to Full Council for approval, the updated Asset Management Strategy (Appendix 9) for 2023/28.**
11. **Recommend to Full Council for approval, the Local Council Tax Reduction Scheme (Appendix 10) for 2025/26.**

### **Reasons**

To enable the Cabinet to recommend a robust and affordable budget for 2025/26 to the Full Council at its meeting on 12 February 2025.

The Council needs to have an approved Capital Strategy for 2025/26, an approved Treasury Management Strategy for 2025/26, an approved Investment Strategy for 2025/26 and an approved Commercial Strategy for 2025/26 in place before the start of the 2025/26 financial year.

## **1. Background**

- 1.1 The Council is committed to the delivery of high quality services. Integral to this ambition is effective targeting of financial resources in line with the vision of “good local services, a prosperous borough and safe and welcoming places for all” and the Council’s stated aims and objectives, as set out in the Council Plan 2022-2026, which was approved by Cabinet on 6 September 2022.
- 1.2 The Medium Term Financial Strategy (MTFS) sets out the Council’s financial position over the next 5 years. This is aligned to the Council Plan 2022-2026 and is the key vehicle for ensuring efficiency in service delivery and targeting resources to priority areas.
- 1.3 There has been good progress against Council Plan objectives in the current year, with high standards of service delivery being achieved overall. Key Council Achievements, linked to the Council Plan objectives, are reported to Cabinet on a quarterly basis. (Details of the Council Plan 2022-2026 can be seen here <https://www.newcastle-staffs.gov.uk/policies-1/council-plan-2022-2026>)
- 1.4 The 2025/26 budget is based on the assumptions set out in the MTFS which was reported to the Cabinet at its meeting on 9 January 2025 and scrutinised by the Finance, Assets and Performance Scrutiny Committee at its meeting on 16 January 2025.
- 1.5 The proposals included in this report will inform the Revenue and Capital Budgets and Council Tax 2025/26 report to Full Council on 12 February 2025.

- 1.6** The Capital Strategy 2025/35 sets out how the Council proposes to deploy its capital resources in order to achieve its corporate and service objectives. It takes into account other relevant Council strategies, policies and plans and the views of partners and interested parties with whom the Council is involved. It also takes account of the resources which are likely to be available to the Council to fund capital investment and the effect of that investment on the Council's revenue budget. It will serve as a useful point of reference when determining or reviewing the Council's Capital Programme.
- 1.7** The Council has adopted the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Code of Practice. This requires approval by Full Council concerning the Treasury Management Strategy to be followed in carrying out its treasury management activities in the forthcoming financial year, 2025/26.
- 1.8** The Investment Strategy 2025/26 is compiled according to Central Government's Guidance on Local Government Investments ('the Guidance') and the 2017 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ('the CIPFA TM Code'). It sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 1.9** The Commercial Strategy 2025/26 is aligned with the Council's vision for Newcastle-under-Lyme to be a sustainable and business-oriented Council that maximises commercial opportunities in order to deliver long-term benefits for residents of the borough and support the Council's Medium-Term Financial Strategy.

## **2. Issues**

### **Budget 2024/25 – Provisional Outturn Forecast**

#### ***Revenue***

- 2.1** The Council approved a General Fund Revenue Budget of £17.046m on 14 February 2024 for 2024/25. The actual and forecast position compared to this budget is continuously monitored by Budget Holders, the Corporate Leadership Team and Portfolio Holders in order to detect any significant variances of expenditure or income from the approved amounts contained in the budget.
- 2.2** At the close of period 9 a positive variance of £0.049m has been achieved. The projected outturn on the General Fund Revenue Account for the year is £17.037m. This represents a positive outturn of £0.009m for the year.
- 2.3** The adverse variances that have occurred at the close of period 9 of 2024/25 include:
- a. Income shortfalls from sales, fees and charges which amount to £0.232m (forecast to be £0.353m for the financial year).
  - b. Holding costs for York Place (e.g. utilities and business rates) are expected to amount to £0.104m for the financial year, £0.096m had been incurred at the close of period 9.

- c. A pay award of £1,290 per employee has been awarded that is in excess of the amount provided for in the budget (3.5%), it amounts to a pressure of £0.120m (£0.090m at the close of period 9).
- d. Expenditure on repairs and renewals is expected to amount to £0.101m greater than the amount budgeted for the financial year (£0.084m at the close of period 9).
- e. Temporary accommodation for the homeless is expected to amount to £0.111m greater than the amount budgeted for the financial year after the application of grant monies (£0.083m at the close of period 9).
- f. Contributions to reserves of £0.350m have been made as a result of the favourable variance shown below in respect of interest receivable of cash that the Council holds in terms of Town Deal and Future High Street funding. £0.200m of this has been set aside to fund the inspection stage of the Local Plan. The remaining £0.150m has been contributed to the Walley's Quarry Reserve.

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

- a. Interest receivable on cash that the Council holds in terms of Town Deal and Future High Street funding totals £0.690m at the close of period 9 (it is forecast that this will grow to £0.750m of income by the close of the financial year).
- b. Interest payable on borrowing has yet to be incurred due to the cash that the Council holds in terms of Town Deal and Future High Street funding. It is forecast that borrowing may be required in the final quarter of the financial year dependent upon cash flow and that interest payable will be £0.482m lower than budgeted for (£0.395m at the close of period 9).

**2.4** Careful monitoring of the financial position will be required over coming weeks and months leading to prompt corrective action where necessary to ensure the Council remains in a position of being able to deliver a balanced budget position in the current financial year and beyond.

### ***Capital***

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

**2.6** The table below shows a high level (service) summary of the Capital Programme position at the close of period 9:



Priority	Budget at Period 9 £'000	Actual at Period 9 £'000	Variance at Period 9 £'000
One Council Delivering for Local People	674	671	(3)
A Successful and Sustainable Growing Borough	10,652	10,673	21
Healthy, Active and Safe Communities	4,340	4,333	(7)
Town Centres for All	8,212	8,212	-
<b>Total</b>	<b>23,878</b>	<b>23,889</b>	<b>11</b>

### **Medium Term Financial Strategy**

**2.7** The updated MTFs was reported to Cabinet on 9 January 2025 this reflects the adverse impact of the Local Government Finance Settlement. Confirmation of the amount of National Insurance reimbursed to the Council by Central Government will be received prior to 31 March 2025, indications are that this may not cover the entirety of pressures placed upon the Public Sector by the changes to National Insurance, any shortfall will be taken from the Business Rates Reserve in 2025/26 and will be reflected as a pressure in the MTFs in 2026/27 when the MTFs is refreshed in September 2025.

**2.8** A number of savings and funding strategies have been identified as being both feasible and sustainable, via a vigorous Financial Efficiency Board process including challenge sessions for each of the Cabinet Portfolios involving Cabinet Members, the Corporate Leadership Team, Service Directors and the Finance Manager. The savings identified to date for the period of the MTFs, and the remaining funding gaps have enabled a balanced financial position to be proposed for 2025/26.

Detail	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
<b>Income</b>	235	-	-	-	-
<b>Staffing Related</b>	156	-	-	-	-
<b>Good Housekeeping</b>	167	-	-	-	-
<b>Tax Base</b>	425	306	345	430	401
<b>Council Tax Increase</b>	175	177	180	184	188
<b>Government Grants</b>	732	-	-	-	-
<b>TOTAL SAVINGS</b>	<b>1,890</b>	<b>483</b>	<b>525</b>	<b>614</b>	<b>589</b>
<b>UPDATED MTFs GAPS</b>	<b>1,890</b>	<b>1,588</b>	<b>764</b>	<b>271</b>	<b>529</b>
<b>REMAINING GAP</b>	<b>-</b>	<b>1,105</b>	<b>239</b>	<b>(343)</b>	<b>(60)</b>

### **Revenue Budget 2025/26**

**2.9** The MTFs provides for a gap in 2025/26 of £1.890m and a gap over the 5 year period of the MTFs of £5.042m.

**2.10** The table below shows the factors which give rise to the £1.890m gap for 2025/26:

<b>Additional Income</b>	<b>£'000</b>
Fees and Charges	(408)
Business Rates Retention	(109)
National Insurance Reimbursement	(403)
<b>Total Additional Income</b>	<b>(920)</b>
<b>Loss of Income</b>	
Settlement Funding Assessment – impact of Minimum Funding Guarantee reduction	380
Business Rates Retention Reset	500
Reduction in income from under achieved budgets	100
<b>Total Loss of Income</b>	<b>980</b>
<b>Additional Expenditure</b>	
Employees (pay awards, increments, national insurance, pension)	1,340
Premises (business rates and utilities)	153
Transport (fuel)	19
Borrowing	45
Other (inc. software licences, commercialisation, restructuring)	273
<b>Total Additional Expenditure</b>	<b>1,830</b>
<b>Net Increase in Base Budget</b>	<b>1,890</b>

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

**2.12** As in previous years, the first draft of the savings plan set out at Appendix 1 was made available to the Finance, Assets and Performance Scrutiny Committee for scrutiny at its meeting on 5 December 2024. The Committee also scrutinised the recommendations of the Cabinet report of 9 January 2025 at its meeting on 16 January 2025.

**2.13** Following the Finance, Assets and Performance Scrutiny Committee, The saving in respect of the reduction in Parish Grant has been reduced from £20k to £8k. This will enable £500 to be allocated to each ward member to utilise appropriately within their Parish or Ward under the Civic Empowerment Scheme.

### **Civic Growth Fund**

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

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

<b>Investment Area</b>	<b>£'000</b>	<b>Details</b>
Council Modernisation	605	Embedding digitalisation across services and developing the skills of staff.

One Council Programme	100	Contribution to drive the digital programme which will transform public access to council services and drive efficiency savings.
Environmental Sustainability	139	Tree planting/carbon reduction
Walley's Quarry	175	Addressing community concerns regarding the quarry's unpleasant odour omissions.
Town Centre Support	177	Used to support the Town Deal bids for Newcastle and Kidsgrove and the rejuvenation of the Markets.
Car Parking Machines	30	Purchase of car parking machines with cashless payment options.
Commercial Property Review	20	Review to develop income generation ideas as part of the Commercial Strategy.

**2.16** The savings and funding strategies identified in the table in paragraph 2.8 and in Appendix 1 will enable continued investment of £0.250m in the Council's priorities as per the Council Plan 2022-2026 via the Civic Growth Fund. The Civic Growth Fund will continue to be used to provide investment in initiatives, including Digital Delivery, that are forecast to generate on-going revenue savings through reducing the costs of service delivery or through the generation of additional income. The Council's Section 151 Officer will determine whether any proposed use of the fund complies with this guidance on a case by case basis.

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

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

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

**2.19** £0.100m of the 2025/26 Civic Growth Fund will continue to be allocated to the digital programme which will transform public access to Council services and drive efficiency savings.

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

### ***Council Tax and Collection Fund***

**2.21** The savings and funding strategy assumes a 1.99% per Band D equivalent property Council Tax increase, producing £0.175m of additional income. This increase in Council Tax would equate to the following monetary increases for residents:

Property Band	Annual Increase £ p	Weekly Increase £ p
A	2.90	0.06
B	3.39	0.07
C	3.86	0.07
D	4.35	0.08
E	5.31	0.10
F	6.29	0.12
G	7.25	0.14
H	8.70	0.17

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

**2.23** The Council is required to declare its estimated surplus or deficit on the Collection Fund (for both Business Rates and Council Tax) to preceptors ahead of the financial year end for 2024/25. This surplus or deficit is then shared between the relevant preceptors in 2025/26 (a surplus if paid out to preceptors, including the Council, and a deficit is repaid to the collection fund from preceptors, including the Council).

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

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

**2.26** The Council's share of the surplus will be contributed to the Business Rates Reserve to increase the Council's resilience against Business Rates volatility and future budget pressures in respect of growth within the borough. As per paragraph 2.7, an amount may be required to be transferred from the Business Rates Reserve in 2025/26 to reflect any shortfall in the amount of National Insurance pressure reimbursed by Central Government. In addition £375k will be transferred to the Budget and Borrowing Support Fund.

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

### ***Budget Consultation***

**2.28** Public consultation has been undertaken on the budget (Appendix 11), the consultation ran between 18 November 2024 and 16 December 2024. The consultation clearly determined that residents felt that the following services were the most important to them:

- Town Centre regeneration

- Street Cleaning
- Refuse Collection

It also showed that a greater number of residents feel that services should be protected as far as possible, even if that requires an increase in Council Tax as opposed to reducing services to a core statutory offer or reducing levels of services to ensure that Council Tax is frozen or increased at a minimal amount.

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

- 2.29** The Capital Programme for 2025/26 to 2027/28 (Appendix 4) is based on new schemes which are vital to ensure continued service delivery and in assisting the Council to achieve its corporate and service objectives as set out in the Council Plan 2022-26. These schemes total £94.604m including major investment into the Borough via external funding in terms of the Future High Streets Fund and the Town Deals Fund for both Newcastle and Kidsgrove.
- 2.30** The Capital Programme will require to be financed by borrowing, primarily for cash flow purposes, whilst assets are procured and constructed, after which time significant capital receipts are expected. The associated borrowing costs have been factored into the MTFS. The Capital Financing Requirement is set to increase to £23.585m by 2027/28 based on the 3 year Capital Programme for 2025/26 to 2027/28, the Capital Financing Requirement at 31 March 2024 (£10.262m) and the Capital Financing Requirement for capital expenditure during the current financial year and the financial years 2025/26 to 2027/28 (£13.323m).
- 2.31** The Capital Programme for 2025/26 to 2027/28 includes an estimate for the development of York Place, this assumes spend of £16.8m over the period 2025/26 to 2026/27 and a subsequent capital receipt of the same value during 2026/27. This is subject to the business case that is currently being developed.
- 2.32** The Capital Programme for this period also includes an estimate for the redevelopment of the Midway Carpark and assumes spend of £28.6m over the period 2025/26 to 2026/27 and a subsequent capital receipt of the same value during 2027/28. This is subject to the business case that is currently being developed.
- 2.33** In addition, the Capital Programme also includes an estimate for the Aparthotel on the Ryecroft site of £30.0m over the period 2026/27 to 2027/28 together with a subsequent capital receipt of the same value in 2027/28. Again, this is subject to the business case that is currently being developed.
- 2.34** The Capital Strategy for 2025/35 (Appendix 5) meets the requirements of statutory guidance issued by the Government in January 2018. The Council's capital investment is carried out within the statutory framework laid down by the Local Government Act 2003 and regulations under that Act. Accordingly, only expenditure which fits the definition of capital expenditure contained in the Act or Regulations pursuant to it will be capitalised.
- 2.35** The Capital Programme is produced in line with the Capital Strategy for 2025/35. In addition to the Council's corporate and service objectives, as set out in the Council Plan 2022-26, the Capital Programme is also influenced by a number of external parties and factors.

- 2.36** Delivering the capital programme for 2025/26 will require prudential borrowing to be undertaken. The impact of borrowing is included in the MTFS pressures for 2025/26 and future years.
- 2.37** Advice will be sought from the Council's Treasury Management advisors, Arlingclose, as to the most beneficial timing of prudential borrowing. Their current advice to reduce interest rate risk is to borrow on a short term basis (up to 4 years) from other local authorities where possible alongside longer term Public Works Loan Board borrowing where suitable.

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

- 2.38** The Treasury Management Strategy for 2025/26 is attached at Appendix 6. The Minimum Revenue Provision Policy for 2025/26 is contained in Annex C to the strategy.
- 2.39** The Treasury Management Strategy for 2025/26 allows for borrowing. Although not utilised in recent years, the Council has previously considered the option of long-term borrowing from the Public Works Loans Board (PWLB). After the utilisation of capital receipts and internal borrowing, the Council will also look to borrow short term from other local authorities and will also review any other sources of funding if required.
- 2.40** The Investment Strategy for 2025/26 is attached at Appendix 7. This Investment Strategy meets the requirements of statutory guidance issued by the government in January 2018 and is based on guidance provided by Arlingclose, the Council's Treasury Management Advisors. Quantitative investment indicators are included within the Strategy to allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions.
- 2.41** The Commercial Strategy for 2025/26 is attached at Appendix 8. This strategy is aligned with the Council's vision for Newcastle-under-Lyme to be a sustainable and business-oriented Council that maximises commercial opportunities in order to deliver long-term benefits for residents of the borough and support the Council's medium-term financial strategy.

***Balances and Reserves***

- 2.42** A review of the Council's Balances and Reserves together with a financial resilience risk assessment informing the levels of these has been undertaken by the Council's Section 151 Officer. Details of the risk factors considered and the weightings applied to each are set out at Appendix 3.
- 2.43** It is recommended that a minimum level of unallocated reserves and contingencies (i.e. the Council's Balance and Reserve Strategy for 2025/26) of £2.010m be held in 2025/26 to reflect the levels of revenue risk shown in the budget for 2025/26. The remainder of the current balance is to be allocated to the Walley's Quarry Reserve during 2024/25.

**3. Recommendation**

That Cabinet:

- 3.1 Recommend to Full Council for approval, the Revenue and Capital Budgets as detailed in this report and in the report to Cabinet dated 9 January 2025.
- 3.2 Recommend to Full Council for approval, the updated Medium Term Financial Strategy 2025/26 to 2029/30 (Appendix 2).
- 3.3 Approve the strategy for ensuring a balanced revenue outturn position for 2024/25.
- 3.4 Recommend to Full Council for approval, the calculation of the Council Tax base and a proposed Council Tax increase for 2025/26 of 1.99% per Band D equivalent property.
- 3.5 Recommend to Full Council for approval, the risk assessment at Appendix 3 and the Section 151 Officer's recommendation on the level of reserves and contingencies provisionally required to be maintained in 2025/26.
- 3.6 Approve the Civic Growth Fund priorities for 2025/26.
- 3.7 Recommend to Full Council for approval, the Capital Strategy (Appendix 5) for 2025/35.
- 3.8 Recommend to Full Council for approval, the Treasury Management Strategy (Appendix 6) for 2025/26.
- 3.9 Recommend to Full Council for approval, the Investment Strategy (Appendix 7) for 2025/26.
- 3.10 Recommend to Full Council for approval, the Commercial Strategy (Appendix 8) for 2025/26.
- 3.11 Recommend to Full Council for approval, the updated Asset Management Strategy (Appendix 9) for 2023/28.
- 3.12 Recommend to Full Council for approval, the Local Council Tax Reduction Scheme (Appendix 10) for 2025/26.

#### 4. **Reasons**

- 4.1 The Council has a statutory duty to set a balanced budget before 11 March in the financial year preceding the one in respect of which the budget is set, per Section 30(6) of the Local Government Finance Act 1992. Best practice is for financial planning to take place over a 5 year period in the form of a MTFs that sets out how the Council plans to allocate resources to meet its objectives.

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

- 5.1 None.

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

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

## **7. Equality Impact Assessment**

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

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

- 8.1** These are addressed in the body of the report.

## **9. Major Risks & Mitigation**

- 9.1** Section 25 of the Local Government Acts 2003 places a duty on the Section 151 Officer to report on the robustness of the budget. The main risks to the budget include spending in excess of budget; income falling short of the budget (including capital receipts from disposal of assets); and unforeseen elements such as changes to Government funding. In the context of uncertainty regarding Government funding reforms there are significant budget risks that will need to be managed. It will be essential the Council has sufficient reserves to call on if required.
- 9.2** Such risks require regular and robust monitoring and it is essential that the Council has sufficient useable reserves to call on if required. The review and risk assessment indicates that overall unallocated reserves and contingencies are required to be held at a minimum level of £2.010m to reflect the levels of revenue risk shown in the draft budget for 2025/26. In addition a contingency of £1m is required to provide flexibility to manage risks relating to delivery of the capital programme.
- 9.3** The assessment of the Section 151 Officer is that the proposals included in this report are robust and will ensure an adequate level of reserves.
- 9.4** Treasury management is a major area of risk for the Council in that large amounts of money are dealt with on a daily basis and there are a number of limits and indicators, which must be complied with.
- 9.5** The overriding consideration in determining where to place the Council's surplus funds is to safeguard the Council's capital. Within this constraint the aim is to maximise the return on capital. Operational procedures, coupled with monitoring arrangements, are in place to minimise the risk of departures from the approved strategy.



## 10. UN Sustainable Development Goals (UNSDG)

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



## 11. One Council

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

One Commercial Council

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

The recommended Capital Strategy sets out the Council's proposed approach to commercial delivery for 2025/2026.

One Digital Council

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

The Council's investment and modernisation programmes have allowed continued development of a digitalised offer for residents and customers.

One Green Council

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

The recommended Investment Strategy continues a commitment to invest in measures which enhance the Council's and borough's sustainability.

## 12. Key Decision Information

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

## 13. Earlier Cabinet/Committee Resolutions

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

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

- 13.3 Revenue and Capital Budgets 2025/26 – First Draft Savings Plans (Finance Assets and Performance Scrutiny Committee 5 December 2024).
- 13.4 Draft Revenue and Capital Budgets and Strategies 2025/26 (Cabinet 9 January 2025).
- 13.5 Draft Revenue and Capital Budgets and Strategies 2025/26 (Finance, Assets and Performance Scrutiny Committee 16 January 2025).

#### 14. **List of Appendices**

- 14.1 Appendix 1 – 2025/26 MTFS Funding Strategy
- 14.2 Appendix 2 – 2025/26 to 2028/29 MTFS ‘Gaps’
- 14.3 Appendix 3 – Risk Assessment on Required Balances/Contingency Reserve
- 14.4 Appendix 4 – 2025/26 to 2027/28 Capital Programme and 2024/25 Mid-Year Estimate
- 14.5 Appendix 5 – Capital Strategy 2025 to 2035
- 14.6 Appendix 6 – Treasury Management Strategy 2025/26
- 14.7 Appendix 7 – Investment Strategy 2025/26
- 14.8 Appendix 8 – Commercial Strategy 2025/26
- 14.9 Appendix 9 – Asset Management Strategy 2023/2028
- 14.10 Appendix 10 – Local Council Tax Reduction Scheme for 2025/26
- 14.11 Appendix 11 – 2025/26 Budget Consultation Summary

#### 15. **Background Papers**

CIPFA Treasury Management Code of Practice (revised December 2017)  
Council’s Treasury Management Policy Statement  
Local Government Act  
Local Authorities (Capital Finance and Accounting) (England) Regulations

## Appendix 1 – 2025/26 MTFS Funding Strategy

Ref	Service Area	Description	£000's	Detail
<b>Income</b>				
I1	Sustainable Environment	Trade waste	70	Introduction of recycling in respect of Trade Waste
I2	Commercial Delivery	Car Parking	91	Increased demand, pricing and permits for new car park
I3	Commercial Delivery	Leisure Memberships	28	Promotion of memberships and Skillscourt offer at Jubilee 2
I4	Commercial Delivery	Museum Donations	3	Split of donations between improvements and contribution to running costs
I5	Commercial Delivery	Direct Cremations	30	Net income following the introduction of a new fee for direct cremations
I6	Neighbourhood Delivery	Fixed Penalty Notices	5	Additional income generated from fixed penalty notices (fly tipping)
I7	Finance	Purchase Card Rebates	8	Rebates generated on credit card purchases from existing suppliers
			<b>235</b>	
<b>Staffing Related Efficiencies</b>				
S1	Commercial Delivery	Facilities/Property restructure	70	An amalgamation of the Facilities and Property functions
S2	Corporate	Vacancy factor	71	An increase in the assumed vacancy factor of posts from 3.5% to 4%
S3	Corporate	Annual leave purchase scheme	15	Scheme to enable staff to purchase additional leave
			<b>156</b>	
<b>Good Housekeeping/More Efficient Processes</b>				
G1	Commercial Delivery	Reduction in subsidy	50	An ongoing allowance in respect of subsidy to Kidsgrove Sports Centre is no longer required, suitable provision is held in reserves
G2	Commercial Delivery	Solar Panels	20	Reduction in electricity costs following installation of solar panels on Council property
G3	Information & Technology	Internet Fibre Connections	60	Installation of internet fibre connections and associated rental
G4	Information & Technology	Printing	10	Reduction in member and staff printing volumes
G5	Corporate	Parish Councils	8	Replacement of Council Tax Support Grant with demand led contributions
			<b>148</b>	
<b>Alternative Sources of Finance/Other</b>				
A1	Corporate	Tax base – Council Tax	100	Increase in tax base based on market housing supply requirement and current year tax base forecasts
A2	Corporate	Tax base – Business Rates	190	Assumed increase in tax base of 2.5%
A3	Corporate	Single Persons Discount review	30	Assumed increase in Council Tax from a Borough wide review of claimants of discounts
A4	Corporate	Empty Homes Premium	94	The impact of the change in eligibility of a premium Council Tax charge for empty homes, this was effective from 1 April 2024 (approved in February 2024)



P25	Corporate	Second Homes Premium	11	The impact of the change in eligibility of a premium Council Tax charge for second homes, this was effective from 1 April 2025 (approved in February 2024)
A6	Corporate	Council Tax increase	175	Assumed increase of 1.99% per Band D property
A5	Corporate	Equipment Replacement Fund	9	Contributions will not be made until fund requires replenishment
A8	Corporate	Heritage Grants Fund	10	Contributions will not be made until fund requires replenishment
A9	Sustainable Environment	Extended Producer Responsibility funding	732	Levy paid by producers of materials collected and disposed of by Local Authorities (£932k), net of loss in recycling credits (£200k)
			<b>1351</b>	
<b>Grand Total</b>			<b>1,890</b>	

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



Detail	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	Description
<b>Employees:</b>						
Increments	60	60	60	60	60	Employees due an increment
Pay awards	594	446	461	477	493	3.5% pay award assumed for 2025/26 plus £1,290 per FTE re. 2024/25, 3% thereafter
Members pay awards	8	7	8	8	8	3.5% pay award assumed for 2025/26, 3% thereafter
Superannuation increases	144	111	115	118	122	22% of increase in salaries
Superannuation lump sum	41	43	45	45	45	Net increase of lump sum pension payment
National insurance rate	120	-	-	-	-	Increase of employer rate from 13.8% to 15%
National insurance threshold	283	-	-	-	-	Change in employer threshold from £9,100 to £5,000
National Insurance	90	76	78	80	83	National insurance on increase in salaries
<b>Premises:</b>						
Business Rates	26	27	28	29	30	Inflationary increase in business rates (per CPI)
Utilities	127	31	33	34	35	Inflationary increase in gas and electric (per CPI), additional pressure in 2025/26 to reflect current costs
<b>Transport:</b>						
Fuel	11	12	12	12	13	Inflationary increase in fuel (per CPI)
Hydrotreated Vegetable Oil	8	8	8	9	9	Inflationary increase in HVO (per CPI)
<b>Financing:</b>						
Borrowing costs	45	136	(48)	(47)	206	Borrowing costs regarding the financing of capital
<b>New Pressures:</b>						
ICT software	16	10	10	10	10	ICT costs re. systems maintenance and licences
Restructuring	205	-	-	-	-	Potential additional resource requirements
Commercialisation	52	-	-	-	-	Introduction of Commercialisation post
<b>Income:</b>						
Fees and charges	(408)	(399)	(415)	(431)	(449)	4% increase to enable continued cost recovery
National insurance	(403)	-	-	-	-	Re. National Insurance contribution changes
Local Government Finance Settlement	380	649	-	-	-	Impact of minimum funding guarantee reduction (3% to 0%) and one off grants
Business Rates Retention reset	500	500	500	-	-	To allow for a reset of the scheme in 2027/28
Business Rates baseline funding	(109)	(129)	(131)	(133)	(136)	Inflationary increase in baseline funding level (per CPI)
Income Pressures	100	-	-	-	-	To correct income shortfalls from budget
<b>TOTAL GAPS</b>	<b>1,890</b>	<b>1,588</b>	<b>764</b>	<b>271</b>	<b>529</b>	

**Appendix 3 – (i) Risk Assessment on Required Balances/Contingency Reserve (£2.010m) and (ii) Actual/Forecast Reserve Balances at 31 March 2024 to 2026**

**(i) Risk Assessment on Required Reserves Balances (£2.010m)**

Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Balance Needed £
1	Increase in fees and charges does not result in higher income levels	Shortfall in income leading to overspends	3 x 4	High	Included in calculation of minimum balances	2 x 3	Moderate	Regular monitoring of income levels	205,000
2	Reduced Income due to non-availability of service (e.g. COVID-19 related or similar)	Shortfall in income leading to overspends	3 x 3	High	Included in calculation of minimum balances	3 x 3	Moderate	Regular monitoring of income levels	140,000
3	Bad debts reduce the Council's income	Shortfall in income leading to overspends and top up of provision	3 x 4	High	A contribution to the bad debts provision is budgeted for	3 x 3	High	Increase monitoring of collection rates	275,000
4	Employee budget is discounted on the assumption there will be vacancies	Vacancies do not occur leading to additional costs	3 x 3	High	The budget assumes a vacancy factor of 4%, this is realistic	3 x 3	High	Regular monitoring of vacancy levels	70,000
5	Employee budgets - the employee pay settlement results in an increase higher than included in the budget	Additional unbudgeted costs	2 x 3	Moderate	Balances sufficient to deal with any additional costs, plus reduced job security in economy	2 x 3	Moderate	None	95,000
6	Problems with staff recruitment/retention resulting in the payment of market supplements at extra cost	Additional unbudgeted costs	3 x 3	High	Subject to ongoing review	3 x 3	High	None	75,000
7	Problems with staff absence resulting in	Additional unbudgeted costs	3 x 3	High	Absence management procedures in place	3 x 3	High	Monitoring of sickness levels	150,000



Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Balance Needed £
	agency/interim staff at extra cost								
8	Council becomes liable to pay compensation or legal fees or another unforeseen commitment arises	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances	3 x 2	Moderate	None	125,000
9	Inflation relating to supplies and services exceeds the allowance in the budget	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances. Regular review of inflation levels	3 x 3	High	None	70,000
10	Existing commitment(s) missed out of budget	Additional unbudgeted costs	3 x 3	High	Budgets subject to checking at several levels	3 x 3	High	None	75,000
11	Additional interest costs incurred resulting from loss of income and additional expenditure	Additional unbudgeted borrowing costs	3 x 3	High	Capital Budgets and receipt expectations have been realistically set. Allowance provided for in calculation of minimum balances	3 x 3	High	None	160,000
12	Fuel costs increase by more than allowed for in budget	Additional unbudgeted costs	3 x 3	High	Realistic increases included in base budget	3 x 3	High	None	45,000
13	Energy costs increase by more than allowed for in budget	Additional unbudgeted costs	3 x 3	High	Realistic increases included in base budget	3 x 3	High	None	70,000
14	Unforeseen major repairs needed to Council properties	Additional unbudgeted costs	2 x 3	Moderate	Planned maintenance /stock condition survey in place	2 x 3	Moderate	None	50,000
15	Insurances – unexpected increases in premiums	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances	2 x 3	Moderate	None	15,000
Page 55	Insurances - high level of excesses to be met by Council or uninsured losses	Additional unbudgeted costs	3 x 3	High	Included in calculation of minimum balances. Insurance Provision established	2 x 3	Moderate	Monitor level of Insurance Provision	40,000



Item	Risk	Potential Consequences	Risk Score I * L	Risk Rating	Specify Existing Control Measures	Final Score I * L	Final Risk Rating	Further Action Required	Balance Needed £
	Government further increase NI rates	Additional unbudgeted costs	2 x 3	Moderate	Included in calculation of minimum balances. Increased rate built into budget	1 x 2	Low	None	25,000
18	Savings built into Budget are not realised	Additional unbudgeted costs	3 x 3	High	Regular Budget Monitoring	3 x 2	Moderate	None	65,000
19	New Legislation imposes extra costs but provides insufficient resources	Additional unbudgeted costs	3 x 3	High	Contingency Reserve available. Included in calculation of minimum balances	3 x 2	Moderate	None	25,000
20	Partnerships - expenses falling on Council as accountable body	Additional unbudgeted costs	2 x 3	Moderate	Monitor partnership activities and ensure carried out according to agreements	2 x 1	Low	None	5,000
21	Civil Emergency	Additional unbudgeted costs	5 x 2	High	Bellwin Scheme will meet 100% of eligible expenditure within 1 month of an emergency	4 x 2	Moderate	None	55,000
22	Municipal Mutual Insurance (MMI) Clawback	Additional unbudgeted costs	4 x 4	Extreme	MMI Provision	3 x 2	Moderate	Consider increasing amount of provision if necessary	25,000
23	Data Protection breach resulting in fine	Additional unbudgeted costs	3 x 3	High	Data Protection Policy Reminders to staff. All staff complete mandatory Data Protection e-learning module	3 x 3	High	None	75,000
24	Members act against officer advice resulting in cost to the Council	Additional unbudgeted costs	3 x 3	High	Agenda pre-meetings. Liaison with members. Monitoring Officer	3 x 3	High	None	75,000



(ii) **Actual/Forecast Reserve Balances at 31 March 2024 to 2026**

Reserve	Actual Balance at 31/3/24 (£000's)	Forecast Change in 2024/25 (£000's)	Forecast Balance at 31/3/25 (£000's)	Forecast Change in 2025/26 (£000's)	Forecast Balance at 31/3/26 (£000's)	Purpose
General Fund Balance	2,157	(147)	2,010	-	2,010	Working balance to cover unforeseen adverse events affecting the budget. Recommended minimum balance of £2.010m for 2025/26
Walley's Quarry Reserve	200	500	700	(700)	-	To assist with the Council's actions regarding air quality issues at Walley's Quarry
Equipment Replacement Fund	54	(54)	-	-	-	To pay for the replacement of equipment
Budget and Borrowing Support Fund	484	(47)	437	203	640	To support the General Fund revenue budget or to meet costs approved by Council
Budget Support Fund (Local Plan)	211	(111)	100	(100)	-	To fund the Borough Local Plan in addition to a base budget allocation and transfer of vacant post funding. This fund is fully committed
Budget Support Fund (Homelessness)	184	(84)	100	(50)	50	To hold homelessness grants to be used in future periods. This fund is fully committed
Civic Growth Fund	79	(79)	-	-	-	To fund investment in corporate priorities. This fund is fully committed
Conservation & Heritage Fund	30	(10)	20	(10)	10	To provide repair grants to owners of historic buildings
Mayor's Charity Reserve	30	(30)	-	-	-	To hold funds on behalf of the Mayor's Charity
Museum Purchases Fund	46	(16)	30	-	30	To purchase, conserve and enhance exhibits
Business Rates Reserve	1,654	(352)	1,302	1,570	2,872	To equalise any surplus or deficit on the collection fund and to provide contingency for appeals and future funding reviews
Elections Reserve	50	73	123	50	173	To provide budget on a 4 year cycle for Borough Elections
Maintenance Fund	-	283	283	(100)	183	To provide revenue fund maintenance per Section 106 agreements
Clayton Community Centre	24	(7)	17	(7)	10	Sinking fund held on behalf of Committee (contributions made by Committee)
<b>Totals</b>	<b>5,203</b>	<b>(81)</b>	<b>5,122</b>	<b>856</b>	<b>5,978</b>	

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

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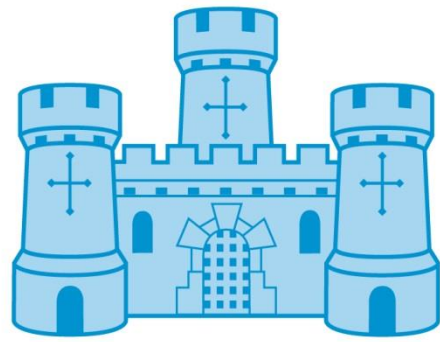
CAPITAL PROGRAMME	2024/25 MID YEAR	2025/26	2026/27	2027/28	TOTAL 2025/26 to 2027/28
	£	£	£	£	£
<b>PRIORITY – One Council Delivering for Local People</b>					
Service Area - Council Modernisation	1,967,318	434,000	336,000	80,000	850,000
<b>Total</b>	<b>1,967,318</b>	<b>434,000</b>	<b>336,000</b>	<b>80,000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

## Appendix 10 – Local Council Tax Reduction Scheme for 2025/26

<b>Claim Type</b>	<b>Council Tax Support Scheme</b>
<b>Pensioner Claimants</b>	
No scope for changes within LCTS	Up to 100% of Council Tax Bill
<b>Working Age Claimants</b>	
Claims will be based on a max of 80% Council Tax Liability (unless in a protected group)	Up to 80% of Council Tax Bill
Properties in bands higher than Band D will be based on 80% Band D Council Tax	Up to 80% of band D rate
Second Adult Rebate will not be retained in the Local Scheme	Nil
Capital Cut off at £6k (non-passported)	No Council Tax Support if capital exceeds £6k
Earnings Disregards	Flat rate of £25 if claimant working
<b>Claimants who are eligible to Severe Disability Premium (SDP)</b>	
May allow up to 100% LCTS as protected group	Up to 100% of Council Tax Bill
<b>Claimants who are eligible to receive War Disablement Pensions, War Widow's Pensions and Armed Forces Compensation Scheme Payments</b>	
May allow up to 100% LCTS as protected group	Up to 100% of Council Tax Bill

### Discretionary Payments

The Council has discretion to award Council Tax Support, in excess of the accounts determined by this framework, where it is satisfied that exceptional circumstances exist.



**NEWCASTLE  
UNDER LYME  
BOROUGH COUNCIL**

**2025/26 Budget Consultation report**



### Q3) Which of these Council services are the most important to you?

For this question, respondents were asked to choose up to 5 services from a list of 12 services. As respondents could choose up to 5 options, totals will add up to considerably more than 100 per cent.

Three services were chosen by at least half per cent of respondents:

- Town centre regeneration 60 per cent of respondents
- Street cleaning 60 per cent
- Refuse collection 56 per cent

Slightly fewer than half picked two others:

- Parks, playgrounds and open spaces 49 per cent
- Recycling facilities 43 per cent

The remainder were far less popular:

- Planning and building control 30 per cent
- Food Safety - 24 per cent
- Culture and the Arts 20 per cent
- Off street Parking 17 per cent
- Outdoor markets 17 per cent
- CCTV coverage 14 per cent
- Britain in Bloom 13 per cent

### Q4) Out of the following services which the Council is not required by law to provide would you most like to see protected? Please tick up to five boxes.

Respondents were asked to choose up to 5 options out of a list of 11 services.

One service was clearly the most popular:

- Town centre regeneration 77 per cent

Four were chosen by at least one-third of respondents:

- CCTV 44 per cent
- Outdoor leisure facilities 41 per cent
- Outdoor markets 38 per cent
- Indoor leisure facilities 33 per cent

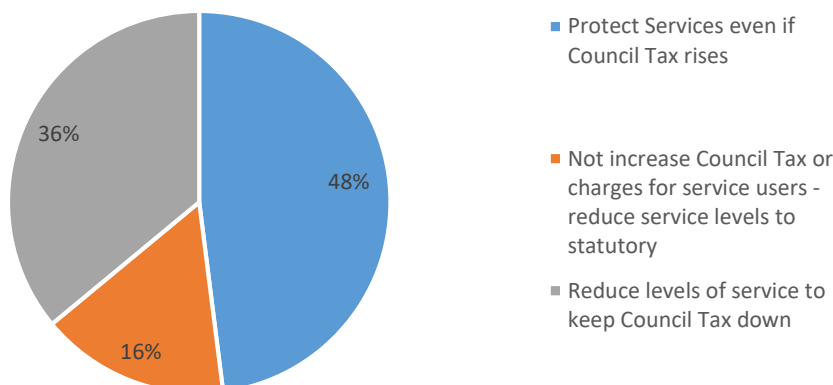
The rest were less popular:

- Culture and the Arts 30 per cent
- Neighbourhood grant funding programme 29 per cent
- Britain in Bloom 22 per cent
- Promotion of tourism 13 per cent
- Sports development 10 per cent
- Mayoral activities One per cent (one respondent)

### Q5) When making decisions about spending plans for next year and beyond, should we...

Respondents were asked to choose from a set list of three options, and they were chosen as follows:

- *Protect services, even if this means we will need to increase Council Tax and charges to service users because of central funding reductions.* This was picked by nearly half (48 per cent) and was the most popular choice.
- *To not increase Council Tax or charges for service users, but instead look to reduce service levels towards a core statutory offer - that is, excluding those listed in question 3.* This was the least popular choice, picked by only one-in-six (16 per cent) of respondents.
- *Reduce levels of service to make sure that Council Tax rises and fee increases for service users are kept to a minimum.* This was selected by one-in-three (36 per cent) of respondents.



**Q6) Are there any particular service areas where you feel Newcastle-under-Lyme Borough Council should not reduce its funding?**

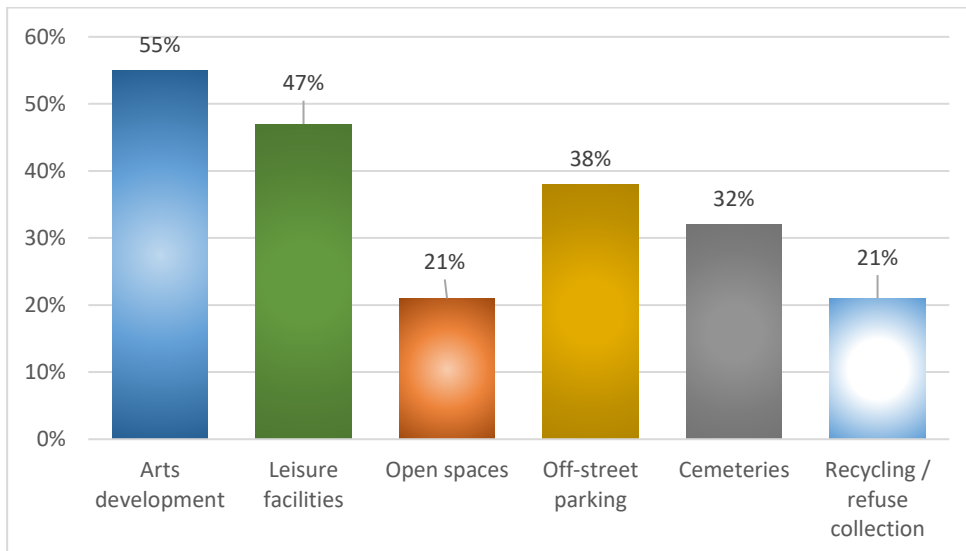
The following word cloud shows the key themes,



**Q7) Which service areas should the Council seek to generate additional income from service users in order to help balance the budget? Please tick as many as you feel are appropriate.**

Respondents were asked to choose from a list of six options, and they could select as many of these six as they wanted to – explaining why percentages add up to considerably more than 100 per cent.

Arts development (55 per cent) and leisure facilities (47 per cent) were chosen ahead of the others as the following chart demonstrates:



**Q8) Is there anything else you think the Council should consider a priority when setting the budget?**

Another open comments box invited respondents to make unprompted suggestions, the following word cloud shows the key themes:



**Profile of respondents**

Finally, respondents were asked to provide their age group and postcode – this enables us to see how representative of the borough the respondents were. The following table shows how many respondents were received by broad age group compared to the population of the borough. There was an over-representation of residents in the middle age groups - the three age groups containing residents aged 41 to 70 were generally over-represented, with those aged under 40 and above 70 under-represented.



**Table 1: Age profile of respondents compared to the borough based on 78 responses**

Broad age group	Proportion of respondents	Proportion of 18+ residents in the borough (2021 census)
30 and under	8%	20%
31-40	15%	15%
41-50	18%	15%
51-60	24%	17%
61-70	24%	14%
71+	10%	18%

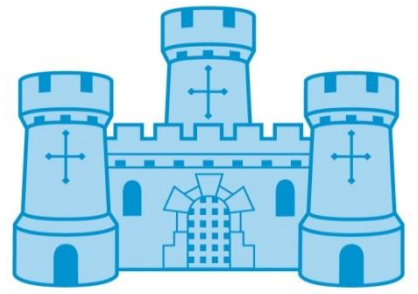
### Location of respondents

Unfortunately, not all respondents did provide full valid postcodes, but 78 did provide at least the first part of theirs, enabling the following matching. The wards with the largest number of responses were Westlands (nine) May Bank (seven) and Silverdale (six). However, despite their relatively large populations, there were few submissions from the northern wards of Kidsgrove and Ravenscliffe, Talke and Butt Lane or Newchapel and Mow Cop – with none from Holditch and Chesterton.

**Table 2: Respondents by ward or other area - 78 respondents**

Ward/area	Respondents
Audley	3
Bradwell	2
Clayton	5
Crackley and Red Street	3
Cross Heath	2
Holditch and Chesterton	0
Keele	1
Kidsgrove and Ravenscliffe	2
Knutton	2
Loggerheads	2
Madeley and Betley	2
Maer and Whitmore	2
May Bank	7
Newchapel and Mow Cop	2
Silverdale	6
Talke and Butt Lane	1
Thistleberry	3
Town	4
Westbury Park/Northwood	2
Westlands	9
Wolstanton	2
ST5 (incomplete postcode)	7
ST7 (incomplete postcode)	1
Staffordshire Moorlands	1
Stoke-on-Trent (Hartshill)	1

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**NEWCASTLE  
UNDER LYME**  
BOROUGH COUNCIL

# Capital Strategy 2025 to 2035



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## Introduction

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

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

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

The revised 2024/25 Capital Programme totals £51.295m which includes £32.551m for schemes funded by external sources (£28.244m Town Deals, £2.442m Future High Streets and £1.865m Disabled Facilities Grants) and is summarised below, showing the constituent categories by the priorities identified in the Council Plan:

Council Priorities	Planned Expenditure £m
One Council Delivering for Local People	1.967
A Successful and Sustainable Growing Borough	14.153
Healthy, Active and Safe Communities	3.540
Capital Contingency	0.949
Town Centres for all	30.686
<b>Total</b>	<b>51.295</b>

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

The Strategy has been prepared against a background of continuing reductions in funding provided to local authorities by central government and its agencies, arising from the need to restrain public expenditure owing to the ongoing economic conditions and to rebalance public finances. The Council has also produced a Commercial Strategy with the aim to generate income through commercial activities which can then be reinvested in local priorities.

# Key Objectives and Priorities

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

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

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

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

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

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

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

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

## Factors Influencing the Capital Programme

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

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

These are discussed in greater detail in sections below:

## Links with Other Strategies, Policies and Plans

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

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

An important link is to the Asset Management Strategy in that many capital investment projects are related to the Council's fixed assets, such as its stock of buildings. Needs and priorities identified in the Asset Management Strategy will require consideration for inclusion in the Council's Capital Programme and have wider financial consequences. Equally important is the opportunity to generate

capital receipts from the disposal of land/property where there is no current or likely future operational need.

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

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

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

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

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

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

## External Influences, Partners and Consultation with Other Interested Parties

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

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

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

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



and the community from any projects, both in terms of outputs and in relation to obtaining funding for the project.

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

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

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

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

## Resources Available to Finance Capital Investment

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

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

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

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

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

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

The Asset Management Strategy sets out expected sales over the next ten years. The Capital, Assets and Commercial Investment Review Group meets on a bi-monthly basis and is responsible for the formulation of strategies in respect of income generation relating to asset disposals.

The use of capital receipts and reserves to finance new capital projects influences investment income receipts and hence the General Fund Revenue Account. At an investment interest rate of around 4.7%, every £100,000 of such capital receipts or reserve balances used will cost £4,700 to the revenue account on an ongoing basis. The use of capital receipts and reserves to finance the Capital Programme is taken account of in the Medium Term Financial Strategy. Any receipts generated from the sale of assets will be invested until they are required to finance capital expenditure.

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

Funding will be sought towards the cost of capital projects from external parties wherever possible and appropriate. The prime examples of these being the Town Deals, Future High Streets Fund and Disabled Facilities Grants. These may include property developers, central government and government agencies, funding bodies such as the National Lottery, the Football Foundation, the Lawn Tennis Association and partner organisations that may join with the Council to bring forward projects of mutual benefit.

The capital investment programme set out in Annex B will require a significant amount of borrowing if it is to be carried out in its entirety. The use of borrowing influences the General Fund Revenue account in terms of interest payable and the requirement to allocate a Minimum Revenue Provision, for a typical asset with a useful life of 20 years borrowing costs currently amount to around £10,000/year for every £100,000 borrowed.

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

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

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

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

## Revenue Implications

The impact upon the General Fund Revenue Account arising from capital investment proposals will be calculated and considered at the time projects are placed before Cabinet or Full Council for inclusion in the approved Capital Programme or for specific approval. Such impact may be in the form of reduced interest receipts, where projects are to be financed from capital receipts or reserves, borrowing costs, if loan finance is to be employed, or additional running costs arising from the

provision of a new or altered facility. Offset against these costs will be any savings which might accrue, for example from “invest to save” projects.

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

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

## Appraisal and Prioritisation of Investment Proposals

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

No projects should be considered in isolation. They must be required to be measured against all other competing projects to determine which should go forward. This process should also apply to any projects which are proposed after the approval of the programme, to ensure that only those projects with a high priority are proceeded with and funds are not diverted to projects of a lesser priority.

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

## Monitoring Arrangements and Project Management

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

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

All capital projects will be subject to Internal Audit review to ensure correct procedures have been followed and sums have been paid out in accordance with Financial Regulations and Standing Orders as they relate to contracts. Where projects have received funding from government or quasi-governmental sources, the expenditure will also be subject in many cases to external audit. European

Union funded projects may also be subject to audit by auditors on behalf of that body. Where monitoring returns or claims for reimbursement of expenditure are required to be sent to funding bodies, these will be completed and forwarded promptly to the relevant body in compliance with any deadlines laid down by them. All capital investment proposals and project progress and management are subject to the Council's scrutiny arrangements.

## Statutory Framework

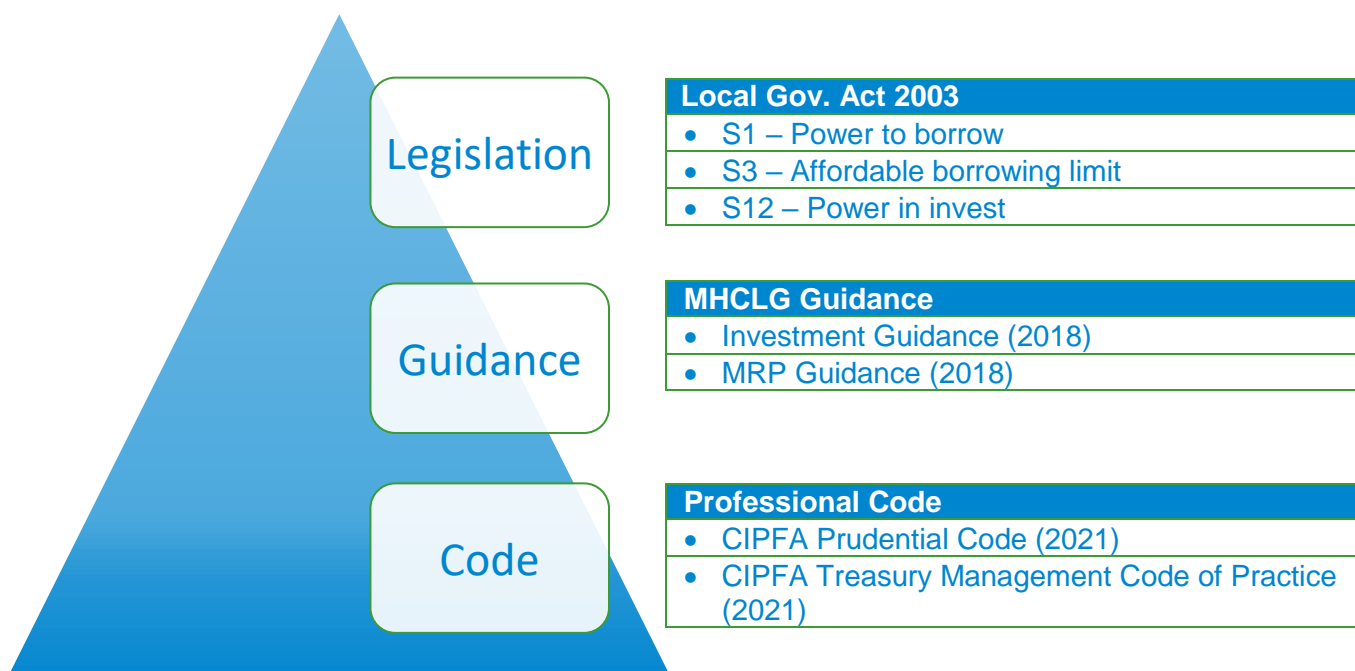
The Council's capital investment is carried out within the statutory framework laid down by the Local Government Act 2003 and regulations under that Act. Accordingly, only expenditure which fits the definition of capital expenditure contained in the Act or Regulations pursuant to it will be capitalised.

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

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

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

## Legal and Regulatory Requirements



# Prudential Indicators

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

- **Estimates of capital expenditure**

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

- **Actual capital expenditure**

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

- **Estimates of capital financing requirement**

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

- **Actual capital financing requirement**

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

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

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

- **Authorised limit on external borrowing**

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

- **Operational boundary for external debt**

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

- **Gross debt and capital financing requirement**

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

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

## Procurement

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

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

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

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

## Future Capital Programme

Capital investment needs have been assessed over a ten-year period (2025/26 to 2034/35) and are set out in Annex B.

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

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

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

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

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

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

There will be a consequent cost to the revenue budget which will have to be included in the MTFS projections. Based on the expenditure shown in Annex B and forecasts of the amount and timing of receipts and current capital financing costs, the additional costs to the revenue budget will be around £10.110M over 10 years, with the costs in each year 2025/26 to 2034/35 being as shown below:

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

A capital programme for 2025/26 to 2027/28 totalling £94.604M will be recommended to Full Council on 12 February 2025, consistent with the detail shown in Annex B. The prudential indicators that will apply for this 3-year period are set out at Annex C.

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

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

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

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

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

Expenditure that should be capitalised will include expenditure on the:

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

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

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

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

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

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

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



## Annex B – 2025/26 to 2034/35 Capital Programme

CAPITAL PROGRAMME	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	TOTAL
	£	£	£	£	£	£	£	£	£	£	£
<b>PRIORITY - One Council Delivering for Local People</b>											
Neighbourhood Delivery	30,000	5,000	5,000	5,000	25,000	5,000	5,000	5,000	5,000	5,000	95,000
ICT	404,000	331,000	75,000	346,000	431,000	121,000	31,000	31,000	31,000	31,000	1,832,000
<b>Total</b>	<b>434,000</b>	<b>336,000</b>	<b>80,000</b>	<b>351,000</b>	<b>456,000</b>	<b>126,000</b>	<b>36,000</b>	<b>36,000</b>	<b>36,000</b>	<b>36,000</b>	<b>1,927,000</b>
<b>PRIORITY - A Successful and Sustainable Growing Borough</b>											
Housing	1,670,000	1,670,000	1,595,000	1,595,000	1,595,000	1,595,000	1,595,000	1,595,000	1,595,000	1,595,000	16,100,000
Property	149,532	272,791	-	277,510	-	7,280	-	-	-	-	707,113
Facilities Management	694,314	416,104	495,475	188,543	310,000	694,742	172,500	172,500	150,000	150,000	3,444,178
Commercial Strategy	15,000,000	38,437,087	20,000,000	-	-	-	-	-	-	-	73,437,087
<b>Total</b>	<b>17,513,846</b>	<b>40,795,982</b>	<b>22,090,475</b>	<b>2,061,053</b>	<b>1,905,000</b>	<b>2,297,022</b>	<b>1,767,500</b>	<b>1,767,500</b>	<b>1,745,000</b>	<b>1,745,000</b>	<b>93,688,378</b>
<b>PRIORITY - Healthy, Active and Safe Communities</b>											
Environmental Health	-	-	-	-	12,000	-	-	-	-	-	12,000
Streetscene	240,000	130,000	130,000	130,000	130,000	155,000	130,000	130,000	130,000	130,000	1,435,000
Bereavement Services	10,000	30,000	5,000	5,000	10,000	1,530,000	5,000	5,000	5,000	5,000	1,610,000
Recycling and Fleet Services	3,169,500	6,003,100	1,222,514	1,798,411	3,630,561	7,691,724	2,623,039	2,623,039	700,000	700,000	30,161,888
Leisure	150,000	-	-	-	-	-	-	-	-	-	150,000
Engineering Works	120,000	50,000	-	-	-	95,000	-	-	-	-	265,000
<b>Total</b>	<b>3,689,500</b>	<b>6,213,100</b>	<b>1,357,514</b>	<b>1,933,411</b>	<b>3,782,561</b>	<b>9,471,724</b>	<b>2,758,039</b>	<b>2,758,039</b>	<b>835,000</b>	<b>835,000</b>	<b>33,633,888</b>
<b>PRIORITY - Town Centres for All</b>											
Town Deal - Newcastle	807,000	-	-	-	-	-	-	-	-	-	807,000
Town Deal - Kidsgrove	1,236,000	-	-	-	-	-	-	-	-	-	1,236,000
<b>Total</b>	<b>2,043,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,043,000</b>
<b>CONTINGENCY</b>											
£1m to be carried forward from 2024/25	51,020	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>23,731,366</b>	<b>47,345,082</b>	<b>23,527,989</b>	<b>4,345,464</b>	<b>6,143,561</b>	<b>11,894,746</b>	<b>4,561,539</b>	<b>4,561,539</b>	<b>2,616,000</b>	<b>2,616,000</b>	<b>131,343,286</b>
<b>FUNDING</b>											
Capital Receipts	4,150,000	50,787,087	34,350,000	4,350,000	550,000	550,000	550,000	550,000	550,000	550,000	96,937,087
External Contributions	3,543,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	17,043,000
Borrowing/Leasing	16,038,366	-4,942,005	-12,322,011	-1,504,536	4,093,561	9,844,746	2,511,539	2,511,539	566,000	566,000	17,363,199
<b>TOTAL</b>	<b>23,731,366</b>	<b>47,345,082</b>	<b>23,527,989</b>	<b>4,345,464</b>	<b>6,143,561</b>	<b>11,894,746</b>	<b>4,561,539</b>	<b>4,561,539</b>	<b>2,616,000</b>	<b>2,616,000</b>	<b>131,343,286</b>

## Annex C – Prudential Indicators

### Capital Prudential Indicators

#### *Actual and Estimate of Capital Expenditure*

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

#### *The Capital Financing Requirement (The Councils Borrowing Need)*

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

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

The CFR projections are below:

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

The amounts shown above from 2024/25 onwards allow the Council to borrow during those years to finance capital expenditure which cannot be funded from other revenue or capital resources. However, the likelihood of individual schemes, the timings and the amounts involved cannot be assessed with certainty at this point.

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

#### *Gross Debt and the Capital Financing Requirement*

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

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

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

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

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

## Affordability Prudential Indicators

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

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

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

Net Revenue Stream is defined as the 'amount to be met from government grants and local taxpayers'. This is the Council's 'budgetary requirements' figure shown in the General Fund Revenue Budget, being the net expenditure for the year before deducting government grants (Revenue Support and Business Rates Retention) and adjusting for the Collection Fund surplus/deficit. The relevant figures for this Council are set out in the table below:

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

## Treasury Indicators

### *Limits to Borrowing Activity*

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

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

### *The Operational Boundary*

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

Operational boundary	2024/25 Estimate (£000's)	2025/26 Estimate (£000's)	2026/27 Estimate (£000's)	2027/28 Estimate (£000's)
<b>Borrowing</b>	55,000	80,000	125,000	150,000
<b>Other long term liabilities</b>	0	0	0	0

### *The Authorised Limit for External Borrowing*

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

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

The Council is asked to approve the following authorised limit:

Authorised limit	2024/25 Estimate (£000's)	2025/26 Estimate (£000's)	2026/27 Estimate (£000's)	2027/28 Estimate (£000's)
<b>Debt</b>	75,000	100,000	145,000	170,000
<b>Other Long Term Liabilities</b>	0	0	0	0

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

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

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

	Borrowing		Investments	
	Upper	Lower	Upper	Lower
<b>2024/25</b>	100%	0%	100%	0%
<b>2024/25</b>	100%	0%	100%	0%
<b>2025/26</b>	100%	0%	100%	0%
<b>2026/27</b>	100%	0%	100%	0%

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

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

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

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# Treasury Management Strategy 2025/26



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## Introduction

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

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

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

## Economic Situation

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

#### External Context

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

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

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

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

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

#### Local Context

On 13<sup>th</sup> December 2024, the Council held no borrowing and £19.61 million of treasury investments, largely due to grant monies temporarily held. This is set out in further detail at Annex B. Forecast changes in these sums are shown in the balance sheet analysis in table below:

<b>Balance Sheet Summary and Forecast</b>	<b>31/03/2024 Actual £m</b>	<b>31/03/2025 Forecast £m</b>	<b>31/03/2026 Forecast £m</b>	<b>31/03/2027 Forecast £m</b>	<b>31/03/2028 Forecast £m</b>
General Fund CFR	10.3	22.8	23.8	25.9	23.6
Less: Existing external borrowing	0.0	0.0	(12.5)	(13.5)	(15.6)
Less: Usable reserves	(5.2)	(5.8)	(5.8)	(5.8)	(5.8)
Less: Working capital	(24.9)	(4.5)	(4.5)	(4.5)	(4.5)
<b>(New Investments or Cash)/ New external borrowing</b>	<b>(19.8)</b>	<b>12.5</b>	<b>1.0</b>	<b>2.1</b>	<b>(2.3)</b>

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

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

CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. The table above shows that the Council expects to comply with this recommendation during 2025/26.

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

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

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

## Borrowing Strategy

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

The balance sheet forecast, in the table above, shows that the Council expects to borrow in 2025/26, having undertaken borrowing towards the backend of the current year. The Council may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing.

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

Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. Short-term interest rates are currently higher than in the recent past but are expected to fall in the coming year and it is therefore likely to be more cost effective over the medium-term to either use internal resources, or to borrow short-term loans instead. The risks of this approach will be managed by keeping the Council's interest rate exposure within the limit set in the treasury management prudential indicators.

By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal or short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2025/26 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

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

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

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

### Sources of borrowing:

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

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

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

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

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

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

*Debt rescheduling:* The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk. The recent rise in interest rates means that more favourable debt rescheduling opportunities should arise than in previous years.

## Treasury Investment Strategy

The Council can hold significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's treasury investment balance has ranged between £9.3 million and £36.9 million. The highest figure of £36.9 million was invested in December 2023, when the Council received monies in relation to Town Deal Funding.

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

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

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

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

### Approved investment counterparties and limits

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

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

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

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

**Local authorities and other government agencies:** Loans to, and bonds and bills issued or guaranteed by, other national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk.

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

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

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

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

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

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

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

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

*Operational bank accounts:* The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £7,000,000 per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

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

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

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

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

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

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

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

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

**Additional Investment limits**

	<b>Cash limit</b>
Any group of pooled funds under the same management	£7m per manager
Investments held in a broker's nominee account	£7m per broker
Foreign countries	£7m per country

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

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

## Treasury Management Prudential Indicators

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

### Security

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

Credit risk indicator	Target
Portfolio average credit rating	A

### Liquidity

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

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

### Interest rate exposures

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

Interest rate indicator	Limit
Upper limit on one-year revenue impact of a 1% rise in interest rates	(£137,000)
Upper limit on one-year revenue impact of a 1% fall in interest rates	£137,000

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

### Maturity structure of borrowing

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

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

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



## Principal sums invested for periods longer than a year

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

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

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

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

## Related Matters

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

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

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

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

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

**Markets in Financial Instruments Directive (MiFID II):** The Council has opted up to professional client status with its providers of financial services, including advisers and banks, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. This is believed to be the most appropriate status given the size and range of the Council's treasury management activities.

## Financial Implications

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

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

## Other Options Considered

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

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

# Annex A – Arlingclose Economic & Interest Rate Forecast November 2024

## *Underlying assumptions:*

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

## *Forecast:*

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

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

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

## Annex B – Existing Investment & Debt Portfolio Position

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

# Annex C – Minimum Revenue Provision Policy

## Background

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

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

### Option 1 – Regulatory Method

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

### Option 2 – Capital Financing Requirement Method

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

### Option 3 – Asset Life Method

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

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

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

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

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

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

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

## **Option 4 – Depreciation Method**

Alternatively, for new borrowing under the Prudential system for which no Government support is being given, Option 4 may be used.

This means making the MRP in accordance with the standard rules for depreciation accounting. A step in this direction was made in the last set of amendments to the MRP rules [SI 2007/573]. However, the move to reliance on guidance rather than regulations will make this approach more viable in future.

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

The MRP continues until the total provision made is equal to the original amount of the debt and may then cease.

If only part of the expenditure on the asset was financed by debt, the depreciation provision is proportionately reduced.

## **MRP Policy in respect of Finance Leases**

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

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

## **MRP Policy – Other Capital Expenditure**

### **Capital Financing Requirement (CFR)**

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

### **Option for making MRP**

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

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

## Annex D – Treasury Management Glossary of Terms

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



# Investment Strategy

2025/26



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## Introduction

This strategy is compiled according to the Ministry of Housing, Communities and Local Government's Guidance on Local Government Investments ("the Guidance") and the 2021 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code") It sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

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

The Council invests its money for three broad purposes:

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

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

### *Possible Revisions to the Strategy*

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

## Treasury Management Investments

The Council typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £0m and £10m during the 2025/26 financial year.

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

**Further details:** Full details of the Council's policies and its plan for 2025/26 for treasury management investments are covered in a separate document, the Treasury Management Strategy.

## Service Investments: Loans

**Contribution:** During 2023/24 and 2024/25 to date the Council has not lent money to local charities, housing associations or any other bodies. However, the Council would consider applications from such bodies individually, in order to support local public services and stimulate local economic growth.

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

### *Loans for service purposes in £ thousands*

Category of borrower	31/03/2024 Actual			2025/26
	Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Local charities	0	0	0	500
Housing associations	0	0	0	10,000
Other bodies	0	0	0	500
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,000</b>

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

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

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

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

The Council will consider the following points:

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

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

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

## Service Investments: Shares

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

*Shares held for service purposes in £ thousands*

Category of company	31/03/2024 actual			2025/26
	Amounts invested	Gains or losses	Value in accounts	Approved Limit
Suppliers	0	0	0	250
Local businesses	0	0	0	250
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>

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

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

## Commercial Investments: Property

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

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

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

The majority of the investment property portfolio was acquired some time ago and there is no debt associated with any of the properties and the initial investment costs have been recouped many years ago. Investment properties are valued at fair value. The values of the properties will fluctuate according to market conditions prevailing from time to time, however these fluctuations do not constitute losses of capital invested. The value of investment properties included in the Council's balance sheet at 31 March 2024 is £13.505m.

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

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

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

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

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

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

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

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

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

## Loan Commitments and Financial Guarantees

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

## Proportionality

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

Net investment property income is subject to fluctuation according to market conditions and other factors such as bad debts and unforeseen expenditure. Accordingly the possibility of shortfalls in contribution towards the revenue budget from this source is one of the factors specifically taken into consideration in calculating the level of General Fund balance to be held as a contingency against adverse budget variances. A total of £2.007m is currently held in balances to cover this and other risks and can be drawn upon in the event of risks materialising.

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

## Borrowing in Advance of Need

The Prudential Code for Capital Finance in Local Authorities (2021) issued by CIPFA states that local authorities should not borrow more than or in advance of their needs purely to profit from the investment of the extra sums borrowed. This is repeated in the Statutory Investment Guidance issued by the Ministry of Housing, Communities and Local Government.

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

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

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

## Capacity, Skills and Culture

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

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

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



## Investment Indicators

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

### Gross and Net Income - Historic and Current Year

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

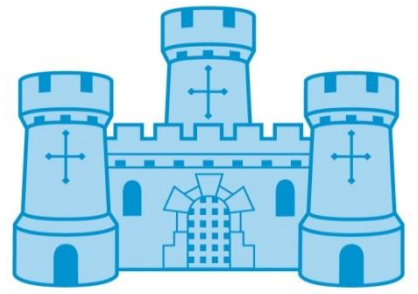
### Gross and Net Income - Over Period of Approved Medium Term Financial Strategy 2025/26 to 2029/30 (Based on 2% increase on 2024/25 less agency costs)

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

### Vacancy Levels

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

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**NEWCASTLE  
UNDER LYME**  
BOROUGH COUNCIL

# Commercial Strategy

## 2025 to 2026



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## Introduction

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

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

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

## Key objectives and priorities

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

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

## Vision

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

This will be achieved through:

- Generation of service efficiencies and new income streams

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

## Strategy outcomes

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

## What ‘commercial’ means to us

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

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

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

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

Every commercial opportunity will be robustly assessed before it is put forward for formal approval and the Council will develop a range of commercial projects within the programme to balance risks. There will always be a clear link between any commercial endeavour and the Council delivering better services for residents.

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

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

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

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

## Benefits

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

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

- Inspiring staff by embedding a forward thinking, opportunity focused mind-set that can drive wider culture shift.
- Increasing the robustness of the organisation through the creation of a diverse commercial portfolio to ensure long term organisational sustainability.

## Objectives

### Primary Objective

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

### Secondary Objectives

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

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

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

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

## Culture

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

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

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



## Developing the programme and our priorities

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

In selecting the opportunities, consideration has been given to:

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

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

Priority Area	Description	Impact
Commercial Waste	Developing the Commercial Waste income streams, building on the existing assumptions that form part of the Waste Transformation Programme	Increase the number of businesses using the council service and improve the level of income generated
Light Industrial	Develop and regenerate sites into light industrial units	Increased revenue generation, servicing demand in the local area and supporting economic development
Fees and Charges	Increasing fees and charges that benchmarking has shown to be currently charged at low rates in Staffordshire	Increase in income generated
Investment Opportunities for commercial return	Continue to investigate investment opportunities that will deliver a commercial return and build up our commercial portfolio	Increased revenue generation, servicing demand in the local area and supporting economic development
One Commercial Council	Delivery of digital screen including a small proportion of time dedicated to advertising	Advertising to pay for the running costs of the screen and therefore supporting cultural events and community messaging in Newcastle town centre

## How will we realise our strategic outcomes?

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

## How will we make this happen?

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

- External specialist advice and support
- Initiatives owned by services

## How does the strategy support our organisational goals?

- Robust financial and commercial service programmes aligned to the council plan.
- Supports the MTFS and closure of funding gap.
- Uses commercial activities to leverage funding opportunities to support the regeneration of the borough.

## What is the governance structure?

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

## How will risks be managed?

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

## What are the tools and structures we will use?

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

## How will we fund and resource the journey?

- Generate a return on investment to fund services
- Make every penny count
- Explore opportunities to share services with other councils
- Maximise existing revenue streams, including advertising

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

# ASSET MANAGEMENT STRATEGY

2023 - 2028



NEWCASTLE  
UNDER LYME  
BOROUGH COUNCIL

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## **1. Foreword**

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

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

### **Cllr Stephen Sweeney**

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

## MISSION STATEMENT

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

## 2. Background

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



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

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

### **3. Core Strategic Objectives**

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

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

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

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

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

3.3 All non-operational assets must be:

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

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

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

## 4. Approach

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

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

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

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

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

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

### The Carbon Net Zero Roadmap

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

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

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

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

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

## 5. Governance

### 5.1 Legal and Constitutional Context

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

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

## 5.2 The National Context – Government Policy

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

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

## Statutory Responsibilities

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

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

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

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

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

## 6. The Current Estate

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

### Operational assets

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

6.3 This category includes (not exhaustive list):

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

### Non-Operational Assets

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

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

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

## **7. Key Objectives and Priorities**

### a. Asset Management Priorities

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

### b. Regular Performance Analysis and Management

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



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

## **8. Consultation & Engagement**

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

### **Consultation Arrangements on Future Disposals**

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

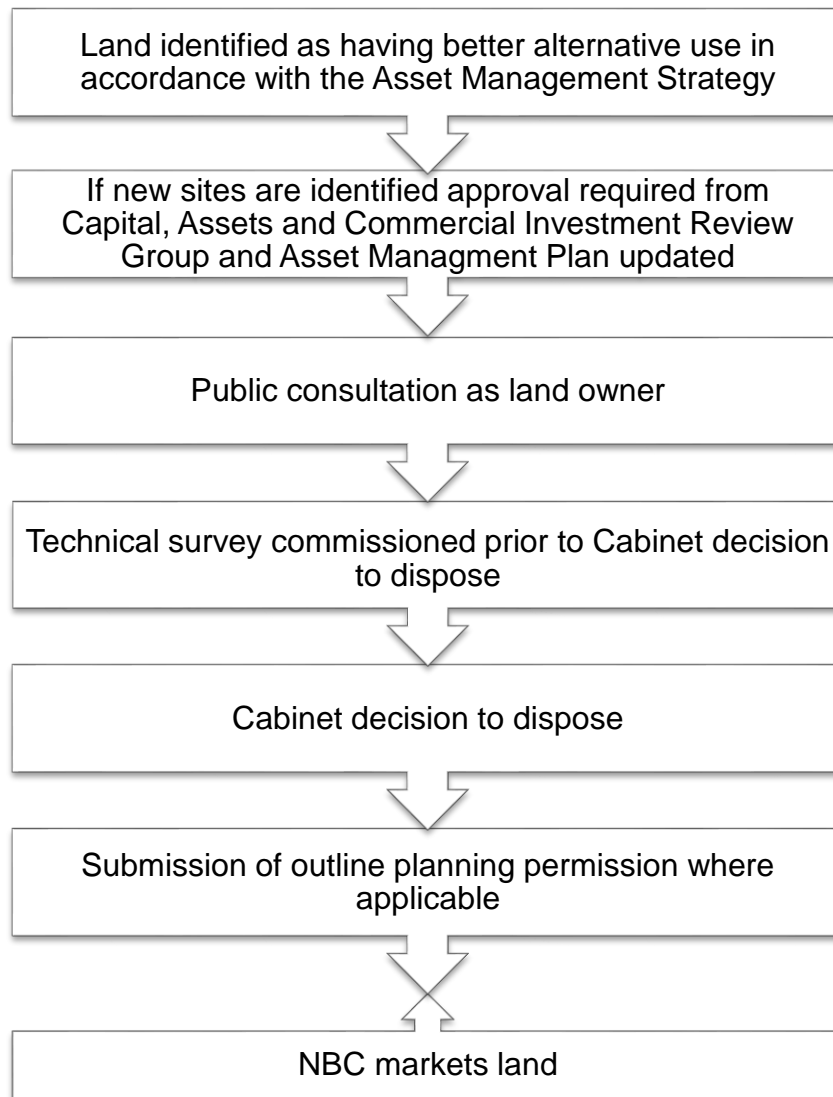
8.4 The consultation process approach involves Ward councillors being notified prior to the start of the process; notices being placed on site and; the adjacent property owners being notified, along with the Parish/Town Council, where relevant. The consultation timetable is set out below. This arrangement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

8.5 Property Description Consultation Approach

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

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

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



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

## 9. Operational and Non-Operational Portfolio Strategy Vision

- 9.1 Our vision is for Newcastle-under-Lyme to be a sustainable and business-oriented Council that maximises commercial opportunities in order to deliver long-term benefits for residents of the borough and support the Council's medium-term financial strategy.
- 9.2 This will be achieved through:
- Generation of service efficiencies [Operational Estate (O)]
  - Generation of new income streams [Non-Operational Estate (N/O)]
  - Maximising existing revenue streams [N/O]
  - Effective procurement and contract management [O&N/O]
  - Prudent investment in income generating assets [N/O]
  - Strategic asset development [O&N/O]
- 9.3 Generating income through commercial activity that can be re-invested in local priorities, services, and improvements for our residents.
- 9.4 Building strong working relationships with public, private and third sector partners to maximise collaboration and generate efficiencies.
- 9.5 Embedding a commercial culture within the council and ensure that our staff are equipped with the skills they need to operate in a more commercial environment.
- 9.6 Supporting the council in delivering the council plan and growth agenda as a key pillar of the medium-term financial strategy and our goal of financial self-sufficiency.
- 9.7 Optimising the council's use of technology and support our digital agenda to enable new, more efficient and flexible ways of working and interacting with customers and residents.

## 10. Arrears / Tenant Debt Policy

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

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

## **11 Acquisition and Disposal Policy**

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

## 12. Planned Capital Works and Projects

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

### 12.1 Land Adjacent to Keele Cemetery

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

### 12.2 Ryecroft

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

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

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

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

### 12.3 York Place Shopping Centre (Astley Place)

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

### 12.4 Midway Car Park

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

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

### 12.5 Carbon Capture Areas

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

## 13. Asset Disposals

### 13.1 Knutton

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

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

### 13.2 Parkhouse West

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

### 13.3 Town Centre Car Parks

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

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

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

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

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

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

#### 13.5 **Land at Glenwood Close, Silverdale**

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



## 14. Other Projects

### 14.1 Kidsgrove

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

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

### 14.2 Creation of a Circus Heritage Centre.

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

## 15. Government Funding

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

### 15.1 Kidsgrove Town Deal

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

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

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

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

## 15.2 Newcastle Town Deal

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

## 15.3 Future High Street Fund

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

## 15.4 Shared Prosperity Fund

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

## 16. Completed Projects

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

## 17. Completed Significant Land Disposals

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

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

## 18. The Market

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

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

## **19. Community Centres**

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

## **20. Further Reading & Associated Publications**

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

- The Cushman Report

## Further Information

For further information on the Asset Strategy, please contact:

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### APPENDIX A ASSET PLAN

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

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

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

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## NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

### CORPORATE LEADERSHIP TEAM'S REPORT TO CABINET

04 February 2025

**Report Title:** Financial and Performance Review Report – Third Quarter 2024/25

**Submitted by:** Corporate Leadership Team

**Portfolios:** One Council, People & Partnerships  
Finance, Town Centres & Growth

**Ward(s) affected:** All

<u>Purpose of the Report</u>	<u>Key Decision</u> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
To provide Cabinet with the Financial and Performance Review Report for 2024-25 (Quarter Three).	
<b><u>Recommendation</u></b>	
<b>That (Cabinet):</b> note the contents of the attached report and appendices and continue to monitor and challenge the Council's service and financial performance for this period.	
<b><u>Reasons</u></b>	
The Financial and Performance Management monitoring reports provide information on a quarterly basis regarding the performance of individual council services and progress with delivery against our priorities, alongside related financial information on the organisation.	

## 1. Background

- 1.1 This quarterly report provides Members with a detailed update on how the Council has performed during the quarter by presenting performance data and progress summaries set within a financial context. The report provides broad financial information (Appendix A) and also details service performance (Appendix B) for the period to the end of quarter three in 2024/25.
- 1.2 The Council approved a General Fund Revenue Budget of £17,046,150 on 14 February 2024. Further financial information is provided in Appendix A.

## 2. Performance

- 2.1 The Q3 report (April 2024 to December 2024) has been produced using business intelligence tools in order to automate and improve the monitoring, analysis and reporting of Council performance. The indicators included are those agreed as part of the new Council Plan and reflect the priorities for the Borough. In addition to reporting on key performance indicators, the report also includes progress summaries for each priority action, detailing the progress with the delivery of planned activities.
- 2.2 Contextual performance information is provided (indicators without a target), not only to ensure the monitoring of the corporate activities of the Council, but also to inform

Members, businesses and residents of performance in their local area that the Council cannot directly control.

- 2.3 Any indicators failing to meet the set targets include a comment explaining why the indicator has not performed well, and what steps are being taken to ensure improvement in the future.
- 2.4 For this report a total of 49 indicators were monitored, 20 of these indicators were contextual and had no set target. Of these contextual measures that had historic trend data available, 54% showed an improvement or maintenance when compared to the previous year's performance. Of the remaining 29 indicators, the proportion which have met their target during this period stands at 65%, with the remaining 35% falling short of target. 30% of off target measures this quarter show a positive trend when comparing to the same time period of the previous financial year. It must also be noted that a small number of these 'off target' measures have more stretching targets this year, in line with benchmarking findings and council ambition. In terms of trend data overall, with measures where there is comparable data, the proportion of indicators showing an improvement or maintenance of the previous year's performance stands at 47%.
- 2.5 Three project/actions have been classified as completed by their respective owners this quarter

### 3. Issues

- 3.1 There are ten indicators 'off target' this quarter and officers do not feel that these give rise to serious cause for concern at present (see commentaries in Appendix B). The management of each of the service areas concerned continue to monitor and take steps to address performance improvement where feasible and appropriate.
- 3.2 Progress on delivery of planned activities is summarised for each priority with two activities/actions being amber rated in Quarter Three; both are associated with priority two.
- 3.3 The first action flagged as amber is the Walleys Quarry odour issue. Comments by the action owner are listed below;

#### LEGAL ACTION

On 29 July 2024 the Secretary of State Environment, Food and Rural Affairs responded to the Leader's request for permission to prosecute Walleys Quarry Ltd under statutory nuisance legislation. The Secretary of State granted consent for a prosecution to proceed.

On 30 September the Chief Executive provided an update stating; "there are very few precedents for taking legal action against an operator regulated by a Government agency, so there is a great deal of legal advice and preparation involved, however I believe we will be ready to take the next step by the end of October".

The work involved in preparing legal proceedings continued into November and as the legal submission was being drafted the EA served a Closure Notice on Walleys Quarry Ltd on 28 November. This in effect required the operator to stop taking waste into the site from 29 November and to take steps to initiate closure of the site as specified in the Schedule to the Notice.

On 6 December Walleys Quarry Ltd appealed against the Closure Notice to the Planning Inspectorate. Interested Parties have until 13 January 2024 to make representations on this appeal. The appeal process does not suspend the Closure Notice.

#### COMMITTEE OF INQUIRY

This action is in line with the Committee of Inquiry Report which looked at the impact on local communities from the Walleys Quarry landfill operation and recommend that the EA serve a Closure Notice to commence the process of the site being closed.

#### COMPLAINTS

Odour complaints in October to December have seen a significant upturn from the previous quarter with complaints reaching over 1,000 complaints in the months of November and December.

- 3.4** The second action flagged as amber and not progressing as expected is the Delivery the £16m Kidsgrove Town Deal, where some issues have continued regarding the delivery of the railway station project. The Town Deal Board has resolved to pause and review the Shared Service Hub project with a view to delivering a revised scheme. The Board is scheduled to meet at the end of January 2025 to decide on the preferred way forward and progress accordingly. Issues around the railway station project and insurance for a Coal Authority permit for ground investigations are close to resolution.

#### **4. Recommendation**

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

#### **5. Reasons**

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

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

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

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

- 7.1** The Council has a Best Value duty to provide value for money services.

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

- 8.1** There are no differential equality issues arising directly from this report

#### **9. Financial and Resource Implications**

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

#### **10. Major Risks & Mitigation**

- 10.1** The ongoing changing market conditions represents the greatest risk to the revenue budget, particularly with regard to the impact it may have upon income receivable in relation to services where customers may choose whether or not to use Council

facilities or in the case of the waste/recycling service where the volume of recycled materials is liable to fluctuate.

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

## 11. UN Sustainable Development Goals (UNSDG)



## 12. One Council

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

One Commercial Council

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

The Council captures key performance data for its commercial income streams, informing service design and opportunities for increased revenue generation.

One Digital Council

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

The performance metrics capture the digital customer journey and level of transactions both made and where digital processes have saved customers from requiring complex interventions.

One Green Council

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

The sustainability indicators measure progress against the Council's net zero ambitions.

## 13. Key Decision Information

- 13.1 This is not a key decision.

## 14. Earlier Cabinet/Committee Resolutions

14.1 Not relevant

15. **List of Appendices**

15.1 Financial information (Appendix A) and Performance Outturn (Appendix B)

16. **Background Papers**

16.1 Working papers held by officers responsible for calculating indicators.

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**2024/25**

**Quarter Three  
Financial  
Performance**

## 1. Background and Introduction

- 1.1 In accordance with the Council's Financial Procedure Rules and recommended good practice, a quarterly financial report is presented to Members. This is the third report for 2024/25.
- 1.2 The report summarises overall financial performance for 2024/25 with particular emphasis on the key sources of financial risk to the Council. Specific considerations are as follows:
- **General Fund Revenue Account (Section 2)** – considers budgetary performance on the General Fund Account by looking at variations in income and expenditure and the funding received by the Council.
  - **Efficiency and Savings Plan (Section 3)** – considers progress in achieving the efficiency and savings forecast for 2024/25.
  - **Capital Programme (Section 4)** – provides an update to Members on progress against the Council's Capital Programme and major project funded through the Town Deal Funds and Future High Street Fund.
  - **Treasury Management (Section 5)** – sets out the key statistics in terms of investments and borrowings;
  - **Collection Fund (Section 6)** – considers progress to date in collecting the Council Tax, Business Rates and Sundry Debts.

## 2. General Fund Revenue Budget

- 2.1 This section of the report considers the financial performance of the General Fund Revenue Account against budget by setting out variations in income and expenditure and funding received by the Council.

Area	2024/25 General Fund	
	Estimate £	Band D Council Tax £
Central Services	2,397,680	61.89
Cultural Services	3,555,470	91.78
Environmental Services	8,150,380	210.40
Planning	1,730,040	44.66
Transport	(270,890)	(6.99)
Housing	2,168,480	55.98
<b>Net Cost of Services</b>	<b>17,731,160</b>	<b>457.72</b>
Pensions Liabilities Account	400,000	10.33
Investment Properties	(84,510)	(2.18)
Interest and Investment Income	498,000	12.86
<b>Net Operating Expenditure</b>	<b>18,554,650</b>	<b>478.73</b>
Contribution to/(from) Revenue Reserves	273,000	7.05
Contribution to/(from) Capital Reserves	(1,771,500)	(45.73)
<b>Amount to be met from Government Grant and Local Taxpayers</b>	<b>17,046,150</b>	<b>440.05</b>

- 2.2 The Council approved a General Fund Revenue Budget of £17.046m on 14 February 2024 for 2024/25. The actual and forecast position compared to this budget is continuously monitored by Budget Holders, the Corporate Leadership Team and Portfolio Holders in order to detect any



significant variances of expenditure or income from the approved amounts contained in the budget.

2.3 The table above shows how this budget has been allocated.

2.4 At the close of quarter three a positive variance of £0.049m has been achieved. The projected outturn on the General Fund Revenue Account for the year is £17.037m. This represents a positive outturn of £0.009m for the year.

2.5 The adverse variances that have occurred at the close of the third quarter of 2024/25 include:

- a. Income shortfalls from sales, fees and charges which amount to £0.232m (forecast to be £0.353m for the financial year).
- b. Holding costs for York Place (e.g. utilities and business rates) are expected to amount to £0.104m for the financial year, £0.096m had been incurred during the first three quarters.
- c. A pay award of £1,290 per employee has been agreed that is in excess of the amount provided for in the budget (3.5%), this amounts to a pressure of £0.120m (£0.090m at quarter three).
- d. Expenditure on repairs and renewals is expected to amount to £0.101m greater than the amount budgeted for the financial year (£0.084m at the close of period 9).
- e. Temporary accommodation for the homeless is expected to amount to £0.111m greater than the amount budgeted for the financial year after the application of grant monies (£0.083m at the close of period 9).
- f. Contributions to reserves of £0.350m have been made as a result of the favourable variance shown below in respect of interest receivable of cash that the Council holds in terms of Town Deal and Future High Street funding. £0.200m of this has been set aside to fund the inspection stage of the Local Plan. The remaining £0.150m has been contributed to the Walley's Quarry Reserve.

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

- a. Interest receivable on cash that the Council holds in terms of Town Deal and Future High Street funding totals £0.690m at the close of quarter three (it is forecast that this will grow to £0.750m of income by the close of the financial year).
- b. Interest payable on borrowing has yet to be incurred due to the cash that the Council holds in terms of Town Deal and Future High Street funding. It is forecast that borrowing may be required in the final quarter of the financial year dependent upon cash flow and that interest payable will be £0.482m lower than budgeted for (£0.395m at the close of quarter three).

### **3. Efficiency and Savings Plan**

3.1 This section of the report considers the financial performance of the Council's Efficiency and Savings Plan in 2024/25.

3.2 The Council's Medium Term Financial Strategy (approved in February 2024) included the five year (2024/25 – 2028/29) Efficiency and Savings Plan targeting savings of £6.885m.

3.3 The Efficiency and Savings Plan is set on the need to both reduce expenditure and increase income. The need to grow income is now more of a priority as the Council moves more towards being self-financing. The plan has been developed with the underlying principles of protecting frontline service delivery. It is also intended that the plan is a tool to enable the Council to ensure that its service spending is determined by the established priorities set out in the Corporate Plan.

3.4 The 2024/25 budget was set in February 2024 with the assumption of £2.692m of savings in the year. These savings are detailed in the table below:

Category	Amount £'000	Comments
Income	680	Additional sources of income generation and an increased demand for services that the Council charges for
One Council	230	Efficiencies to be generated from the introduction of a new Council operating model and increased performance management
Staffing Related Efficiencies	199	No redundancies are anticipated to arise from these proposals
Good Housekeeping/More Efficient Processes	489	Various savings arising from more efficient use of budgets
Tax Base Increase	424	Increased in Council Tax and Business Rates tax base
Council Tax Increase	164	An assumed 1.99% per Band D equivalent increase in Council Tax
Government Reimbursement	506	Grant in respect of New Homes Bonus and Minimum Funding Guarantee
<b>Total</b>	<b>2,692</b>	

3.5 At the end of quarter three, all savings have been achieved.

#### 4. Capital Programme and Major Projects

4.1 This section of the report provides an update to Members on the Council's Capital Programme and major projects funded by the Town Deal Funds and Future High Street Fund.

4.2 The table below shows a high level (service) summary of the General Fund Capital Programme position at 31 December 2024.

Priority	Budget at Period 9 £'000	Actual at Period 9 £'000	Variance at Period 9 £'000
One Council Delivering for Local People	674	671	(3)
A Successful and Sustainable Growing Borough	10,652	10,673	21
Healthy, Active and Safe Communities	4,340	4,333	(7)
Town Centres for All	8,212	8,212	-
<b>Total</b>	<b>23,878</b>	<b>23,889</b>	<b>11</b>

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

- 4.4 The expected total capital receipts due to be received this year following the sale of assets amount to £3.786m. A summary of the expected income is shown in the table below.

<b>Funding</b>	<b>Amount</b>
Proceeds from Right to Buy sales	£0.500m
Asset sales	£3.286m
<b>Total</b>	<b>£3.786m</b>

### **Major Projects Funding**

- 4.5 The Council was awarded Future High Streets Fund funding in June 2021 of £11.0m to progress projects to help future economic growth. The full £11.0m has now been received of which £10.9m has been spent at 31 December 2024, as shown below:

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

- 4.6 £23.6m was awarded to the Council via the Town Deals Fund for Newcastle to enable a vision to improve communications, infrastructure, and connectivity in Newcastle-under-Lyme to become a reality. £14.2m has been received to date of which £7.9m has been spent as shown below:

<b>Project</b>	<b>Award (£000's)</b>	<b>Spend/Ordered (£000's)</b>	<b>Remaining (£000's)</b>
Digital Infrastructure	2,285	1,528	757
Sustainable Public Transport	3,421	279	3,142
Electric Vehicle Charging	400	0	400
Pedestrian Cycle Permeability	950	359	591
Transform Key Gateway Sites	3,810	755	3,055
Astley Centre for Circus	1,810	637	1,173
Digital Society	3,510	1,369	2,141
Heart into Knutton Village	3,534	1,721	1,813
Cross Street, Chesterton	2,955	583	2,372
Project Management	925	668	257
<b>Total</b>	<b>23,600</b>	<b>7,899</b>	<b>15,701</b>

- 4.8 £16.9m has also been awarded via the Town Deals fund for Kidsgrove to enable real and lasting economic benefits to be realised in Kidsgrove and the surrounding area. To date £13.4m has been received of which £6.9m has been spent as shown below:

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

<b>Total</b>	<b>16,900</b>	<b>6,954</b>	<b>9,946</b>
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- 4.9 The Council has been awarded £4.8m (all of which has now been received), over a 3 year period, of UK Shared Prosperity Funding as part of the governments mission to level up opportunity and prosperity and to overcome geographical inequalities. It also aims to level up people's pride in the places they love and seeing that reflected in empowered local leaders and communities, a stronger social fabric and better life chances. 33 projects have been identified for which spend has commenced. Total spend at 31 December 2024 amounted to £3.5m as shown below:

<b>Project</b>	<b>Award (£000's)</b>	<b>Spend/Ordered (£000's)</b>	<b>Remaining (£000's)</b>
CML Community Hubs	6	6	0
Newcastle 850 Anniversary	16	16	0
Nature and Wellbeing	21	20	1
Canal Connectivity	106	106	0
Clough Hall Park	234	19	215
Mental Health Worker	88	78	10
Nature Recovery	250	122	128
Epicentre for Circus	100	100	0
Homelessness Hub	1226	661	565
Beat The Street	20	20	0
New Vic Theatre - 850 Event	10	10	0
Kidsgrove Workshop	108	108	0
Community Connector	67	67	0
Promotional Videos/Photos	25	14	11
Honeybox	55	55	0
Volunteering for all	72	72	0
Discharge Officer	88	77	11
BES Enterprise Coaching	82	82	0
Kidsgrove Town Hall	260	260	0
Security Marshalls	33	33	0
Flourishing Keele (KU)	466	352	114
Moving Ahead (KU)	277	277	0
Advanced Digital Technologies	409	306	103
Chamber Growth Hub	28	28	0
Brampton Wedding Venue	44	44	0
Work innovation conference	21	0	21
Community Connects	55	55	0
Feasted	45	44	1
Business Connects	9	5	4
Brampton Business Development	10	5	5
Technical Innovation Upskilling	159	86	73
Disadvantaged Upskill Project	28	8	20
Green Projects	167	167	0
To Be Confirmed	58	0	58
Project Management	193	169	24
<b>Total</b>	<b>4,836</b>	<b>3,472</b>	<b>1,364</b>

- 4.10 Several projects within the Town Deals and Future High Streets Fund (e.g., Multi Storey Car Park, Rycroft Development, York Place and Chatterley Valley) will require further funding from the Council in addition to the government grants, this will include the Council borrowing to fund these projects.

- 4.11 The Public Works Loan Board (PWLB) borrowing rate is subject to change daily and could have a significant impact on the financial viability if increases in interest rates are forthcoming or may result in considerably less costs in the instances of lower rates being obtained when borrowing is required. Additionally, the level of inflationary demands is also considered on a project-by-project basis.

4.12 Rigorous financial challenge and monitoring of each project's expenditure will be required in both the interim and during subsequent construction phases. Financial monitoring will continue to be reported as part of the scrutiny process and will also form part of the quarterly financial report to Cabinet.

## **5. Treasury Management**

5.1 This section of the report sets out the key treasury management statistics in relation to the Council's investments and borrowings. This report comprises a high level treasury management summary. The Audit and Standards Committee receives detailed operational updates on treasury management.

### ***Investments***

5.2 Cash Investments held on the 31 December 2024 amounted to £21.250m. Interest earned on these investments at the close of quarter three amounted to £0.690m. The average level of funds available for investment between 1 April 2024 and 31 December 2024 was £19.375m.

5.3 The Council has not budgeted to receive investment income in 2024/25. This was due to the expectation that borrowing would have taken place earlier in the financial year, however due to projects being delayed for a number of reasons, funding has remained in the Council's bank account and in turn generated interest. A surplus of £0.750m is anticipated for the financial year due to the cash that the Council holds in terms of Town Deal and Future High Street funding.

### ***Borrowing***

5.4 Borrowing is likely to be required during the final quarter of 2024/25 to fund the capital programme.

5.5 Although not utilised in recent years, the Council has previously considered the option of long-term borrowing from the PWLB. After the utilisation of capital receipts and internal borrowing, the Council will look to borrow short term from other local authorities in the first instance and will then review any other sources of funding if required.

5.6 Advice from the Council's Treasury Management Advisors, Arlingclose, is to continue to utilise internal funding whilst it is available as opposed to borrowing whilst the interest rates are high. This approach also reduces the need to place funding in long term deposits, whilst minimising any potential investment risks.

## **6. Collection Fund**

6.1. This section of the report details progress to date in collecting the Council Tax, Business Rates and Sundry Debt.

6.2 Local tax income is collected by billing authorities and paid into local 'collection funds' (the Council is a billing authority). Where there is a shortfall in tax receipts (compared to expected levels), this leads to a deficit on the collection fund. Billing and major precepting authorities are usually required to meet their share of any deficit during the following financial year.

6.3 The quarter three collection rate was as follows:

- Council Tax – 76.60% of Council Tax was collected by 31 December 2024, compared to a target

at the close of quarter three of 73.13%.

- Business Rates – 81.0% of Business Rates was collected by 31 December 2024, compared to a target at the close of quarter three of 73.05%.

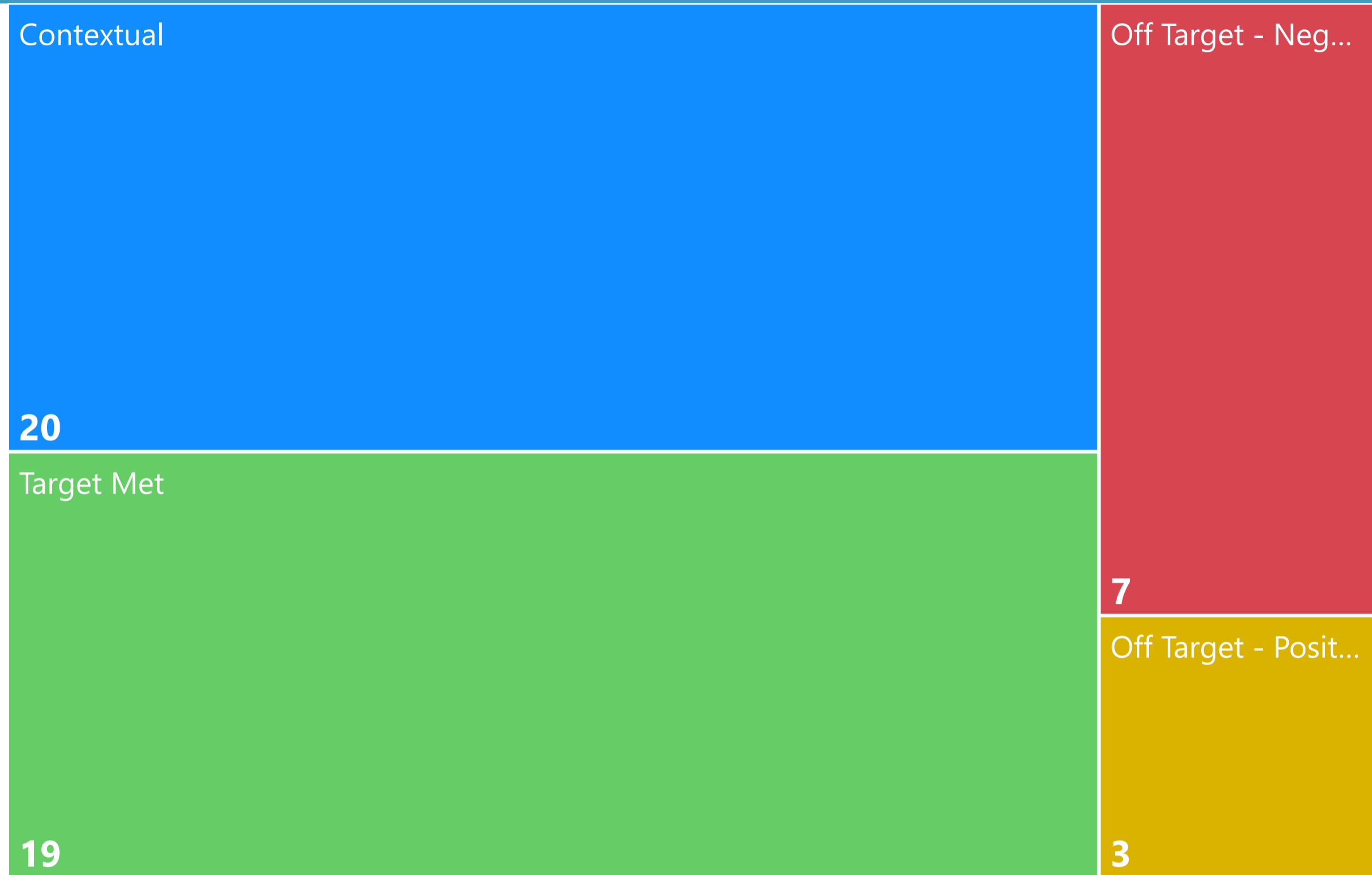
6.4 The current forecast of tax receipts and Section 31 grant are shown below:

<b>Tax</b>	<b>Forecast (Surplus)/Deficit at 31.12.24</b>	<b>Council's Share</b>
Council Tax	(£0.004m)	(£0.001m) (11%)
Business Rates	(£4.114m)	(£1.645m) (40%)
Business Rates Section 31 Grant	(£0.349m)	(£0.140m) (40%)
<b>Total</b>	<b>(£4.467m)</b>	<b>(£1.786m)</b>



# Quarter 3 - April 2024 to December 2024

## All Performance Indicators Current Status



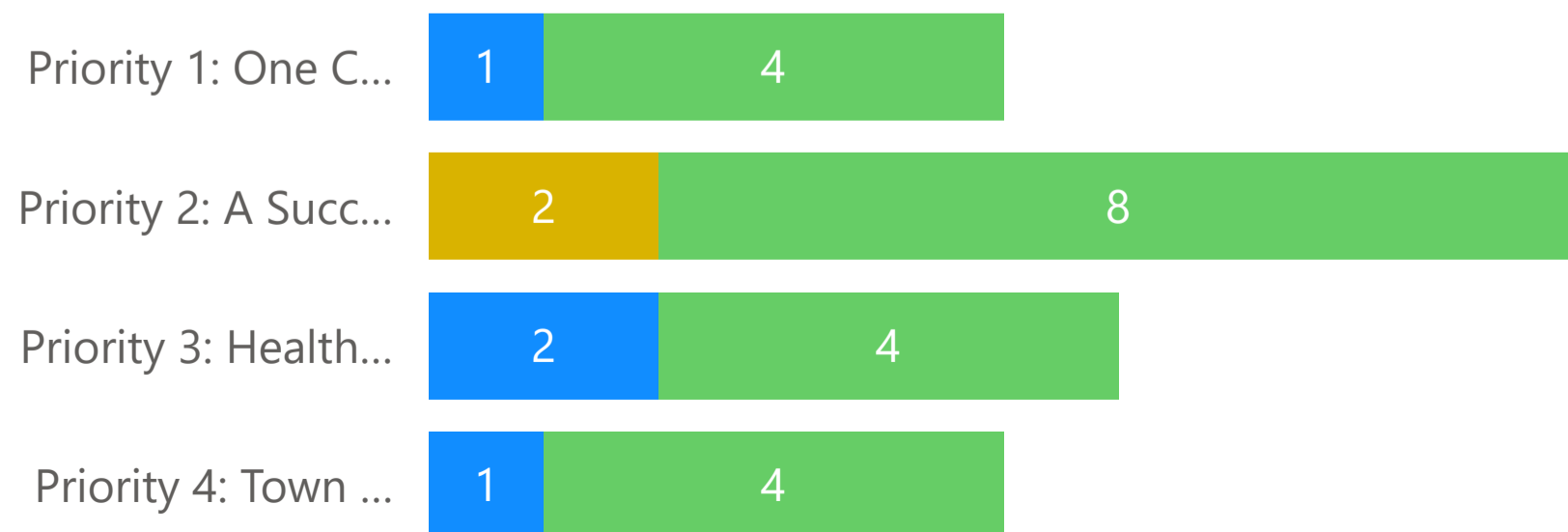
Corporate Aim (Priority)	Count
Priority 1: One Council delivering for Local People	16
Priority 2: A Successful and Sustainable Growing Borough	6
Priority 3: Healthy, Active and Safe Communities	24
Priority 4: Town Centres for All	3
<b>Total</b>	<b>49</b>

### Smart Narrative

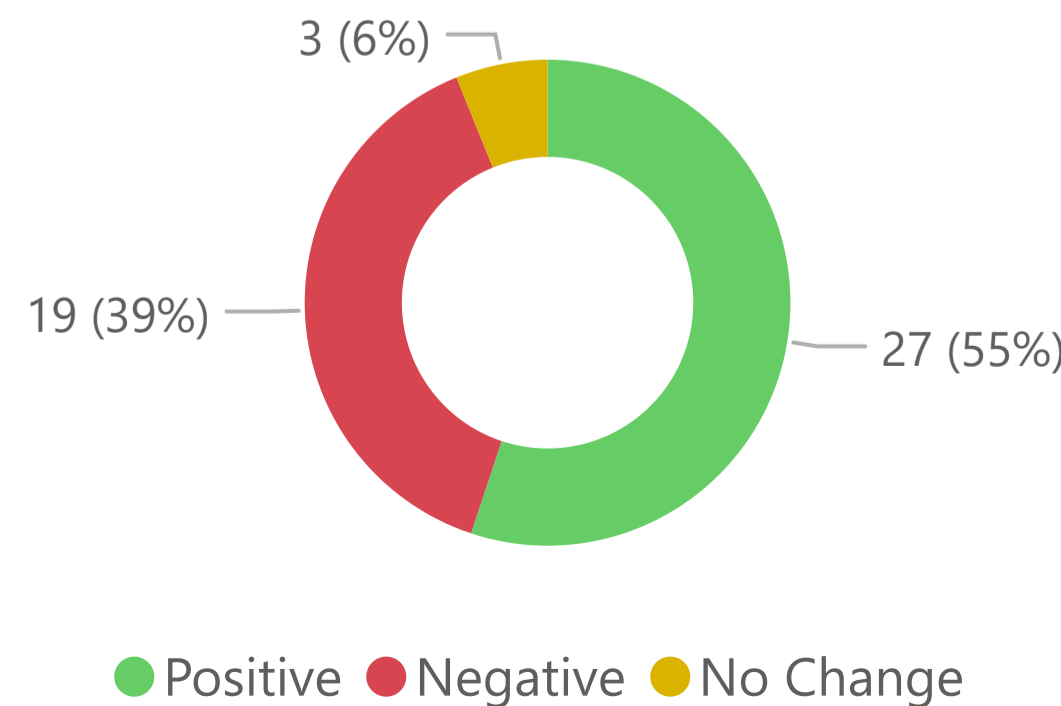
- There are 29 Indicators which have set targets this quarter.
- 65% met their targets within Quarter Three. 7 Indicators which met their target also showed improvement when compared to the same time period last year. 9 Indicators which met their target showed a negative trend when being compared to last year. 3 Indicators showed no change.
- 35% of Indicators were off target this quarter. 3 of these indicators showed an improvement when compared to last year and 7 indicators showed a negative trend.
- There are 20 Indicators which are contextual this quarter and do not have a target to meet. When compared to last year 7 measures showed an improved trend with 6 of the contextual measures showing a negative trend. 7 measures did not have any historic data to compare against.
- There are 4 Projects/Actions that have been classified as completed being split between Priority 1, 3 and 4. Priority 2 has 2 Project/Action's that have been identified as not progressing as expected - detail of these is provided in this report.

## Summary Project Status Split

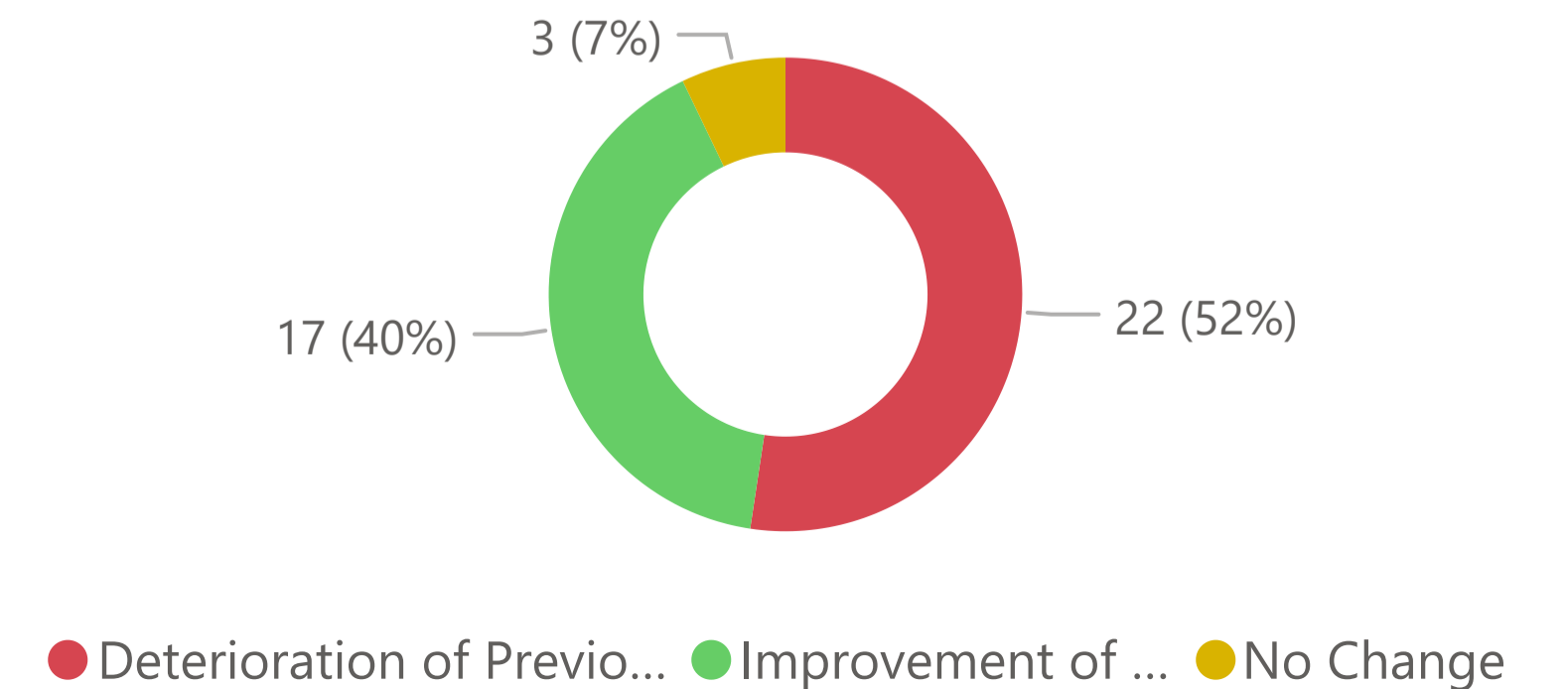
● Project/Action is Completed ● Project/Action is Not Progr... ● Project/Action is Progr...



## All Qtr.3 Trend Direction of PI's Compared to Previous Quarter

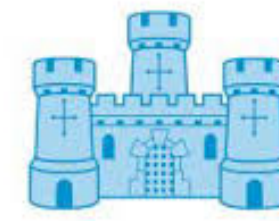


## All Qtr.3 Trend Status of PI's Compared On Same Qtr in the Previous Financial Year





Priority 1: One Council delivering for Local People



NEWCASTLE-UNDER-LYME  
BOROUGH COUNCIL

Priority 1: Performance Indicators Current Status



Corporate Objective	Count
Deliver services to a high standard every day	3
Develop professional talent across the Council and provide opportunities for staff to grow their careers	4
Ensure our services are efficient and accessible	7
Ensure strong financial discipline across the Council	2
<b>Total</b>	<b>16</b>

Smart Narrative

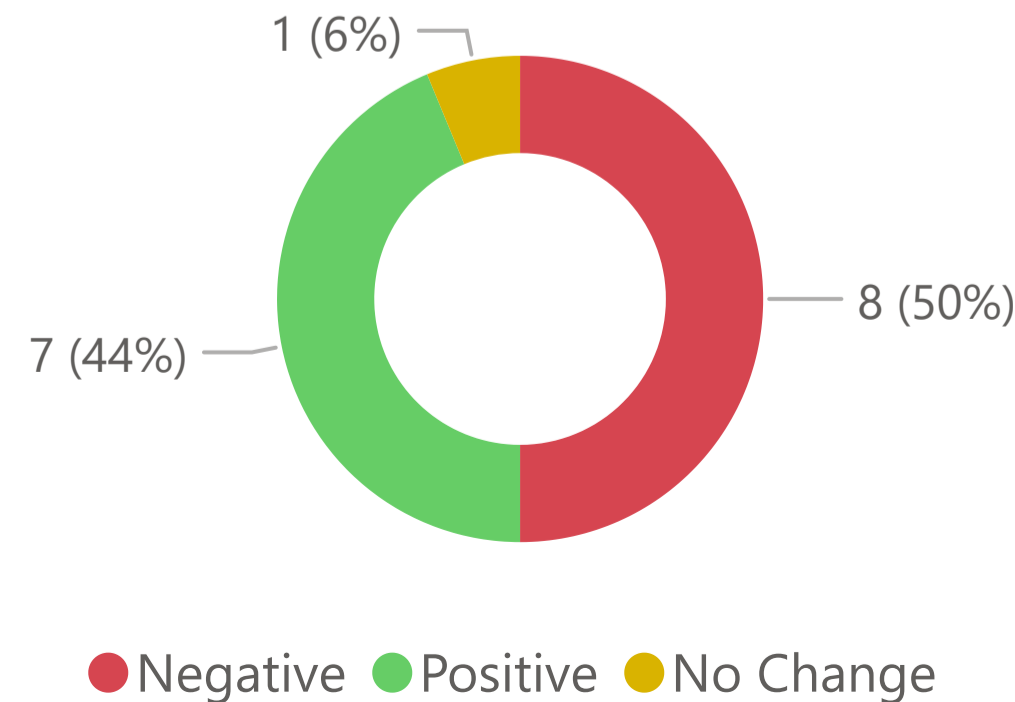
- There are 11 Indicators which have set targets this quarter within Priority 1.
- 45% met their targets within Quarter Three. 1 Indicators which met their target also showed improvement when compared to the same time period last year. 4 Indicators which met their target showed a negative trend when being compared to last year.
- 55% of Indicators were classed as off target this quarter. 2 of these indicators showed a positive trend when compared to last year and 4 showed an negative performance on the year previous.
- There are 5 Indicators which are contextual this quarter and do not have a target to meet. When compared to last year, 1 of these measures showed a negative trend, 3 measure demonstrated an improvement and 1 measure did not have any historic data to compare against.
- There has been one Project/Action that has been classed as completed in Priority 1, this being the Delivery of the One Council Programme. All other Projects/Actions within Priority 1 are classed to be progressing as expected.

Priority 1: Summary Project Status Split

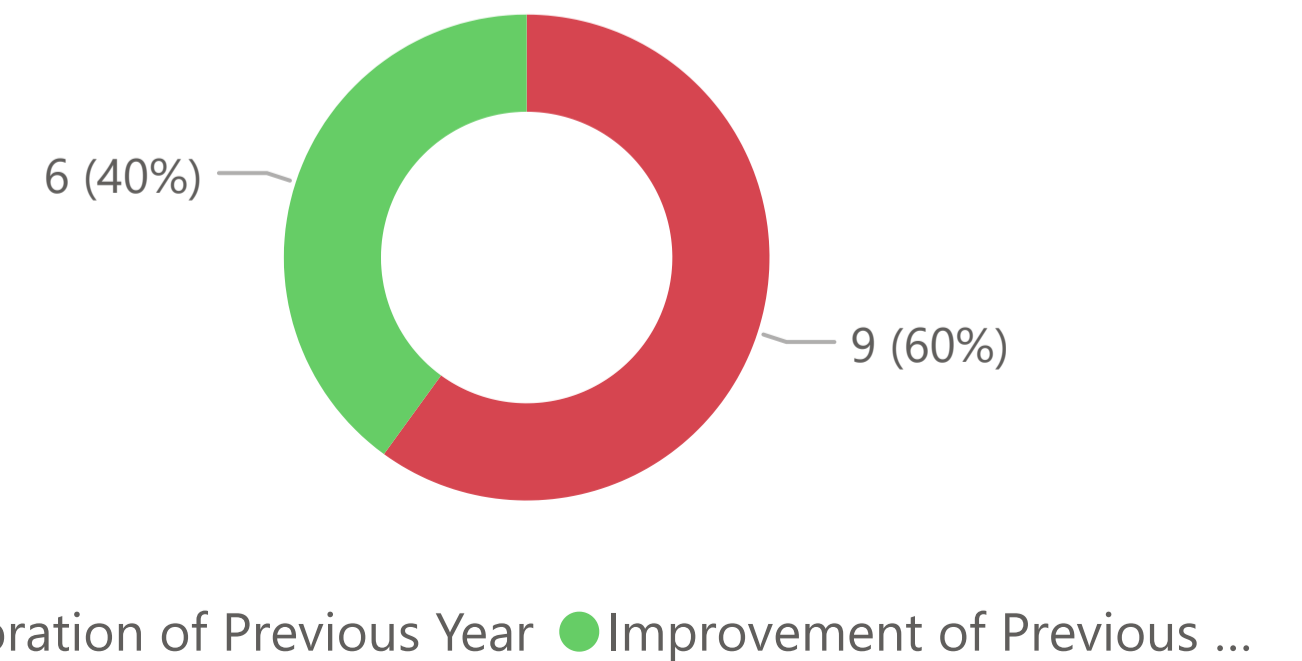
● Project/Action is Completed ● Project/Action is Progressing as Expected



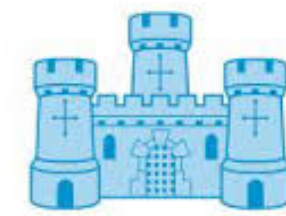
Priority 1: Qtr.3 Trend Direction of PI's Compared to Previous Quarter



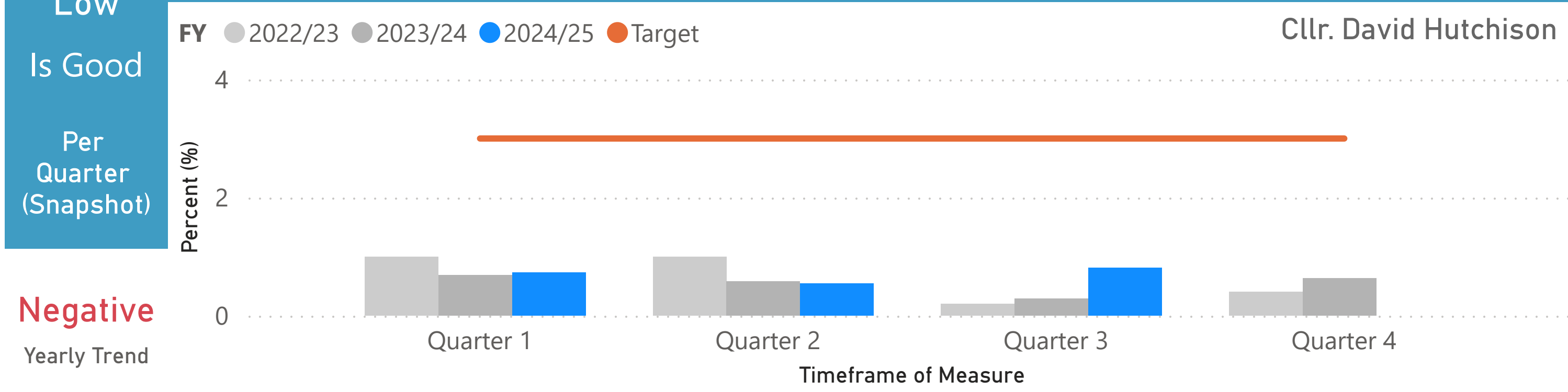
Priority 1: Qtr.3 Trend Status of PI's Compared On Same Qtr in the Previous Financial Year







Low Is Good Per Quarter (Snapshot) ID1.1 - Percentage of food premises that have a zero or one national food hygiene rating Current Status SMART Actions if Off Target



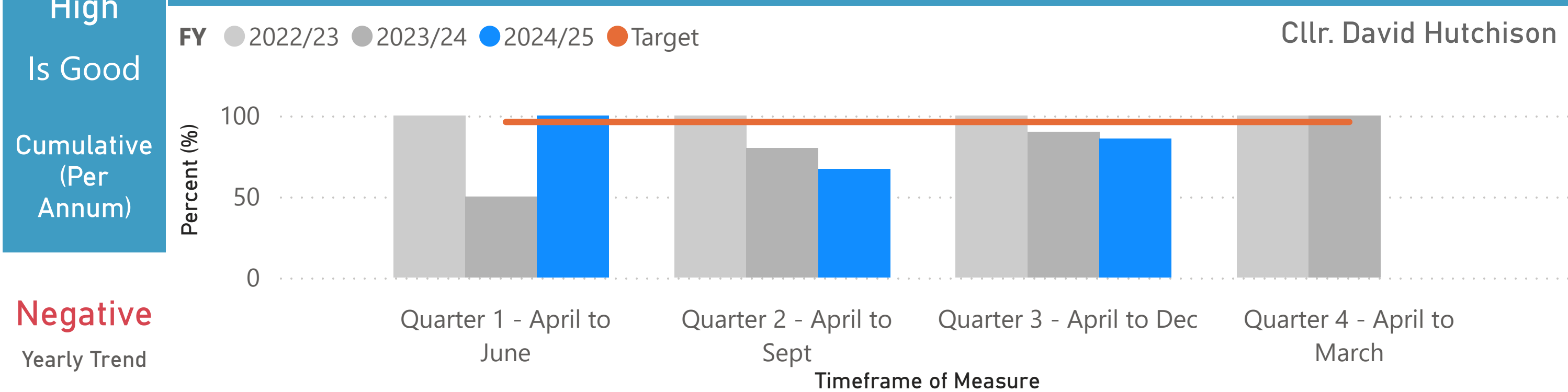
Cllr. David Hutchison

**0.81** ✓

Target: 3.00

Not Required as Target Met

High Is Good Cumulative (Per Annum) ID1.2 - Percentage of category A and B food business inspections completed on time Current Status SMART Actions if Off Target



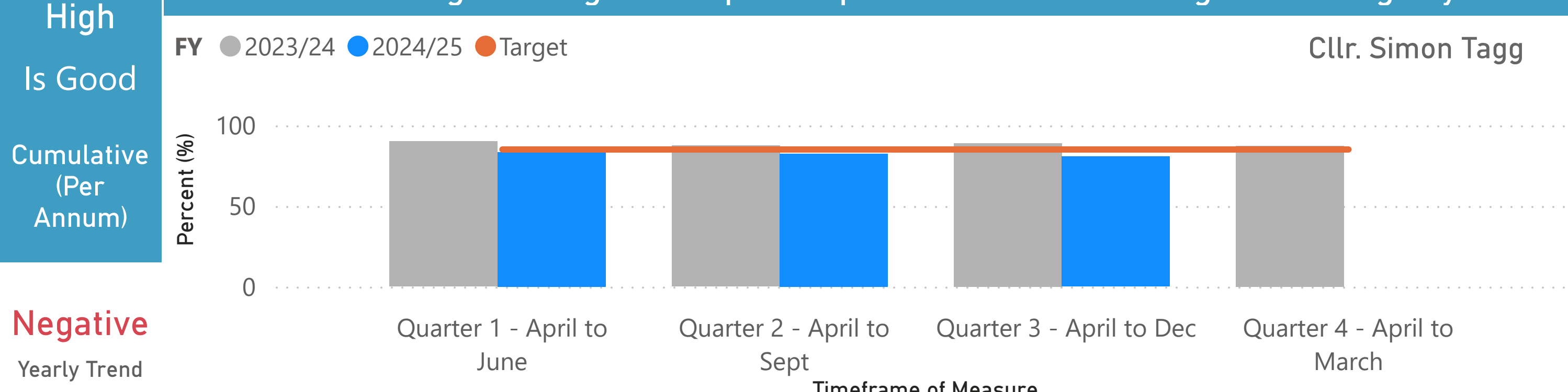
Cllr. David Hutchison

**85.70** !

Target: 96.00

Between Apr-Dec 12 of 14 inspections had been completed on time, during Quarter 3 in isolation all inspections were completed on time which increased overall percentage, however value remains below target of 96%. The late inspections within quarter 2 have affected the yearly figure.

High Is Good Cumulative (Per Annum) ID1.16 - Percentage of Stage 1 complaints processed in time being 20 working days Current Status SMART Actions if Off Target



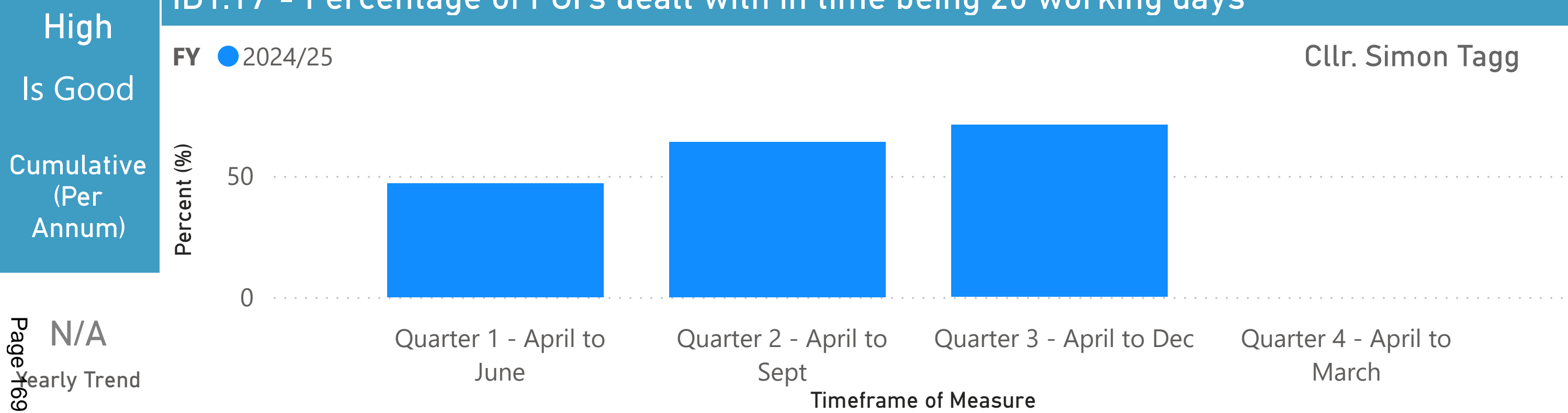
Cllr. Simon Tagg

**80.65** !

Target: 85.00

Q3 in isolation shows 22 due 17 responded within 20 working days. As part of the complaints review we have spoken about the introduction of staff training to heighten the importance of complaints and learning from complaints – making sure any learning has been followed up.

High Is Good Cumulative (Per Annum) ID1.17 - Percentage of FOI's dealt with in time being 20 working days Current Status SMART Actions if Off Target



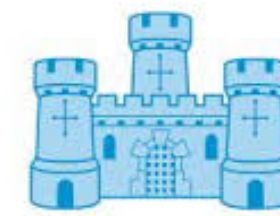
Cllr. Simon Tagg

**71.00**

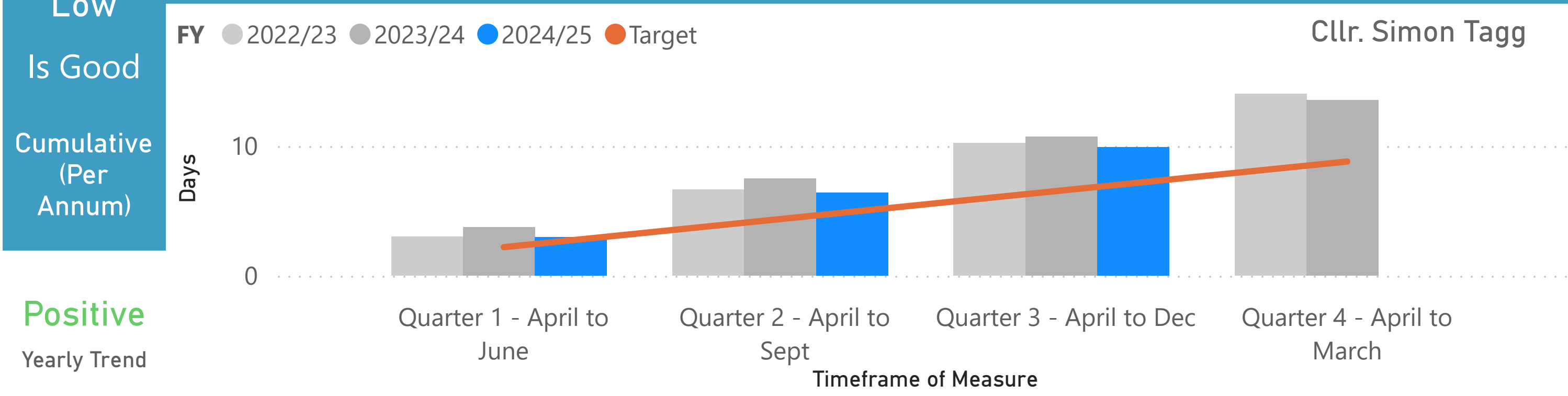
Q3 in Isolation shows 87% achieved - 137 due, 119 achieved 20 day target

Deliver services to a high standard every day

Ensure our services are efficient and accessible



**ID1.13 - Average number of days per employee lost to sickness - Per Employee** Current Status SMART Actions if Off Target

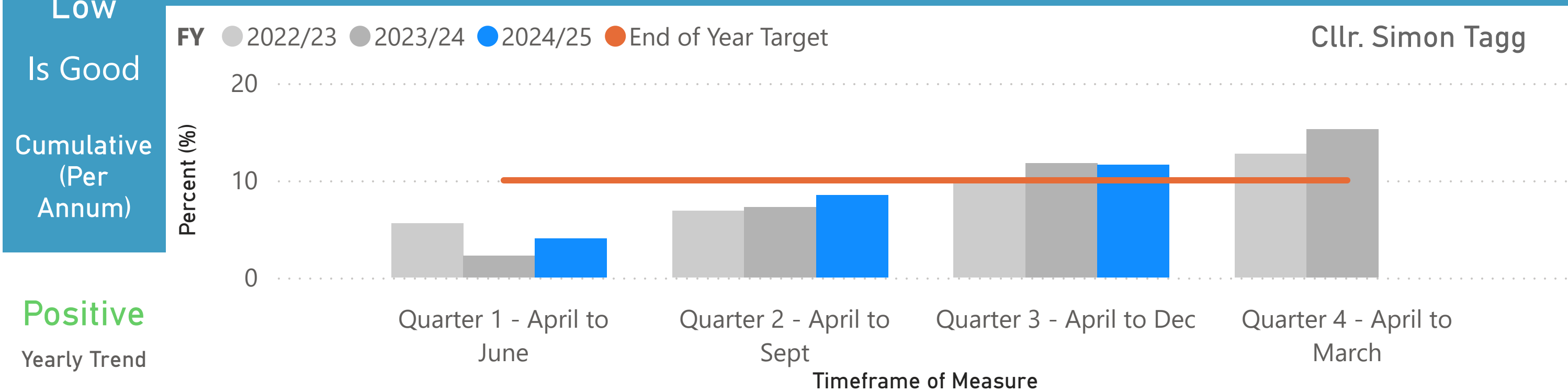


**9.91!**

Target: 6.60

Sickness reduced significantly in December, to the lowest level since April 24. December can be a lower month for sickness due to a larger number of holiday days, however it is also lower than December 23 and 22. The main reduction was in long term sickness absence and some of the longest runnign cases of sickness were resolved in December so hopefully this will continue into January.

**ID1.14 - Staff Turnover** Current Status SMART Actions if Off Target

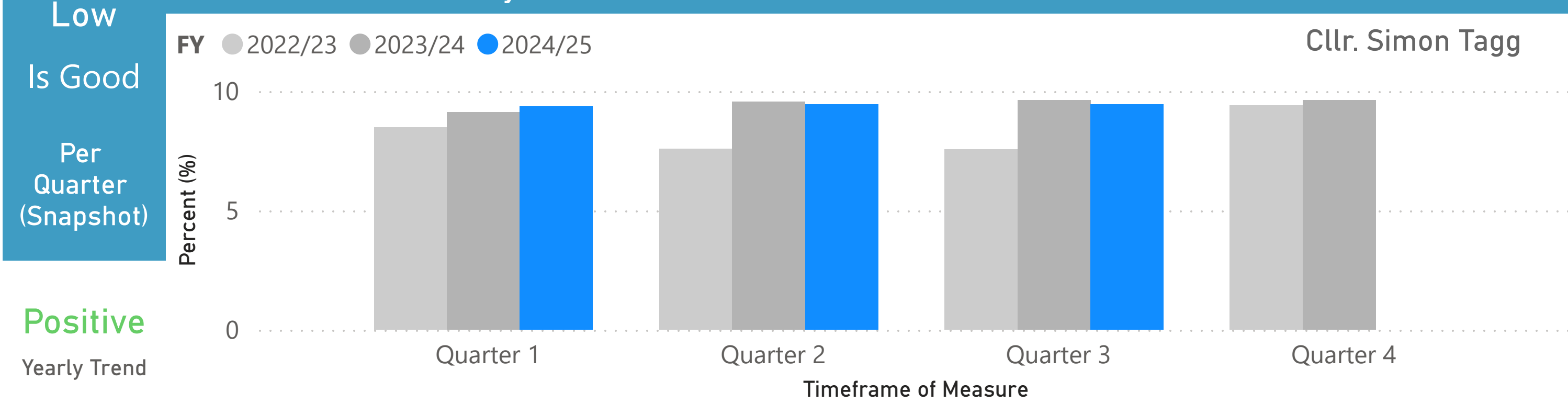


**11.58!**

End of Year Target: 10.00

Turnover is above target but this needs to be considered in the context of reasons for leaving, there have been a number of fixed term contracts and retirements this year so the resignation figure is much lower.

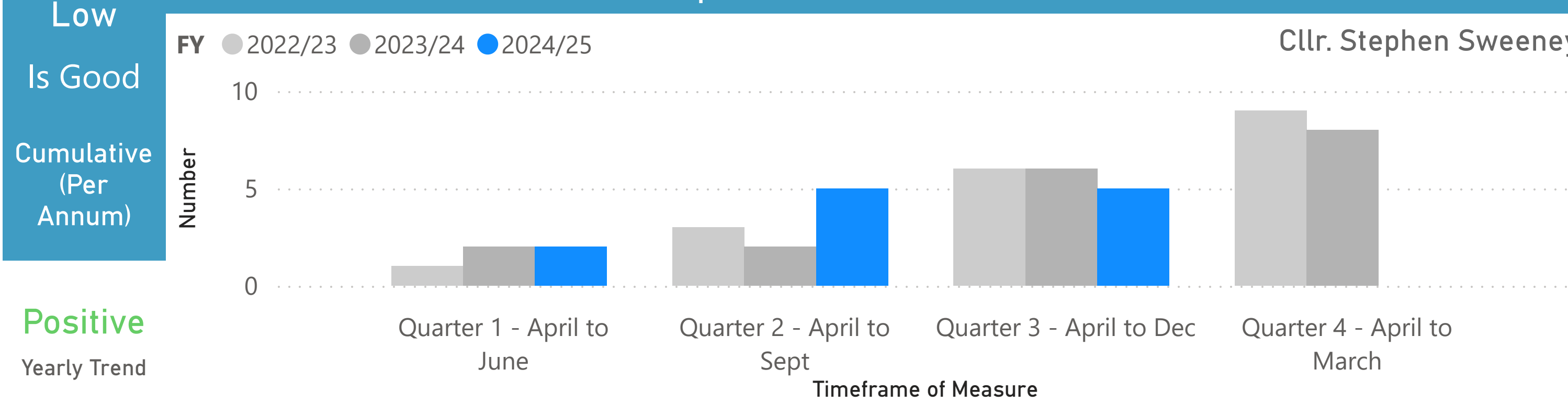
**ID1.15 - Staff Vacancy Rate** Current Status SMART Actions if Off Target



**9.43**

Vacancy rates remain stable, and slightly higher in December compared to the previous month. Some posts are mid-recruitment and others are being covered by agency in the short term. There are a small number of hard to recruit specialist posts which have not been filled substantively for some time.

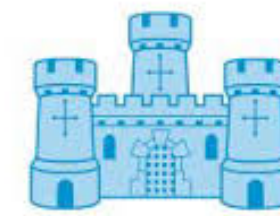
**ID1.3 - No. Accidents/Incidents reported (RIDDOR)** Current Status SMART Actions if Off Target



**5**

Delayed reporting from members of the public resulted in two late submissions for the initial quarter. A lack of reportable incidents in the third quarter is positive but should not be viewed in isolation, the overall year will provide more objective data.

Develop professional talent across the Council and provide opportunities for staff to grow their careers

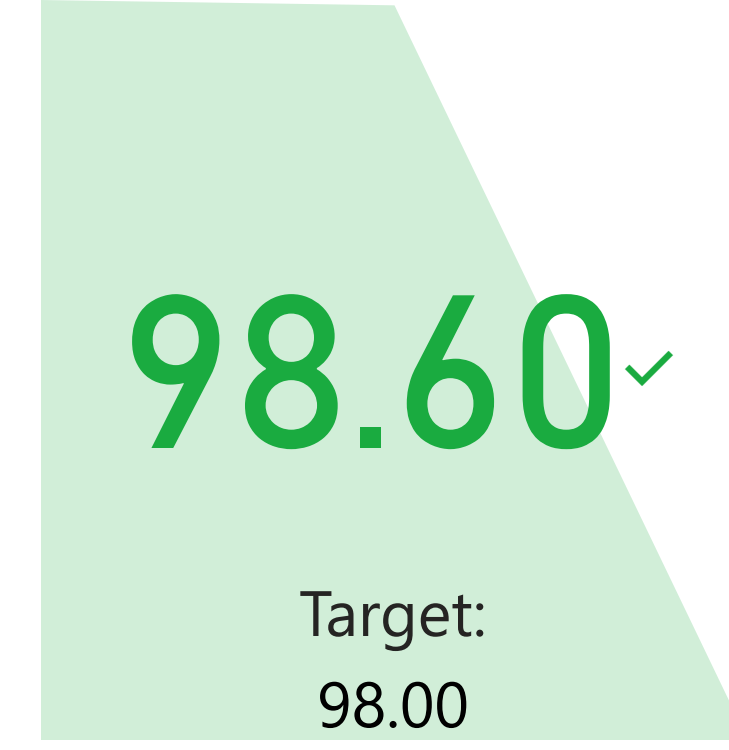
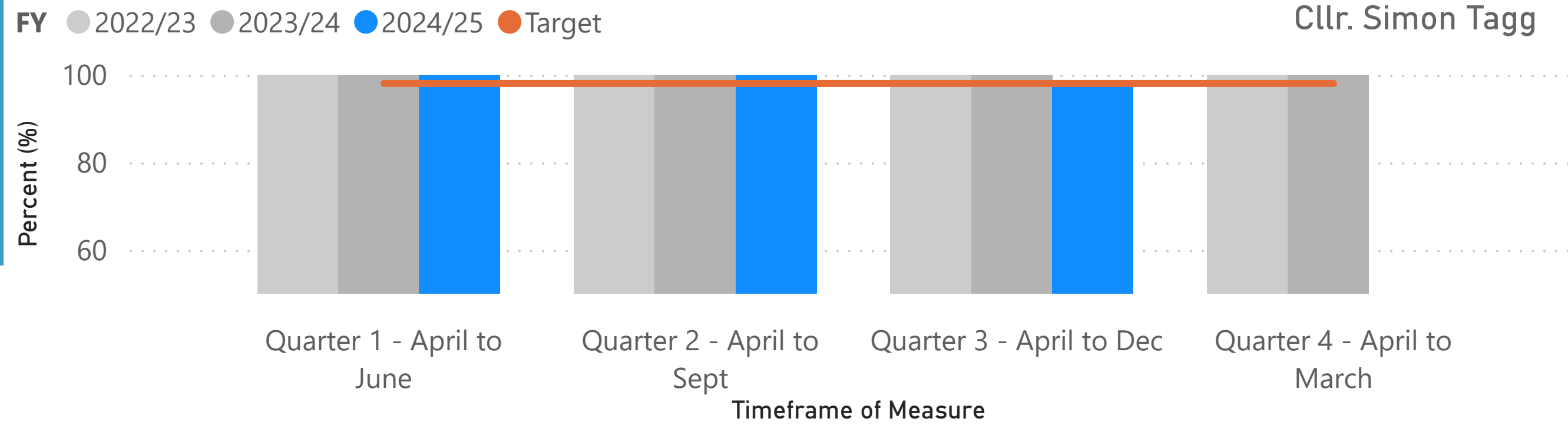


High  
Is Good  
Cumulative (Per Annum)

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

Current Status

SMART Actions if Off Target



Not Required as Target Met

Ensure our services are efficient and accessible

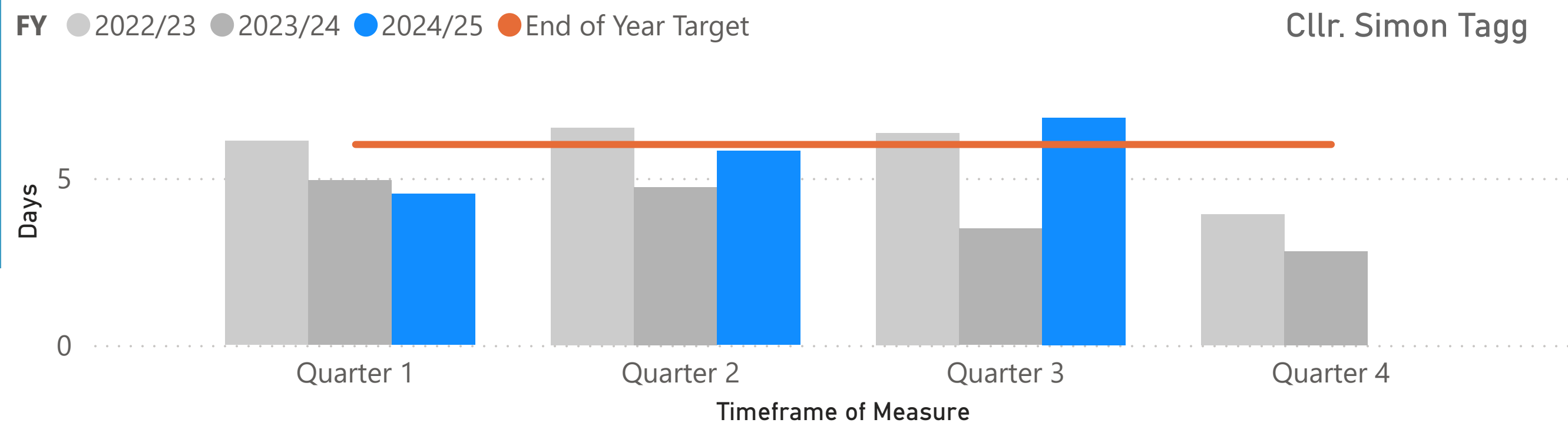
Negative  
Yearly Trend

Low  
Is Good  
Cumulative (Per Annum)

### ID1.10 - Time taken to process Housing Benefit new claims/change events (Days)

Current Status

SMART Actions if Off Target



Measure impacted by Housing Benefit Change of Circumstances. This is slightly off target due to staff resources distracted by the Subsidy Audits for 2021/22 and 2022/23 and now impacts on 2023/24. This has not been controllable as very reliant on External Auditors. However, we are targeting the work that has the biggest impact to performance, subsidy and overpayments.

Deliver services to a high standard every day

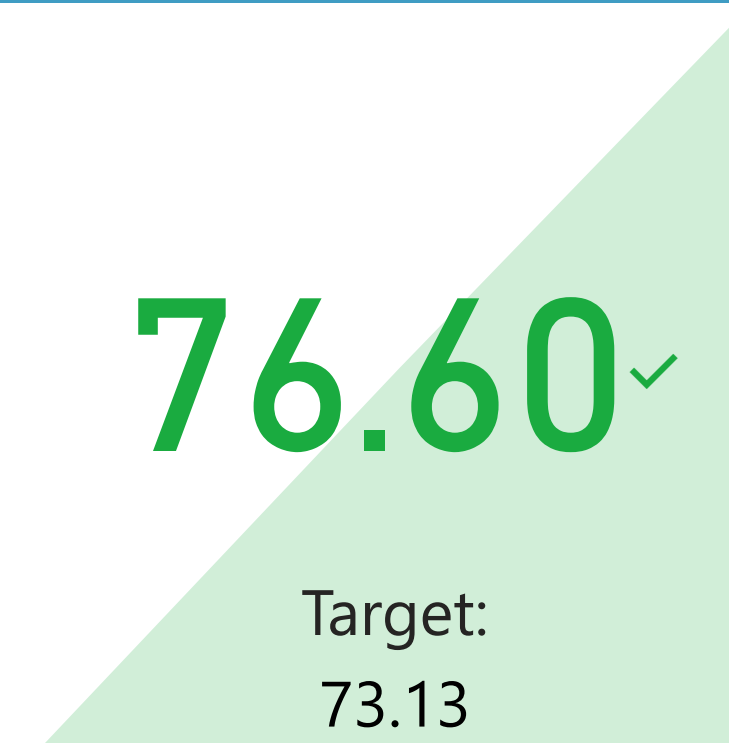
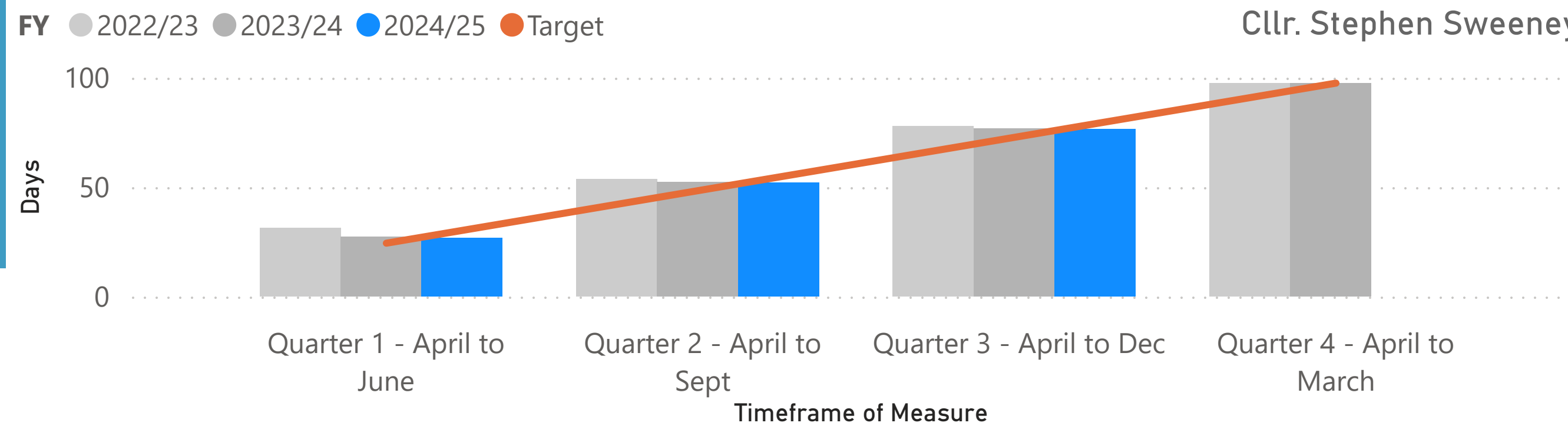
Negative  
Yearly Trend

High  
Is Good  
Cumulative (Per Annum)

### ID1.11 - Percentage of Council Tax collected

Current Status

SMART Actions if Off Target



Not Required as Target Met

Ensure strong financial discipline across the Council

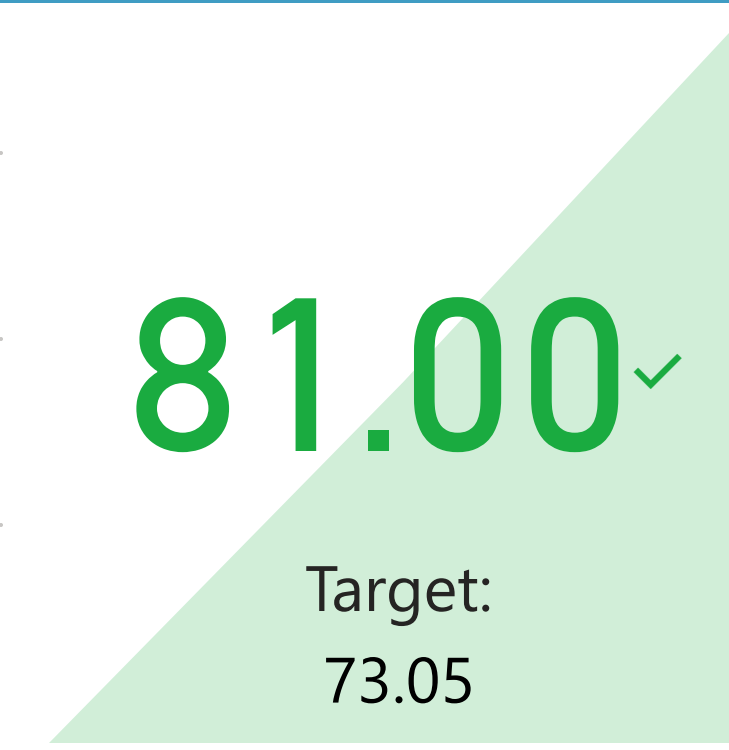
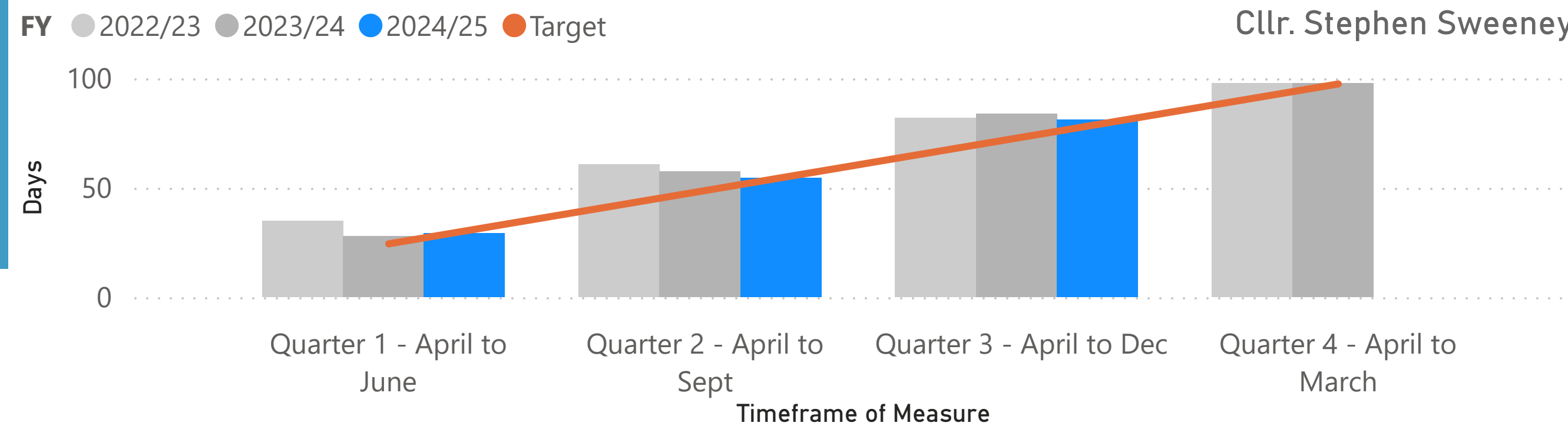
Negative  
Yearly Trend

High  
Is Good  
Cumulative (Per Annum)

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

Current Status

SMART Actions if Off Target



Not Required as Target Met

Ensure strong financial discipline across the Council

Negative  
Yearly Trend

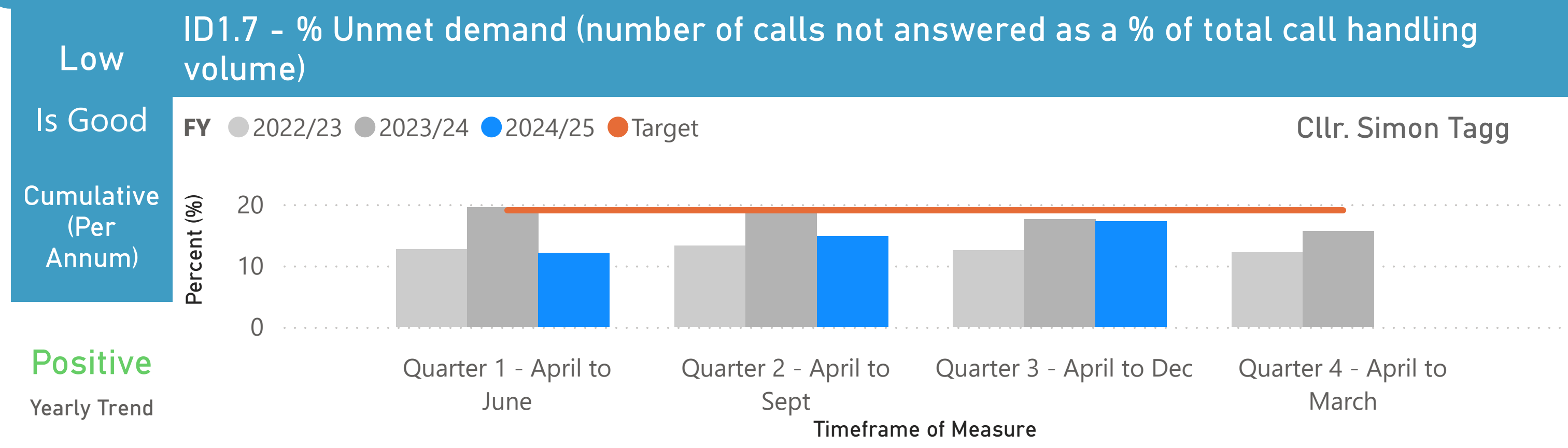


Priority 1: One Council delivering for Local People



NEWCASTLE UNDER LYME  
BOROUGH COUNCIL

Multiple selections ▾



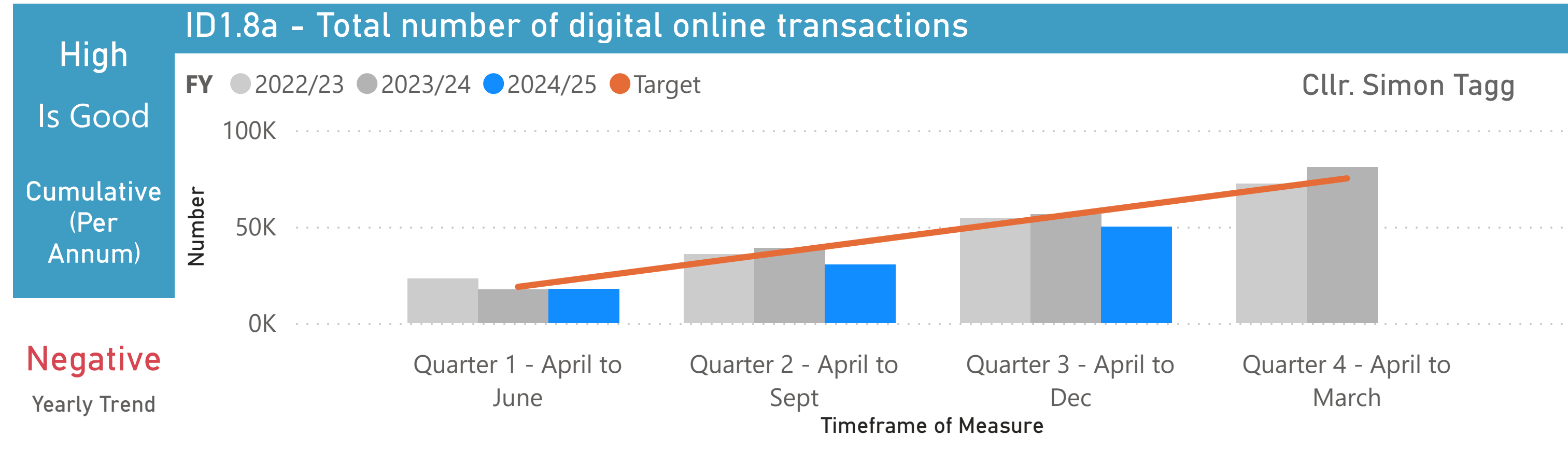
Current Status

**17.20** ✓

Target: 19.00

SMART Actions if Off Target

Not Required as Target Met



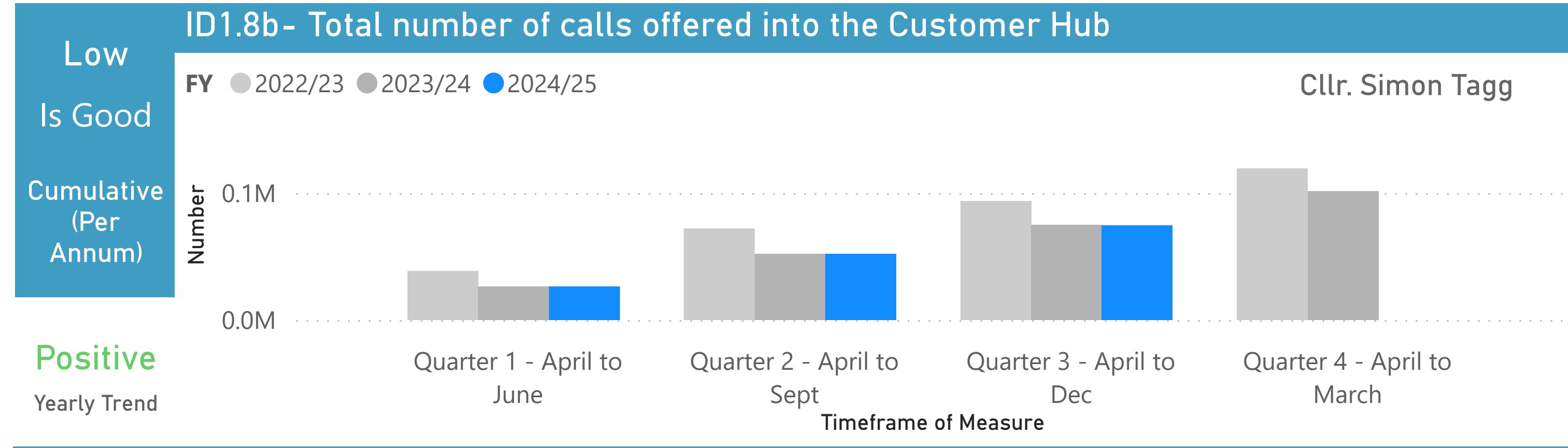
Current Status

**49,964** !

Target: 56,250

SMART Actions if Off Target

Ongoing changes to update the information, advice and guidance available to residents through the website is continuing to have a decreasing effect on the number of completed forms. Due it directing the resident to the correct authority responsible for the enquiry.

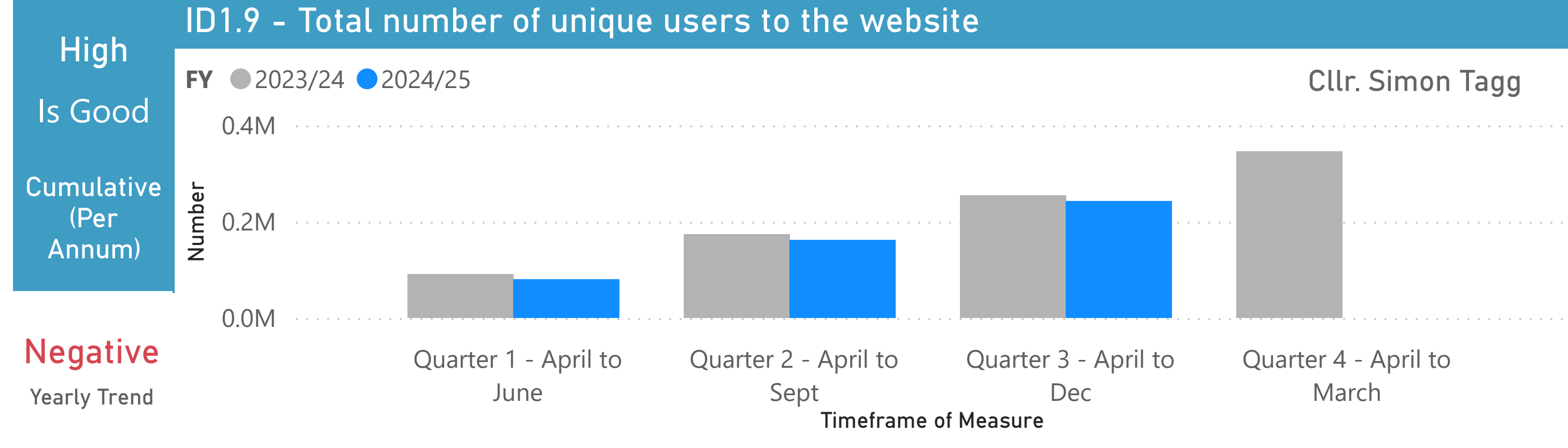


Current Status

**74,530**

SMART Actions if Off Target

No set target and used to compare different types of demand



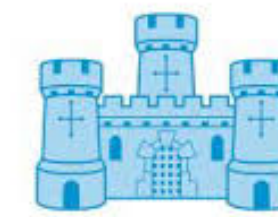
Current Status

**242,401**

SMART Actions if Off Target

11,541 less unique users by end of quarter 3 from the previous financial year. Drop in number have been impacted by the reduced figure seen in Quarter 1 and numbers overall for Quarter 2 & Quarter 3 in isolation remain relatively close to that seen last year. Continued monitoring of the measure will take place as the year progresses

Ensure our services are efficient and accessible



Project Status Split for Priority 1.

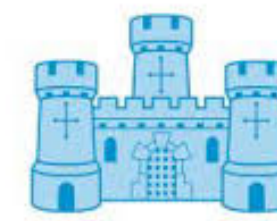
Project/Action is Progressing as Expected

4

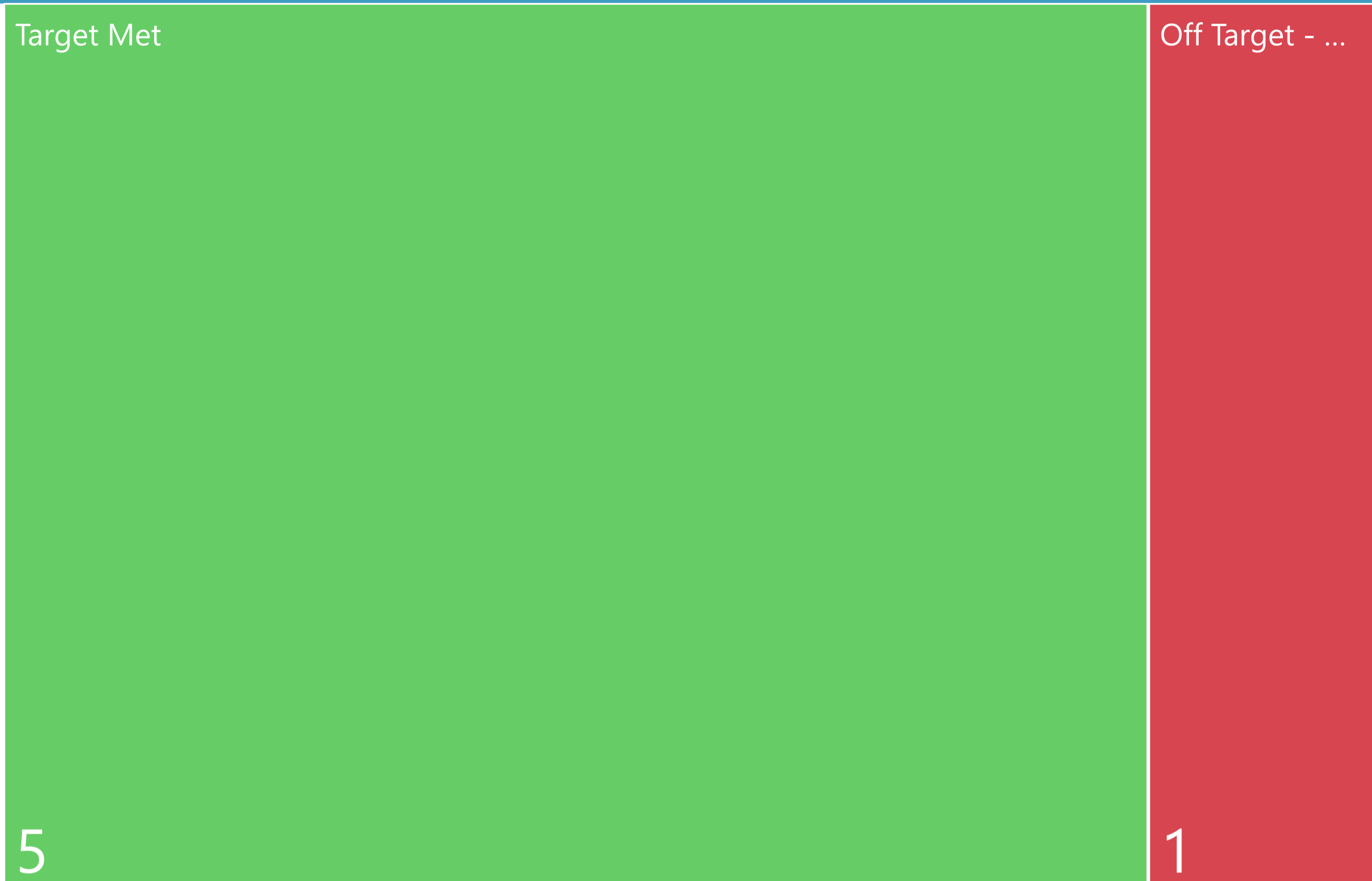
Project/Action is Completed

1

Portfolio Holder	Service Area	Action	Corporate Objective	Status report	Commentary on progress
Cllr. Simon Tagg	1. Strategy, People and Performance 2. All services	Deliver a Workforce Strategy	Develop professional talent across the Council and provide opportunities for staff to grow their careers	✔ Project/Action is Progressing as Expected	Strategy in place and work continues on progressing the themes and actions
Cllr. Simon Tagg	1. Strategy, People and Performance 2. IT and Digital 3. Neighbourhoods 4. All (digital enablement)	Deliver the One Council Programme	Ensure our services are efficient and accessible	★ Project/Action is Completed	Project/Action has been completed.
Cllr. Stephen Sweeney	1. Commercial Delivery 2. Finance 3. Legal & Governance	Identify and deliver opportunities to generate income from commercial development	Ensure strong financial discipline across the Council	✔ Project/Action is Progressing as Expected	Officers are beginning a new programme to investigate commercialisation opportunities across the Council, in the next quarter a new Commercialisation Board will be established.
Cllr. Simon Tagg	1. Strategy, People and Performance 2. All services	Work with our communities to ensure services reflect local need	Work with our communities to ensure services reflect local need	✔ Project/Action is Progressing as Expected	Ongoing partnership work continues. Work continues in developing our Priority Delivery Plans in line with our understanding of our communities and the overall Council Priorities and Plan. We continue to work with partners and also with data to understand the context in which we operate, invite feedback and consultation e.g. budget consultation, local plan consultation.
Cllr. Simon Tagg	1. Strategy, People and Performance 2. neighbourhoods 3. Regulatory	Work with partners to deliver the best for our communities	Work with partners to deliver the best for our communities	✔ Project/Action is Progressing as Expected	Ongoing partnership work continues. Partnership working continues to be a strength for the organisation with positive outcomes in regard to Community Safety , Town Centre experience and ease of access to council services. Significant progress is being achieved in relation to Better Health outcomes as the Active Referral scheme is embedded



Priority 2: Performance Indicators Current Status



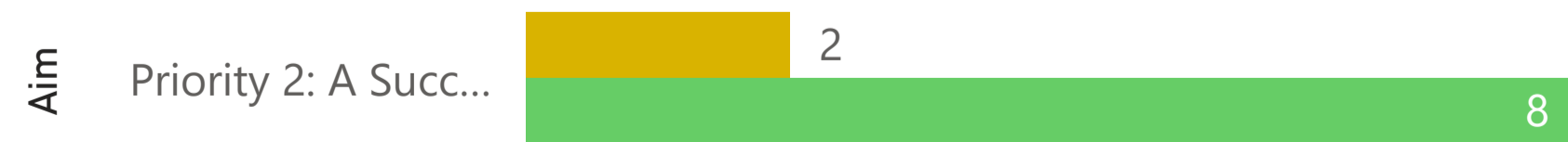
Corporate Objective	Count
A strong and sustainable economy where everyone benefits	1
Protecting our communities by improving how we use our enforcement powers.	1
Support the sustainable development of our towns and villages	4
<b>Total</b>	<b>6</b>

Smart Narrative

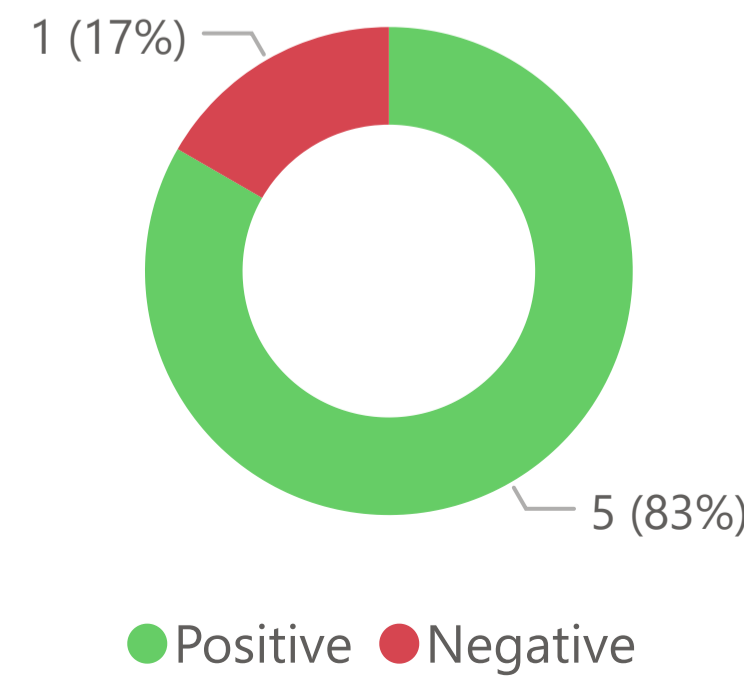
- There are 6 Indicators which have set targets this quarter within Priority 2.
- 83% met their targets within Quarter Three. 2 Indicators which met their target showed improvement when compared to the same time period last year. 2 Indicators which met their target showed a negative trend when being compared to last year. 1 Indicator showed no change when compared to the previous year.
- Within Priority 2, there are 2 Projects/Actions that have been raised to not be progressing as expected and relate to the following; "Secure a Successful Resolution to Walleys Quarry" and "Delivering the £16m Kidsgrove Town Deal" Further detail in regards to this project/action is supplied within the body of the report.

Priority 2: Summary Project Status Split

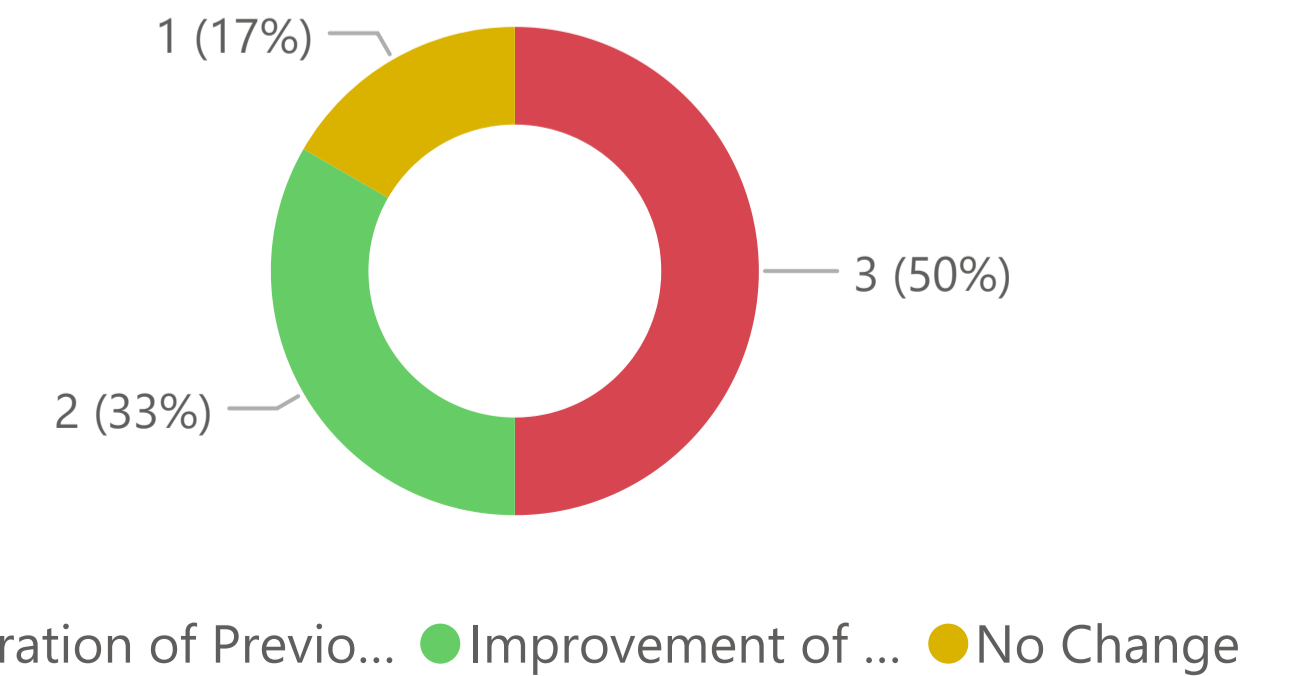
● Project/Action is Not Progressing as Expected ● Project/Action is Progressing as Expe...

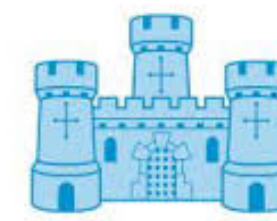


Priority 2: Qtr.3 Trend Direction of PI's Compared to Previous Quarter



Priority 2: Qtr.3 Trend Status of PI's Compared On Same Qtr in the Previous Financial Year





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

Current Status

SMART Actions if Off Target

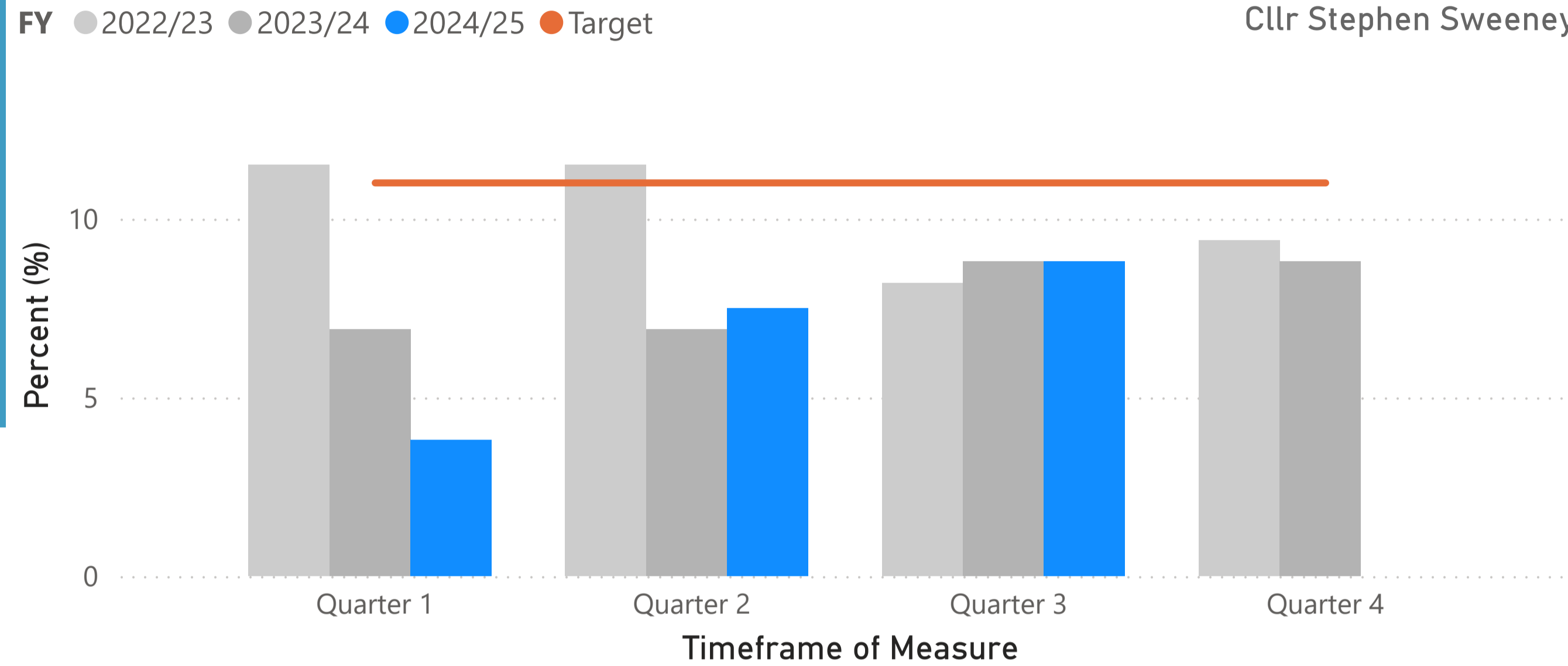
Low

Is Good

Per Quarter (Snapshot)

No Change

Yearly Trend



Cllr Stephen Sweeney

8.80 ✓

Target: 11.00

Not Required as Target Met

A strong and sustainable economy where everyone benefits

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

Current Status

SMART Actions if Off Target

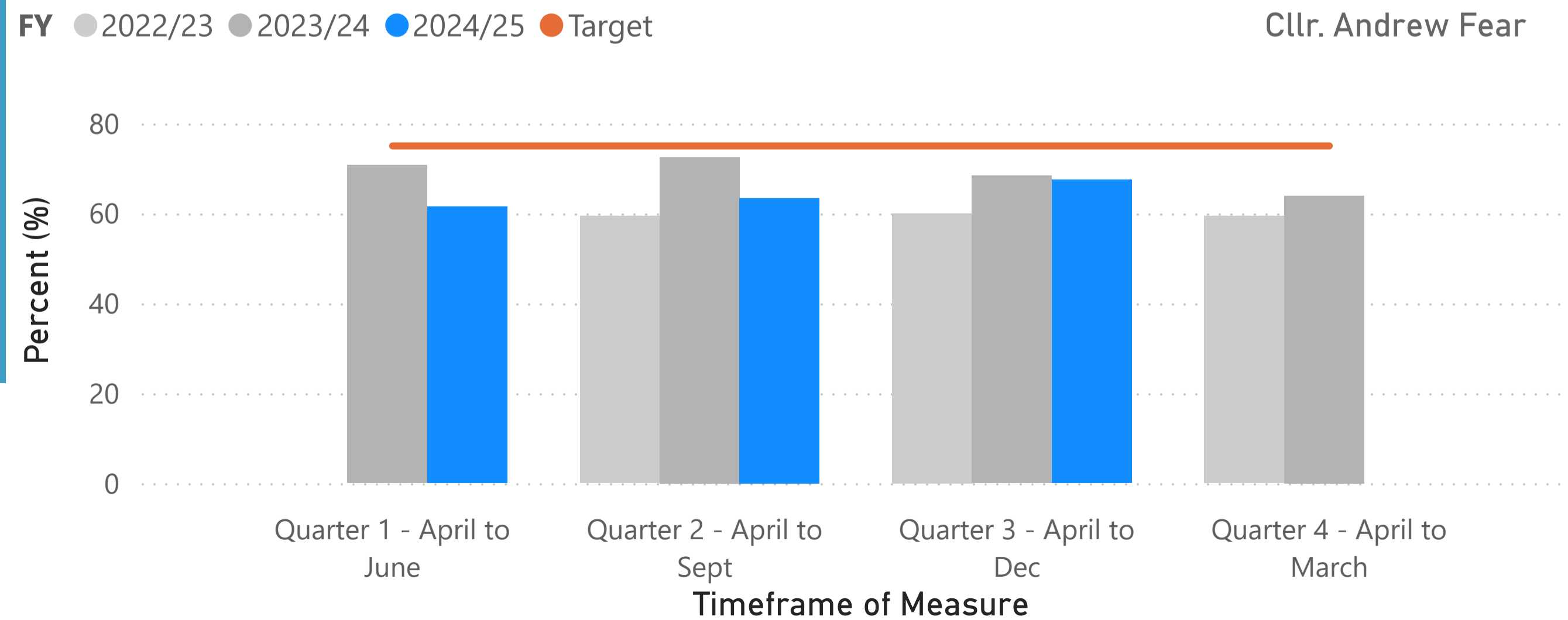
High

Is Good

Cumulative (Per Annum)

Negative

Yearly Trend



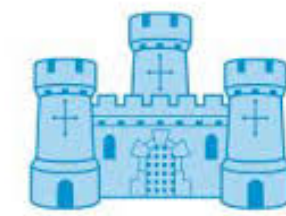
Cllr. Andrew Fear

67.50 !

Target: 75.00

A significant difference in like for like performance compared with Q2, with 76.5% complainants responded to within the relevant timescales. However, notwithstanding this the overall cumulative figure for the year to date remains below the 75% target. As previously issues around complexity of cases, work absences and capacity have impacted. The improvement in performance reflects a more rigorous performance management approach and monitoring which will be continued going forward.

Protecting our communities by improving how we use our enforcement powers.



**High**  
Is Good  
Planning  
Positive  
Yearly Trend

**ID2.2 - Speed of major development applications (P151a - 24 Month Rolling Period up to End of Each Quarter)**

Cllr. Andrew Fear

Timeframe of Measure	2022/23	2023/24	2024/25	Target
1. Jul 2022 – Jun 2024	100	100	93.30	75.00
2. Oct 2022 – Sep 2024	100	100	93.30	75.00
3. Jan 2023 – Dec 2024	100	100	93.30	75.00
4. Apr 2023 – Mar 2025	100	100	93.30	75.00

**Current Status**

**93.30** ✓

Target: 75.00

**SMART Actions if Off Target**

Measure shown is the % within 13 weeks or within agreed time - Central Gov metric which measures a rolling time period of 24 months - Newest metric shows the following time period January 2023 – December 2024

**Low**  
Is Good  
Planning  
Negative  
Yearly Trend

**ID2.3 - Quality of major development applications (P152a - 24 Month Rolling Period - See SMART Actions)**

Cllr. Andrew Fear

Timeframe of Measure	2022/23	2023/24	2024/25	Target
1. Jul 2021 – Jun 2023	5	5	4.00	10.00
2. Oct 2021 - Sep 2023	5	5	4.00	10.00
3. Jan 2022 - Dec 2023	5	5	4.00	10.00
4. Apr 2022 - Mar 2023	5	5	4.00	10.00

**Current Status**

**4.00** ✓

Target: 10.00

**SMART Actions if Off Target**

Measure shown is the Quality of decisions (% overturned at appeal) - Central Gov metric which measures a rolling time period of 24 months - They have currently advised they are behind schedule. Newest metric shows the following time period January 2022 – December 2023

**High**  
Is Good  
Planning  
Positive  
Yearly Trend

**ID2.4 - Speed of non-major development applications (P153 - 24 Month Rolling Period up to End of Each Quarter)**

Cllr. Andrew Fear

Timeframe of Measure	2022/23	2023/24	2024/25	Target
1. Jul 2022 – Jun 2024	100	100	95.80	85.00
2. Oct 2022 – Sep 2024	100	100	95.80	85.00
3. Jan 2023 – Dec 2024	100	100	95.80	85.00
4. Apr 2023 – Mar 2025	100	100	95.80	85.00

**Current Status**

**95.80** ✓

Target: 85.00

**SMART Actions if Off Target**

Measure shown is the % within 8 weeks or within agreed time - Central Gov metric which measures a rolling time period of 24 months - Newest metric shows the following time period January 2023 – December 2024

**Low**  
Is Good  
Planning  
Negative  
Yearly Trend

**ID2.5 - Quality of non-major development applications (P154 - 24 Month Rolling Period - See SMART Actions)**

Cllr. Andrew Fear

Timeframe of Measure	2022/23	2023/24	2024/25	Target
1. Jul 2021 – Jun 2023	0.60	0.60	0.60	10.00
2. Oct 2021 - Sep 2023	0.60	0.60	0.60	10.00
3. Jan 2022 - Dec 2023	0.60	0.60	0.60	10.00
4. Apr 2022 - Mar 2023	0.60	0.60	0.60	10.00

**Current Status**

**0.60** ✓

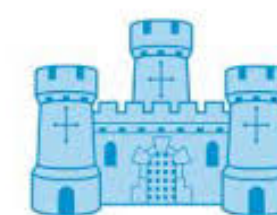
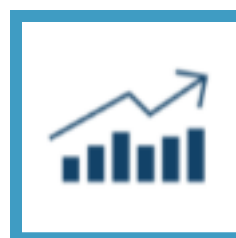
Target: 10.00

**SMART Actions if Off Target**

Measure shown is the Quality of decisions (% overturned at appeal) - Central Gov metric which measures a rolling time period of 24 months - They have currently advised they are behind schedule. Newest metric shows the following time period January 2022 – December 2023

Support the sustainable development of our towns and villages





Project Status Split for Priority 2.

Project/Action is Progressing as Expected

8

Project/Action is Not Progressing as E...

2

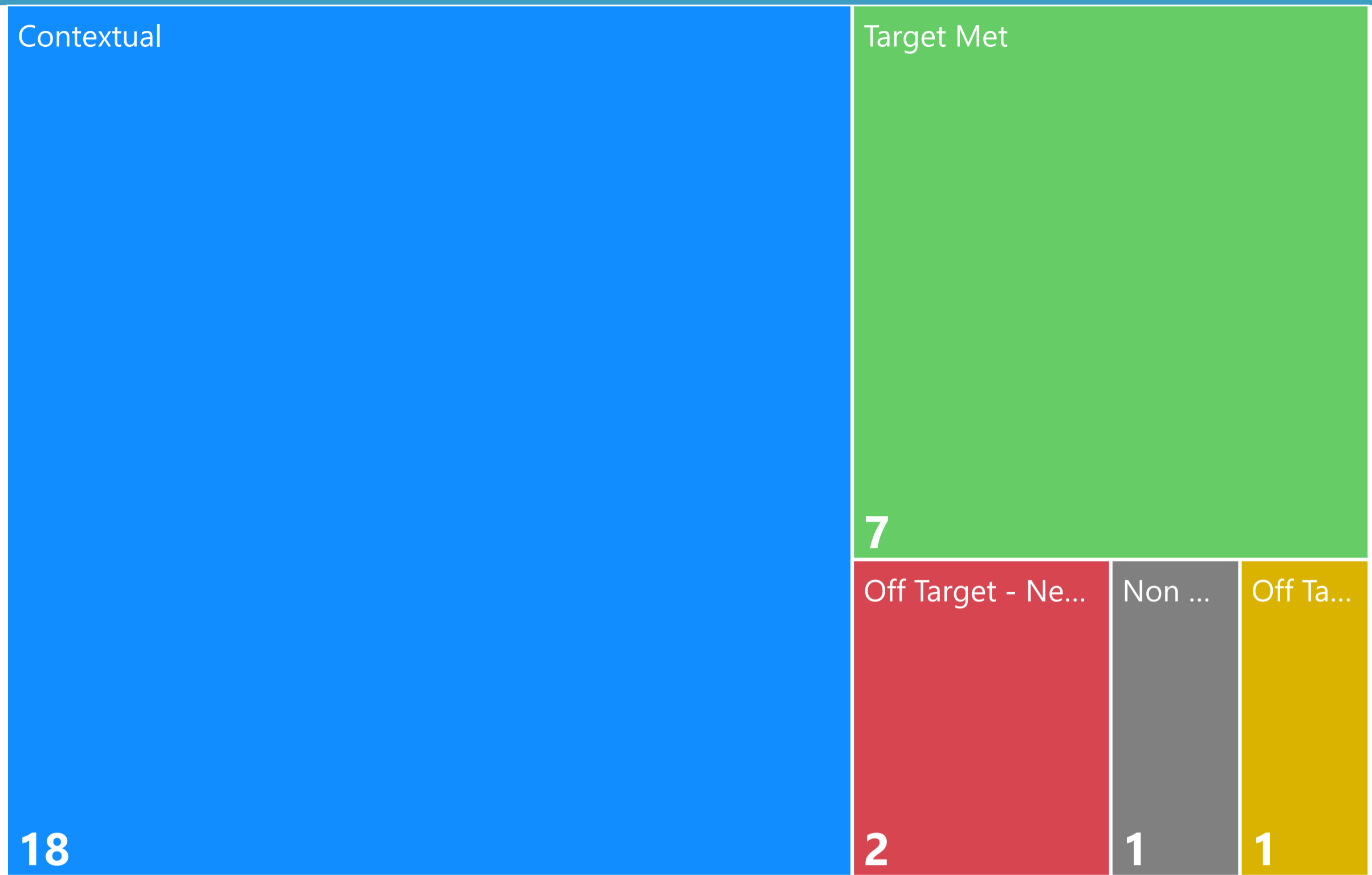
Portfolio Holder	Service Area	Action	Corporate Objective	Status report	Commentary on progress
Cllr. Gill Heesom	1. Regulatory 2. Legal & Governance	Ensure that there are good homes for everyone and that every citizen has a safe and secure place to live	Ensure that there are good homes for everyone and that every citizen has a safe and secure place to live	✔ Project/Action is Progressing as Expected	A busy quarter for Housing Standards dealing with 129 resident service requests, including 18 relating to disrepair, 19 relating to house in multiple occupation licence applications, 8 to house in multiple occupation regulatory inspections and 5 relating to empty homes.
Cllr. David Hutchison	1. Regulatory 2. Neighbourhoods	Secure a successful resolution to the Walley's Quarry odour problem.	Protecting our communities by improving how we use our enforcement powers.	⚠ Project/Action is Not Progressing as Expected	<p><b>LEGAL ACTION</b></p> <p>On 29 July 2024 the Secretary of State Environment, Food and Rural Affairs responded to the Leader's request for permission to prosecute Walleys Quarry Ltd under statutory nuisance legislation. The Secretary of State granted consent for a prosecution to proceed.</p> <p>On 30 September the Chief Executive provided an update stating; "there are very few precedents for taking legal action against an operator regulated by a Government agency, so there is a great deal of legal advice and preparation involved, however I believe we will be ready to take the next step by the end of October".</p> <p>The work involved in preparing legal proceedings continued into November and as the legal submission was being drafted the EA served a Closure Notice on Walleys Quarry Ltd on 28 November. This in effect required the operator to stop taking waste into the site from 29 November and to take steps to initiate closure of the site as specified in the Schedule to the Notice.</p> <p>On 6 December Walleys Quarry Ltd appealed against the Closure Notice to the Planning Inspectorate. Interested Parties have until 13 January 2024 to make representations on this appeal. The appeal process does not suspend the Closure Notice.</p> <p><b>COMMITTEE OF INQUIRY</b></p> <p>This action is in line with the Committee of Inquiry Report which looked at the impact on local communities from the Walleys Quarry landfill operation and recommend that the EA serve a Closure Notice to commence the process of the site being closed.</p> <p><b>COMPLAINTS</b></p> <p>Odour complaints in October to December have seen a significant upturn from the previous quarter with complaints reaching over 1000 complaints in the months of November and December.</p>
Cllr. David Hutchison	1. Neighbourhoods	Protect our parks and green spaces for future generations	Ensuring that the Council's operations are carbon neutral by 2030	✔ Project/Action is Progressing as Expected	Phase 6 of the Borough Tree Planting Strategy has been tendered and tree planting will take place in February/March 2025, with selected sites designated as Carbon Capture Areas in the Local Plan



Portfolio Holder	Service Area	Action	Corporate Objective	Status report	Commentary on progress
Cllr. Stephen Sweeney	1. Commercial Delivery 2. Strategy, People and Performance 3. Finance	Continue to bid for government funding to support the borough's ambitions, including the further development of Keele Science and Innovation Park and the University Growth Corridor.	A strong and sustainable economy where everyone benefits	✔ Project/Action is Progressing as Expected	Delivery on current funding programmes is progressing at pace. The Council has been notified of a further 1 year allocation for the Shared Prosperity Fund.
Cllr. David Hutchison	1. Sustainable Environment 2. All	Deliver the Sustainable Environment Strategy	Ensuring that the Council's operations are carbon neutral by 2030	✔ Project/Action is Progressing as Expected	good progress continues to be made in delivery of the Councils SES. All directorates now have agreed action plans with positive work being undertaken which will contribute to the Councils Net Zero Goal. Over the last 12 months the Council has reduced its Carbon emissions by 35% and by 68.37% from 2009/10.
Cllr. Stephen Sweeney	Commercial Delivery	Delivering the £16m Kidsgrove Town Deal, including: Facilitating the Chatterley Valley Enterprise Zone development to deliver 1700 quality jobs for local people; Enhancing Kidsgrove Railway Station and access to the local canal network; Developing a Shared Service Hub with key partners.	A strong and sustainable economy where everyone benefits	⚠ Project/Action is Not Progressing as Expected	Two of the five projects are complete. Kidsgrove Town Deal Board has resolved to pause and review the Shared Service Hub project with a view to delivering a revised scheme. The Board is scheduled to meet at the end of January 2025 to decide on the preferred way forward and progress accordingly. Issues around the Railway Station project and insurance for a Coal Authority permit for ground investigations are close to resolution.
Cllr. Stephen Sweeney	Commercial Delivery	Delivering the £23m Newcastle Town Deal, including: Development of key gateway sites including the 'Zanzibar' and Midway; Connecting residents and businesses to skills training for the digital world; Improving bus, cycling and walking infrastructure; Delivering a circus-themed performing arts Centre; Building more than 400 homes in Knutton and Chesterton.	A strong and sustainable economy where everyone benefits	✔ Project/Action is Progressing as Expected	All projects are in delivery. A contract has been signed with ITS to deliver a fibre network in the Newcastle Town Deal area. Delivery of sustainable transport projects is underway with some elements complete. Work has started on site on the housing sites for both Knutton and Cross Heath. Development of a football pavilion at the Wammy is expected to be complete in early 2025. Keele in Town is nearing completion with a planned opening in January 2025. A planning application has been submitted for redevelopment of the Midway multi storey car park.
Cllr. Stephen Sweeney	1. Commercial Delivery 2. Neighbourhoods	Delivering the £4.8m UK Shared Prosperity Fund programme, including: Improving the town centre; Supporting culture and heritage; Skills development for local people; Supporting the most vulnerable people.	A strong and sustainable economy where everyone benefits	✔ Project/Action is Progressing as Expected	During the 3rd quarter the UKSPF grant funding is approaching its final funding of this 1st phase and we have seen over 33 projects funded with 3 projects reaching its completed stages. The successes include over 30 new jobs created with over 10 online digital courses supporting adult learning and created support for over 212 people in terms of job searching which includes CV writing and basic English and Maths qualifications. We have hosted nearly 24 Community network events supported by over 100 individual business representatives. Demonstrating the need for informal communications with our local business network. The projects have supported 12 businesses to submit applications for innovation funding and over 60 businesses have received one to one business support or housed a student placement for a minimum period of 100 hours. The knowledge transfer from Education to Business has improved and this has generated a business to education network which has seen improvement on curriculum delivery. In the community theme we have seen volunteering in the open spaces improve with a gardening club at the Brampton and Philip Astley Centre receiving support with the facility.
Cllr. Andrew Fear	1. Planning 2. Legal & Governance	Delivering the Newcastle Local Plan	Support the sustainable development of our towns and villages	✔ Project/Action is Progressing as Expected	The Borough Local Plan was submitted to the Planning Inspectorate for examination on the 20th December 2024. The examination is anticipated to start in early 2025. Future timings are dependent on the appointed Inspector and progress during the examination process.
Cllr. David Hutchison	1. Sustainable Environment 2. All	Play an active role in the Staffordshire Sustainability Board	Secure a carbon neutral Borough by 2050	✔ Project/Action is Progressing as Expected	The Council continues to provide positive contributions to the SSB, with the majority of the ten base pledges for this year delivered.



Priority 3: Performance Indicators Current Status



Corporate Objective	Count
Delivering an economic and cultural legacy from the celebration of the borough's 850th anniversary in 2023.	1
Ensure that our most vulnerable residents are supported through the impact of the rising cost of living.	1
Ensure that there are good homes for everyone and that every citizen has a safe and secure place to live	10
Further increasing recycling rates across the borough with a particular focus on food waste	4
Reduce anti-social behaviour and crime in our communities	5
Secure a step change in street cleanliness and the quality of the public domain	6
Support the development of community solutions to local problems	2
<b>Total</b>	<b>29</b>

Smart Narrative

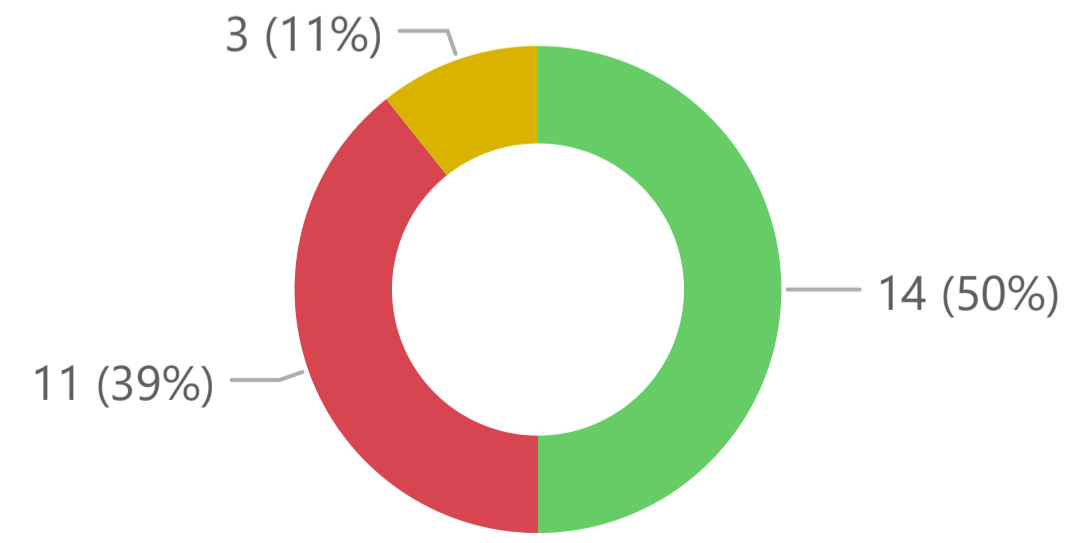
- There are 10 Indicators which have set targets this quarter within Priority 3.
- 70% met their targets within Quarter Three. 3 Indicators which met their target also showed improvement and 2 measures showed a negative trend. 2 measures did not show any change in their trend when comparing to the previous year.
- 1 measure which relates to Food % participation is unavailable due adverse weather impacting service delivery.
- There are 18 Indicators which are contextual this quarter and do not have a target to meet. When compared to last year, 5 measures had showed a negative trend, 7 measures demonstrated an improvement when comparing to 23/24, 1 measure show no change and 5 contextual measure did not have any historic data to compare against.
- Within Priority 3, there were 2 Projects/Actions which was been classed as completed, these being "Expansion of the street warden scheme and the creation of neighbourhood delivery teams." and "Delivery the 850 Anniversary in 2030". All other Projects remain are shown to be progressing as expected.

Priority 3: Summary Project Status Split

● Project/Action is Completed ● Project/Action is Progressing as Expected

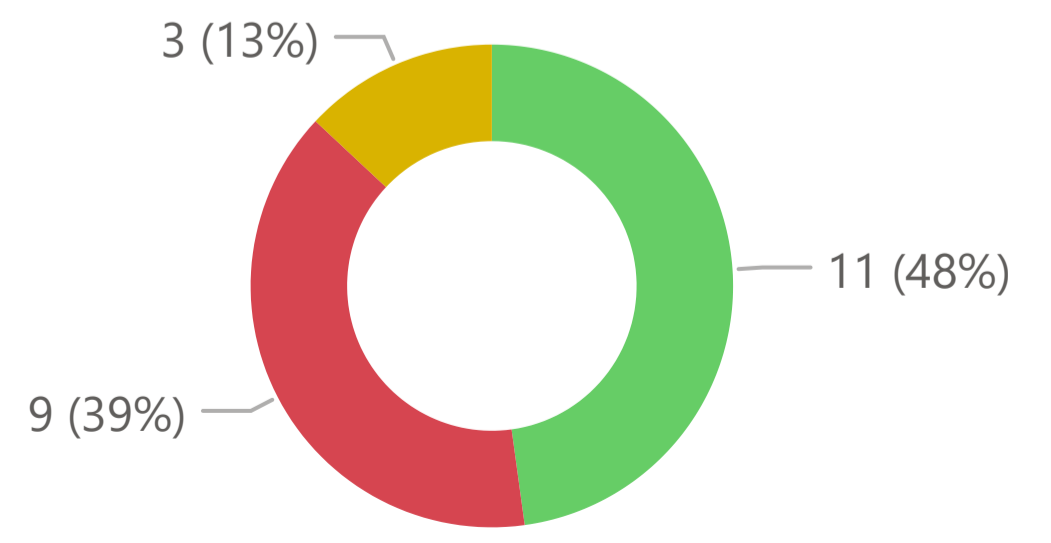


Priority 3: Qtr.3 Trend Direction of PI's Compared to Previous Quarter

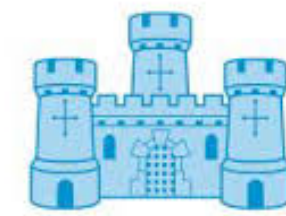


● Positive ● Negative ● No Change

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



● Improvement of Previous ● Deterioration of Previous ● No Change



**ID1.4a - Total % of materials collected for recycling and composting verified via WDF** Current Status

**High**  
Is Good  
Cumulative (Per Annum)

**Positive**  
Yearly Trend

Cllr. David Hutchison

Timeframe of Measure	2023/24 (%)	2024/25 (%)	Target (%)
Quarter 1 - April to June	~48	~50	50
Quarter 2 - April to Sept	~48	~48	50
Quarter 3 - April to Dec	~48	~48	50
Quarter 4 - April to March	~48	~48	50

**49.25!**

Target: 50.00

SMART Actions if Off Target: Garden waste tonnages down for December, resulting in performance dipping under 50%. Work is ongoing with targeted communications to improve recycling rates.

**ID1.4b - Food:- Household collections from the kerbside (%)** Current Status

**High**  
Is Good  
Per Quarter (Snapshot)

**N/A**  
Yearly Trend

Cllr. David Hutchison

Timeframe of Measure	2024/25 (%)	Target (%)
Quarter 1	0	37
Quarter 2	0	37
Quarter 3	0	37
Quarter 4	0	37

**0.00!**

Target: 37.00

SMART Actions if Off Target: Currently dealing with significant disruption due to the adverse weather which is likely to impact the service for another week, potentially two. Recording of the data takes two full collection cycles (2 weeks) so as it's so manually intensive. Likely to be unavailable until much closer to Quarter 4.

**ID1.4c - Residual Waste per household:- Household collections from the kerbside (Kgs)** Current Status

**Low**  
Is Good  
Cumulative (Per Annum)

**Positive**  
Yearly Trend

Cllr. David Hutchison

Timeframe of Measure	2022/23 (Kgs)	2023/24 (Kgs)	2024/25 (Kgs)	Target (Kgs)
Quarter 1 - April to June	~100	~100	~100	315
Quarter 2 - April to Sept	~150	~150	~150	315
Quarter 3 - April to Dec	~200	~200	~200	315
Quarter 4 - April to March	~250	~250	~250	315

**307.30✓**

Target: 315.00

SMART Actions if Off Target: Not Required as Target Met

**ID1.4d - Percentage of Successful Collections** Current Status

**High**  
Is Good  
Cumulative (Per Annum)

**Positive**  
Yearly Trend

Cllr. David Hutchison

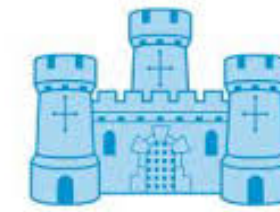
Timeframe of Measure	2023/24 (%)	2024/25 (%)	Average of Target (%)
Quarter 1 - April to June	~99.5	~99.5	99.5
Quarter 2 - April to Sept	~99.5	~99.5	99.5
Quarter 3 - April to Dec	~99.5	~99.5	99.5
Quarter 4 - April to March	~99.5	~99.5	99.5

**99.97✓**

Target: 99.50

SMART Actions if Off Target: Not Required as Target Met

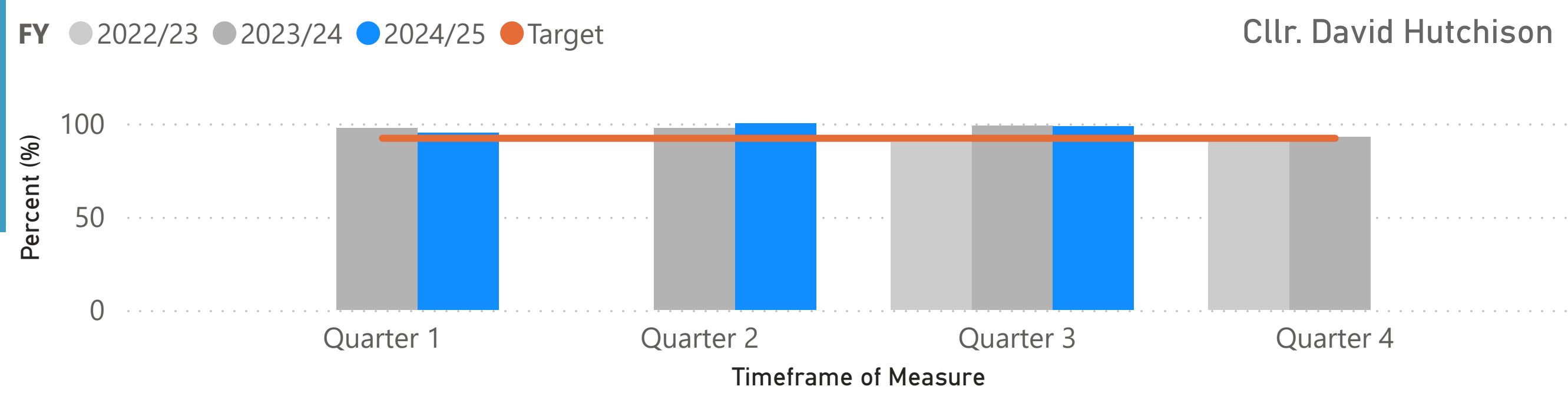
Further increasing recycling rates across the borough with a particular focus on food waste



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

Is Good  
Per Quarter (Snapshot)

Negative  
Yearly Trend



Current Status / SMART Actions if Off Target

**98.33** ✓

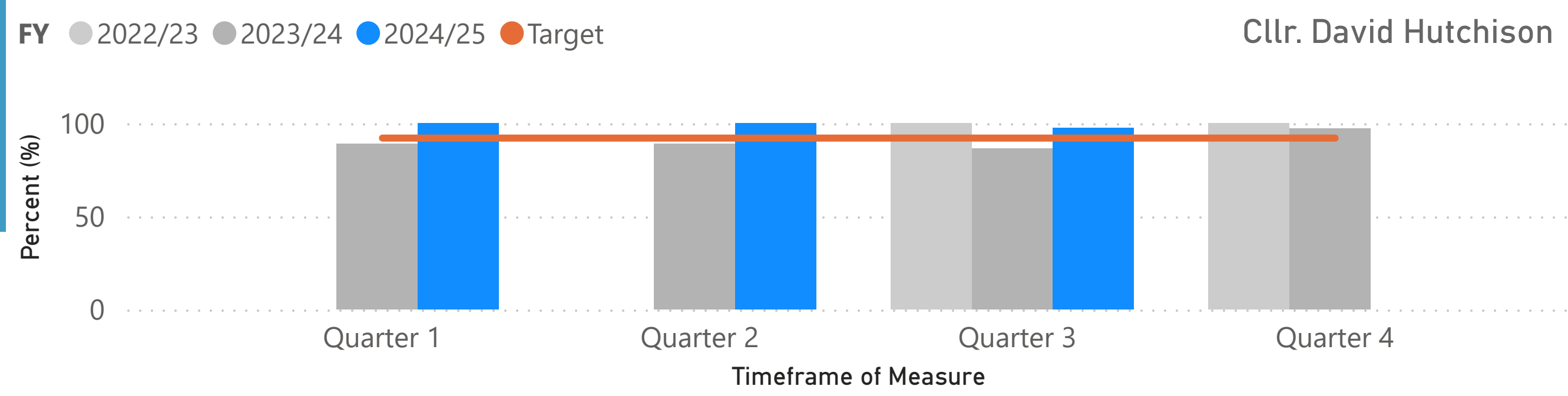
Target: 92.00

Not Required as Target Met

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

Is Good  
Per Quarter (Snapshot)

Positive  
Yearly Trend



Current Status / SMART Actions if Off Target

**97.50** ✓

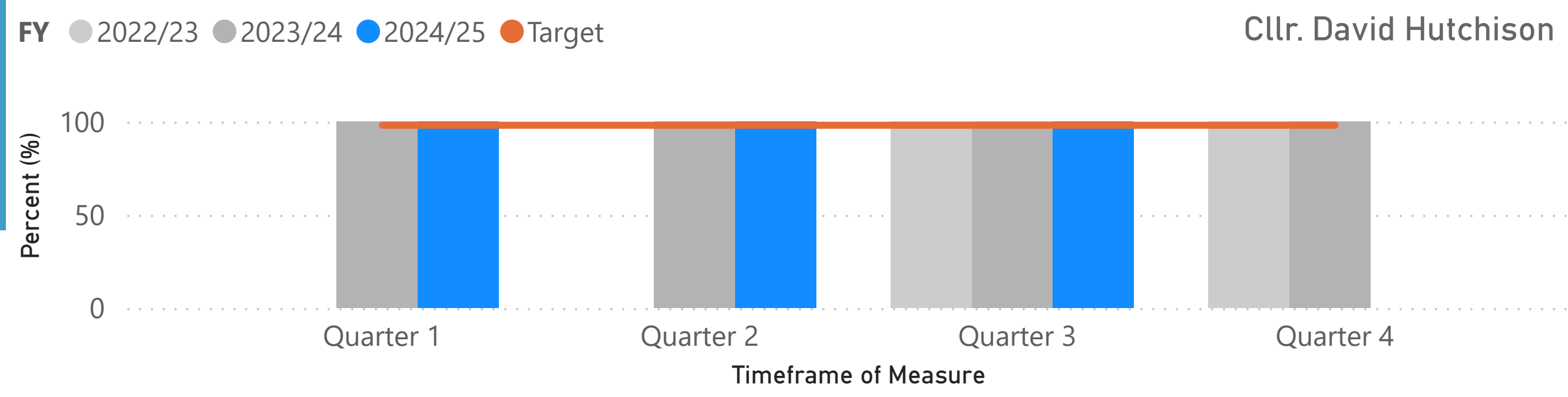
Target: 92.00

Not Required as Target Met

**High**  
ID1.5c -d environment cleanlin\_Levels of street aness (LAMS survey) free / predominantly free of graffiti

Is Good  
Per Quarter (Snapshot)

No Change  
Yearly Trend



Current Status / SMART Actions if Off Target

**100.00** ✓

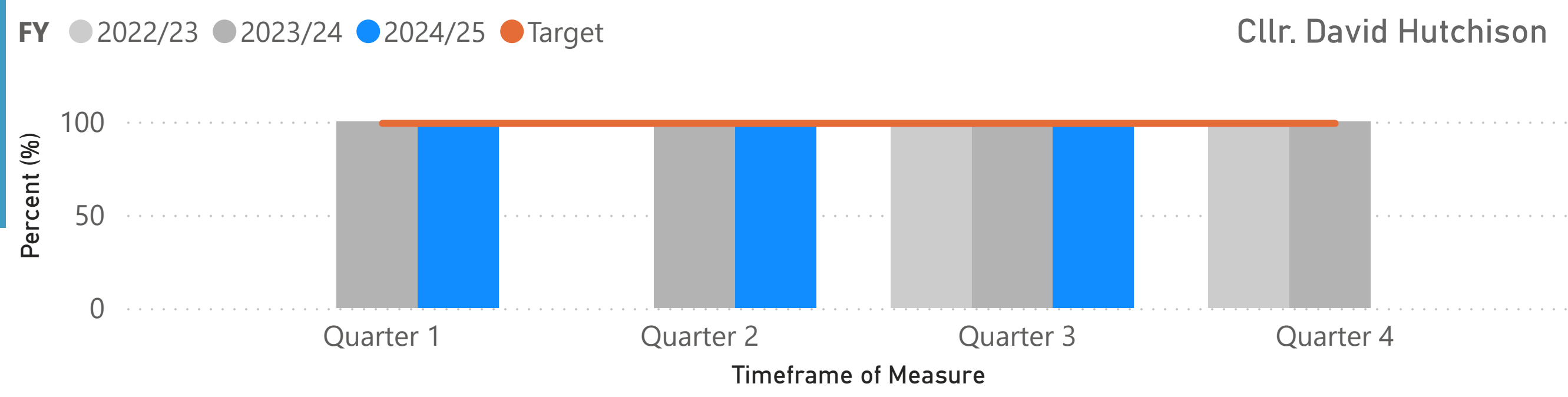
Target: 98.00

Not Required as Target Met

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

Is Good  
Per Quarter (Snapshot)

No Change  
Yearly Trend



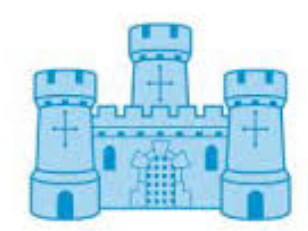
Current Status / SMART Actions if Off Target

**100.00** ✓

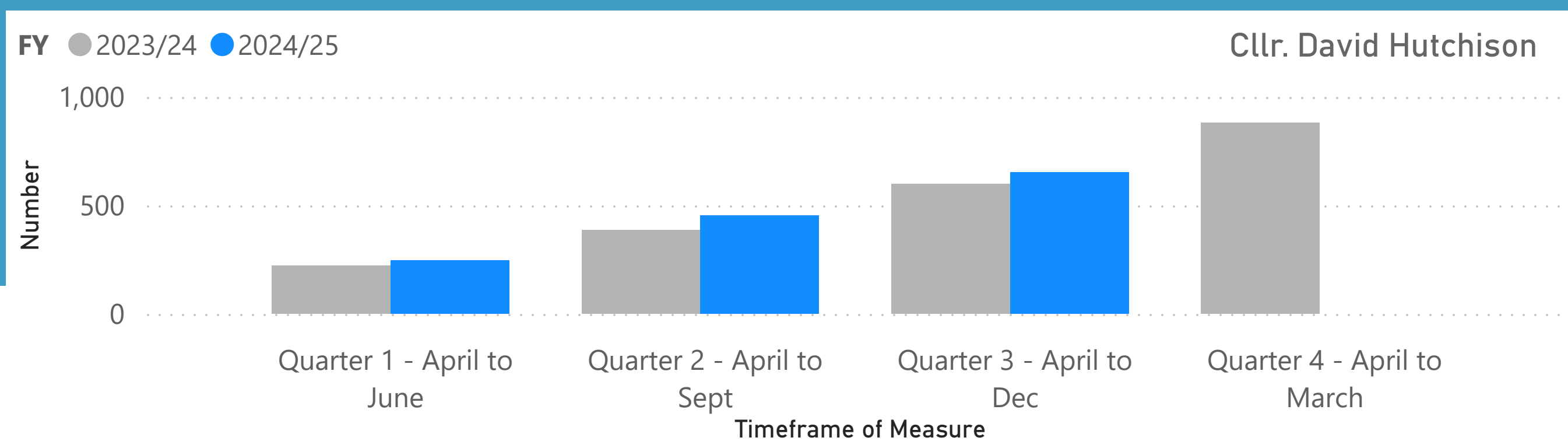
Target: 99.00

Not Required as Target Met

Secure a step change in street cleanliness and the quality of the public domain



Low Is Good Cumulative Positive Yearly Trend ID3.11 - Number of Fly-Tipping Incidents (as per national measure) Current Status SMART Actions if Off Target

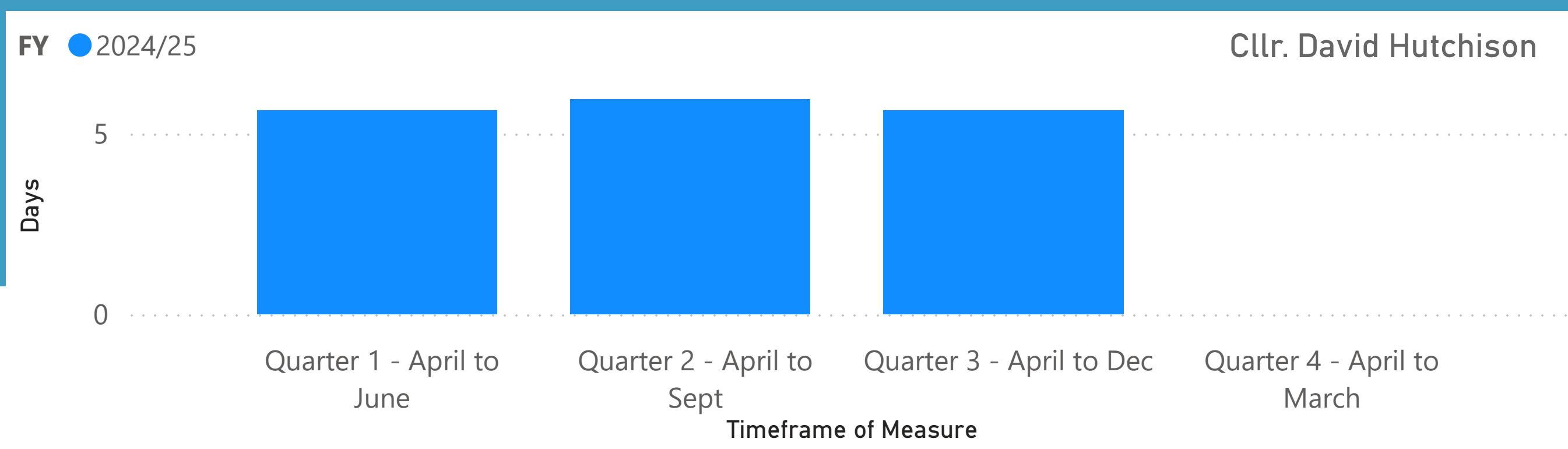


651

This is a new measure to scope number of fly tips that are reported. These are fly tipping reports made directly to the Council for us to action. Streetscene to respond initially to clear the fly tip. Neighbourhood Delivery to then follow this up with enforcement if relevant.

Secure a step change in street cleanliness and the quality of the public domain

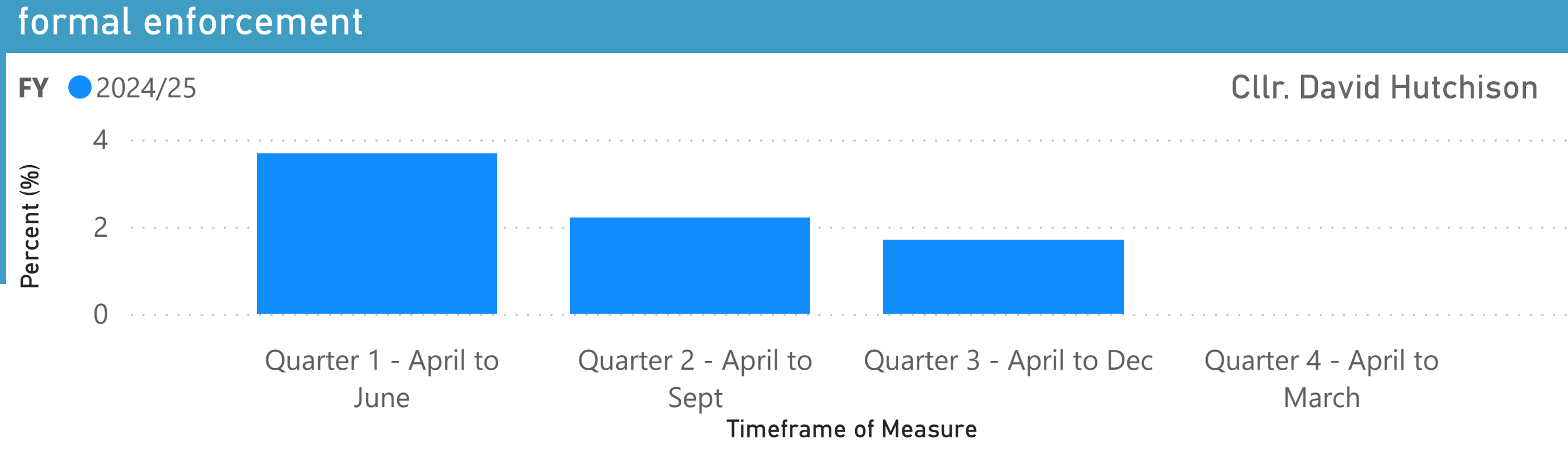
Low Is Good Cumulative (Per Annum) N/A Yearly Trend ID3.12 - Average number of days from report of fly-tipping to clear-up (Case closed) Current Status SMART Actions if Off Target



5.64

Measure has shown an increase from previous month but has remained under the average value seen in the year. Currently reporting at 5.64 days from Jadu Report to Case Closed. Measure will be monitored throughout the year to understand trends.

High Is Good Cumulative (Per Annum) N/A Yearly Trend ID3.13 - % of fly-tipping incidents where sufficient evidence gathered to proceed to formal enforcement Current Status SMART Actions if Off Target

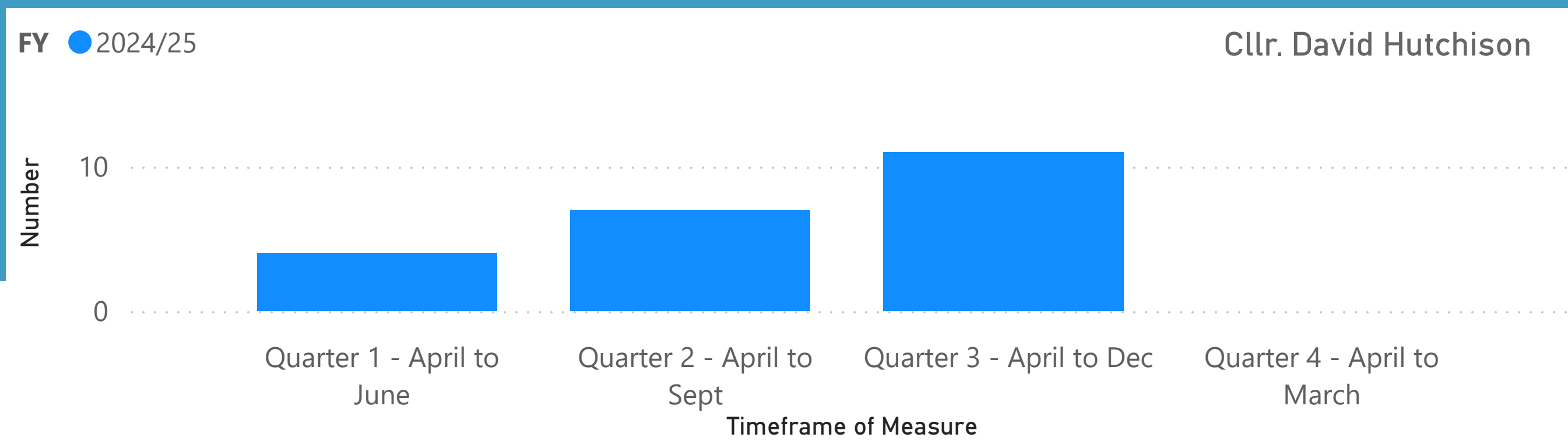


1.69

This measure demonstrates the percentage of fly tipping incidents where evidence has been retrieved by Streetscene operatives and passed to Neighbourhood delivery. This is a new measure and a new code has been added onto APP to allow us to effectively report on the number of cases where this is relevant.

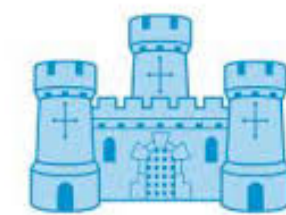
Reduce anti-social behaviour and crime in our communities

High Is Good Cumulative (Per Annum) N/A Yearly Trend ID3.14 - Number of Fly-tipping FPNs issued Current Status SMART Actions if Off Target



11

Total number of FPN's served against those cases where evidence has been seized. This includes offences such as fly tipping and duty of care offences. Data amended now incorporating DOC + Flytipping offences

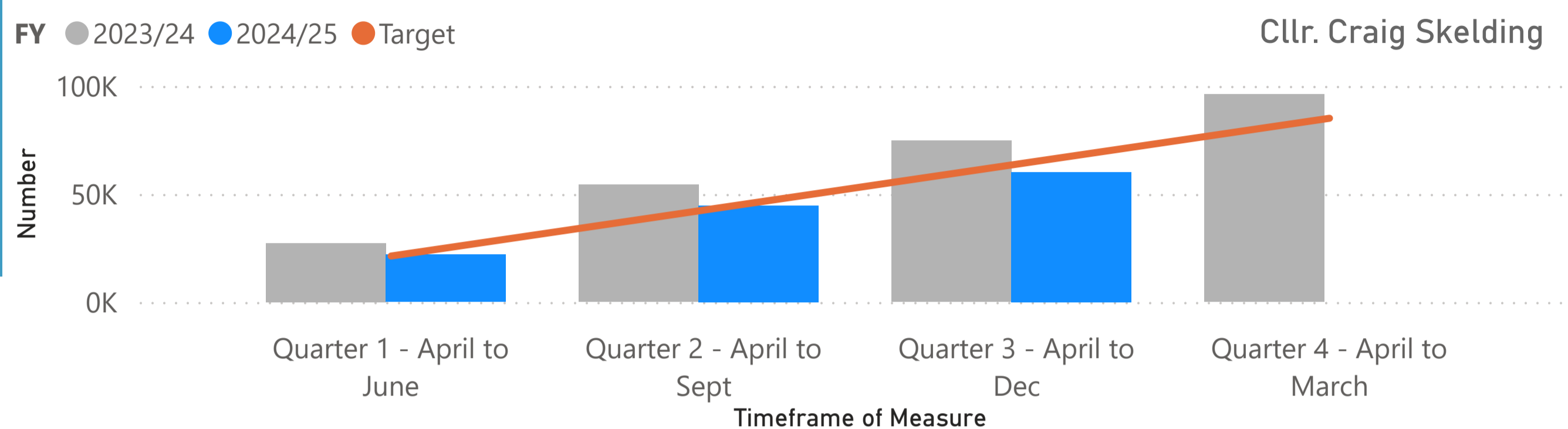


High  
Is Good  
Cumulative  
(Per  
Annum)  
  
Negative  
Yearly Trend

### ID3.3 - Number of People Accessing the Museum's collections in person only

Current Status

SMART Actions if Off Target



60,069!  
Target: 63,750

Numbers were down on December 2023 but up on December 2022. 2023 was unusual in that we were celebrating the 850, the museum's profile was high and ran an number of extra activities and also externally funded events at that time. The weather in December was poor, which affects turnout.

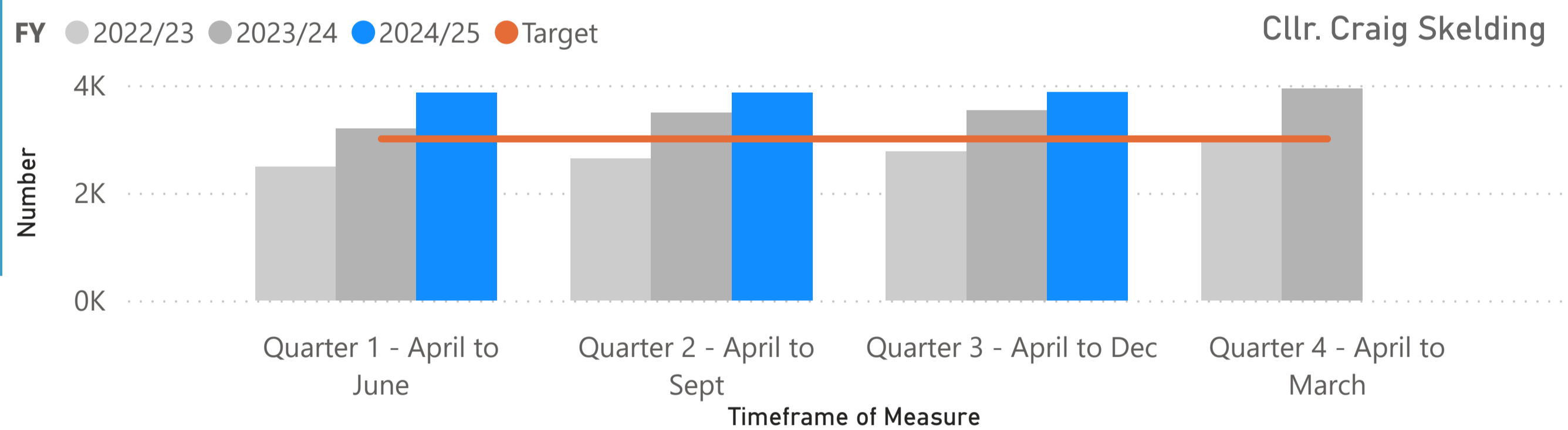
Delivering an economic and cultural legacy from the celebration of the borough's 850th anniversary in 2023.

High  
Is Good  
Cumulative  
(Per  
Annum)  
  
Positive  
Yearly Trend

### ID3.4 - J2 Membership growth

Current Status

SMART Actions if Off Target



3,869✓  
Target: 3,000

Not Required as Target Met

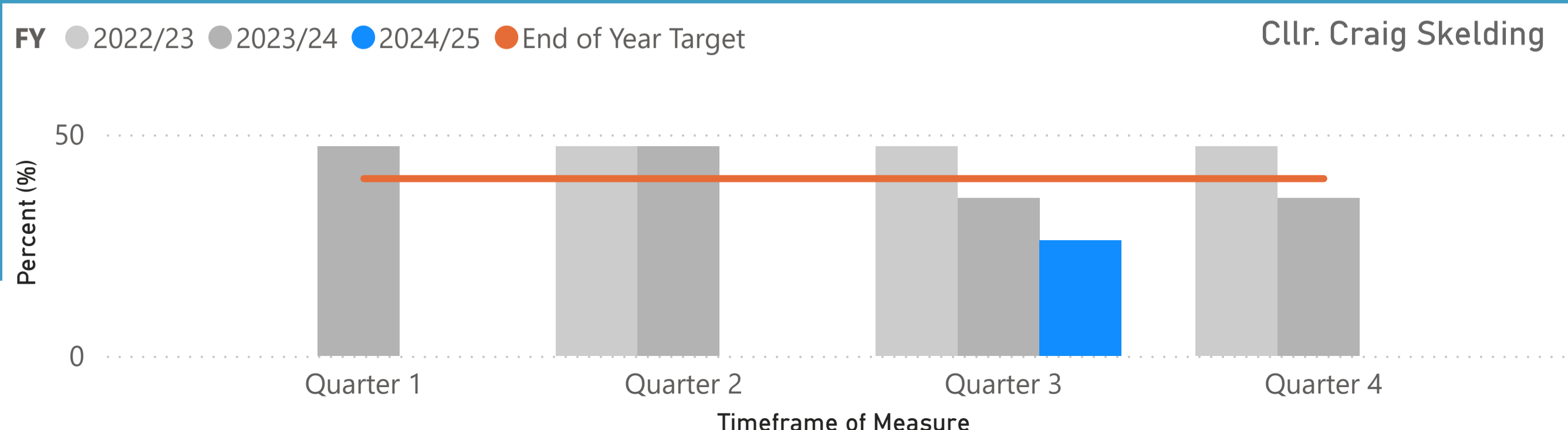
Support the development of community solutions to local problems

High  
Is Good  
Per  
Quarter  
(Snapshot)  
  
Negative  
Yearly Trend

### ID3.5 - Jubilee 2 Customer Satisfaction – Net Promotor Score

Current Status

SMART Actions if Off Target



26.09!  
End of Year Target: 40.00

Whilst the Net Promoter Score (NPS) did not meet the target of 26 it is comparable with the national picture provided by Sport England NPS average of 28 in 2024. Sport England also recognises that the NPS score reached a peak in 2021 with an average of 35 across the sector, which mirrors the picture at Jubilee2. This PI is to be reviewed for 2025 and could be replaced by a more simplified customer satisfaction figure.



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

Current Status

SMART Actions if Off Target

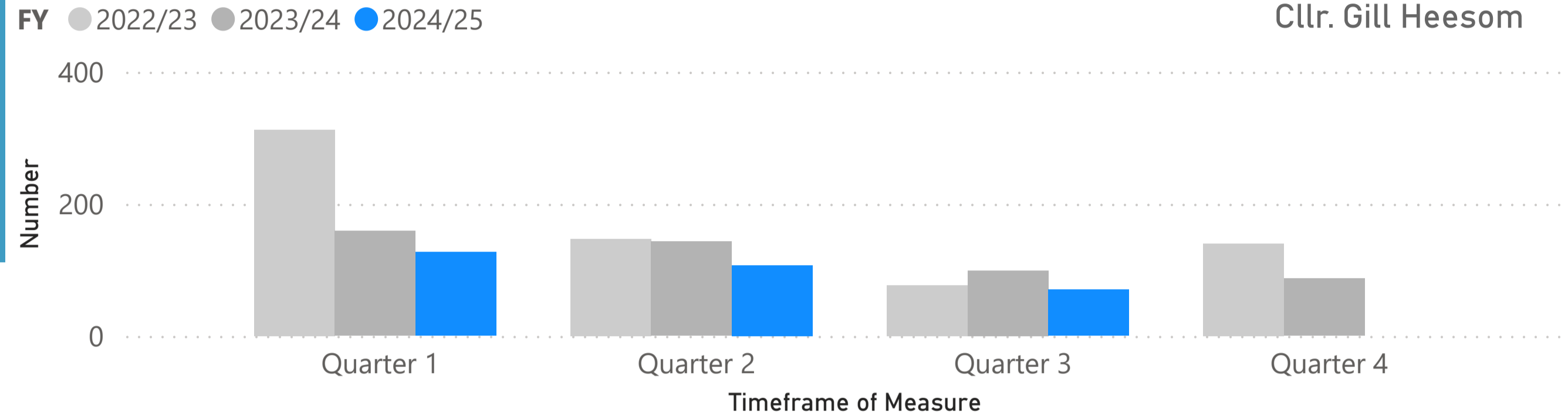
Low

Is Good

Per Quarter (Snapshot)

Positive

Yearly Trend



127

Training has recently been undertaken by professionals in regards to ASB - and how we can effectively triage, assess ASB cases. We are also contributing to a County wide ASB policy which will outline the what members of the public can expect from each of the respective partners.

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

Current Status

SMART Actions if Off Target

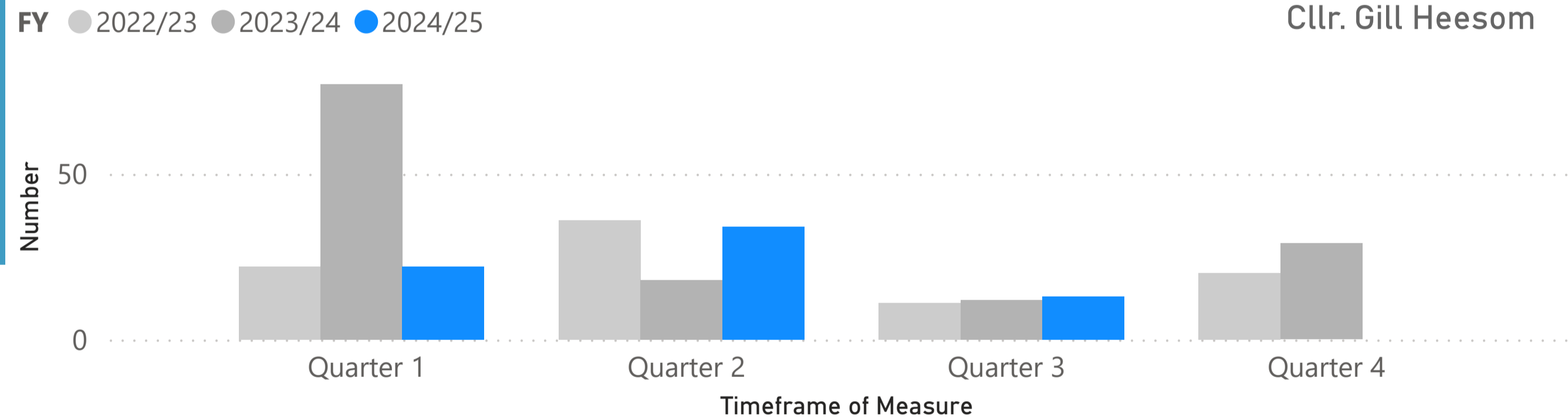
Low

Is Good

Per Quarter (Snapshot)

Negative

Yearly Trend



22

We continue partnership working to reduce ASB and ensure any complaints are dealt with efficiently and effectively in a timely manner.

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

Current Status

SMART Actions if Off Target

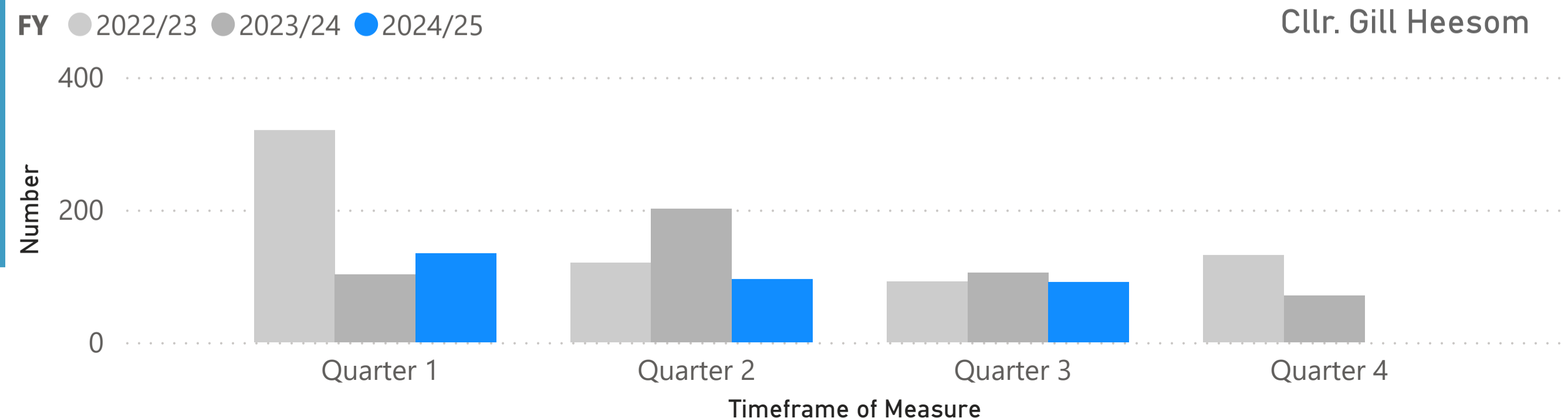
High

Is Good

Per Quarter (Snapshot)

Negative

Yearly Trend

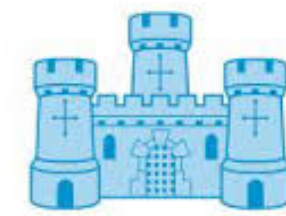


134

Value is also relative to the measure of new cases received. We continue partnership working to reduce ASB and ensure any complaints are dealt with efficiently and effectively in a timely manner.

Reduce anti-social behaviour and crime in our communities



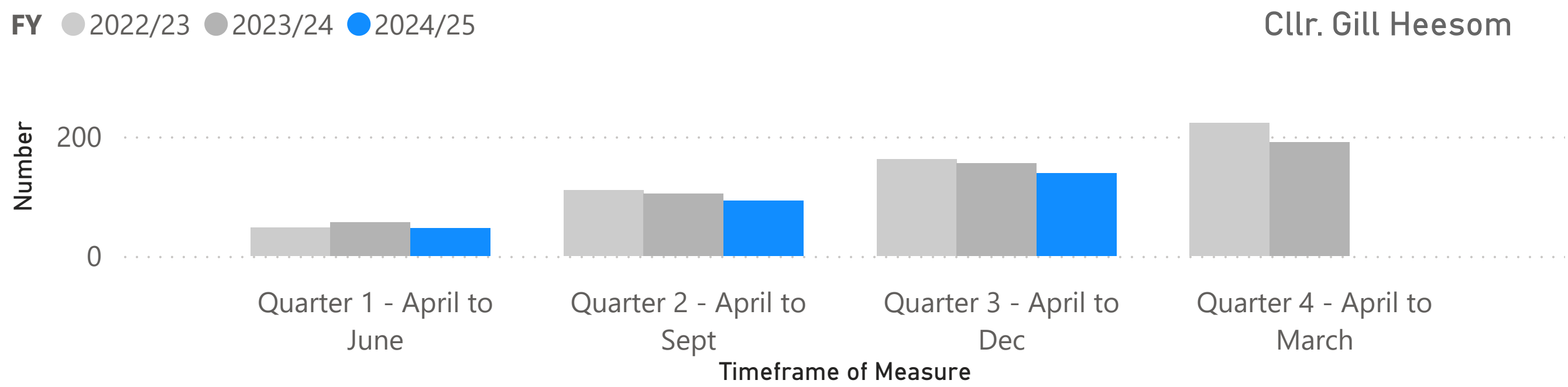


Low  
Is Good  
Cumulative  
(Per Annum)

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

Current Status

SMART Actions if Off Target



138

We continue to work with a high number of cases on the vulnerability hub. Whilst the hoarding project has finished, we have worked with Aspire to get a smaller amount of funding to work with Reaching again. This is more on a consultative basis, we continue to see an increase in hoarding cases and people living in very poor conditions, some with no heating or usable cooking facilities. This is a real concern when we have cold weather, as we do at the moment.

We are looking at options to continue the role of the safe Recovery Officer who will be partly funded through the Locality Deal Funding in 25/26. The Safe Recovery Officer is pivotal to the work of the vulnerability hub, we will work with partners on this.

Ensure that our most vulnerable residents are supported through the impact of the rising cost of living.

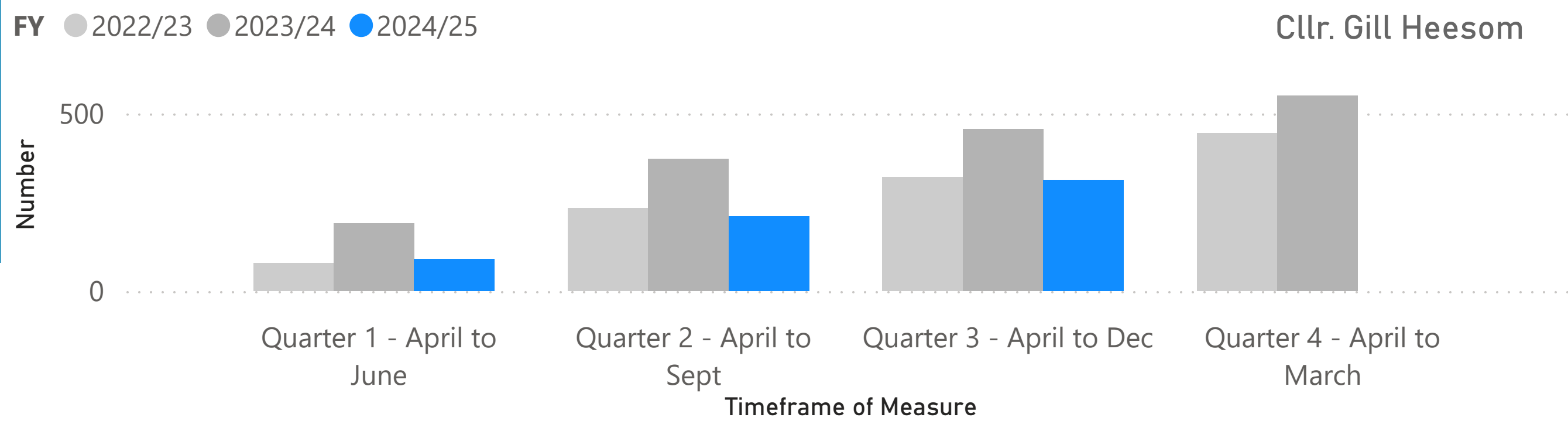
Positive  
Yearly Trend

Low  
Is Good  
Cumulative  
(Per Annum)

### ID3.8 - Emergency homeless presentations

Current Status

SMART Actions if Off Target



313

Homeless presentations dropped from previous quarter when looking in isolation. They have also improved when compared to previous year for the same time period. Outturn target is to reduce from last year which we are currently on track to achieve.

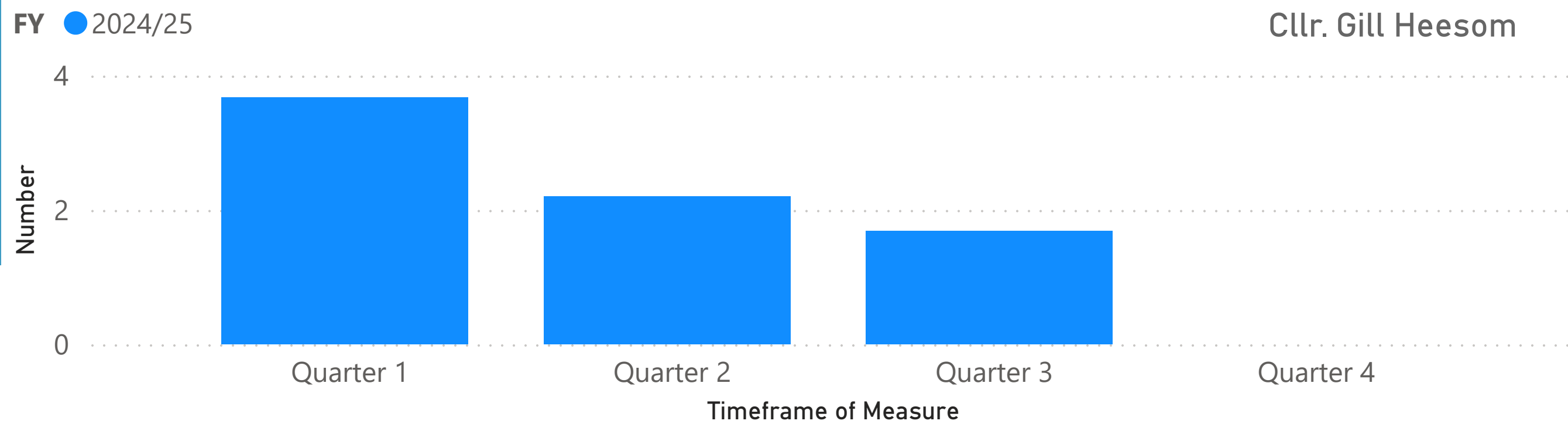
Positive  
Yearly Trend

Low  
Is Good  
Per Quarter  
(Snapshot)

### ID3.9 - Number of open Disabled Facilities Grant enquiries

Current Status

SMART Actions if Off Target



173

This measures the number of open disabled facility grant enquiries, the aim is to achieve a consistent number of open applications to ensure they are progressing efficiently but also that budget is available for all cases. When the service transferred in house in April 2023 there were 315 open applications, the service has been working to bring this to a manageable level.

N/A  
Yearly Trend

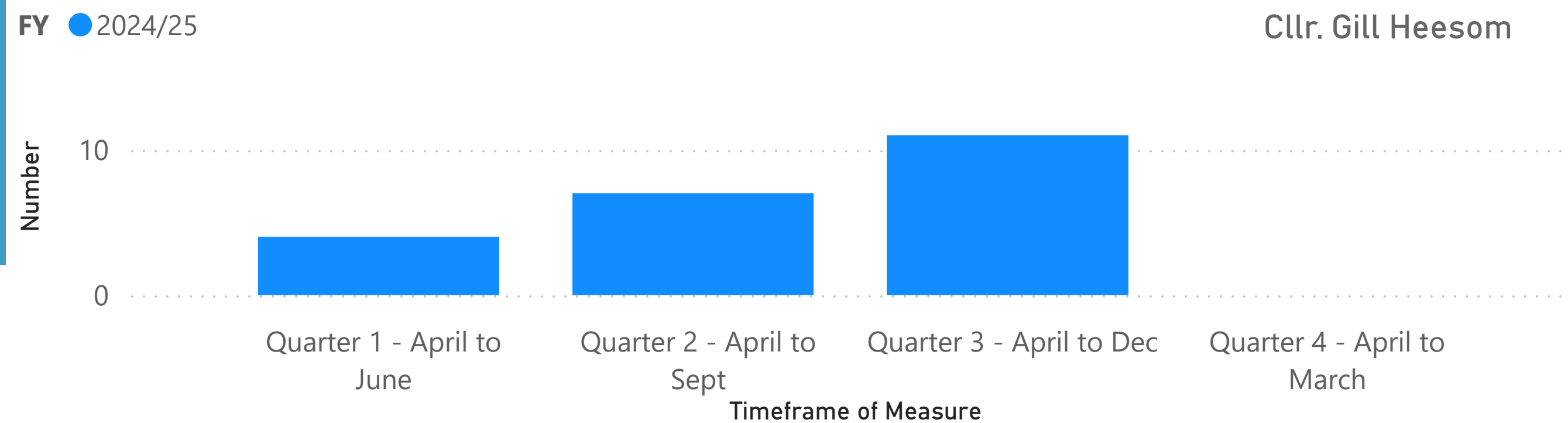
Ensure that there are good homes for everyone and that every citizen has a safe and secure place to live

High  
Is Good  
Cumulative  
(Per Annum)

### ID3.10 - Number of Disabled Facilities Grants completed

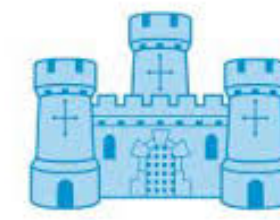
Current Status

SMART Actions if Off Target



129

These grants are an investment to support disabled residents to live independently at home or be cared for at home, the aim is to complete grant applications efficiently and to fully utilise the Government allocated budget. This measure is different to RS10 as it reports the number of adaptations, some homes may have more than one adaptation ie a through floor lift and a level ...



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

Low Is Good Cllr. Gill Heesom

Per Quarter (Snapshot)

**Negative** Yearly Trend

FY ● 2022/23 ● 2023/24 ● 2024/25

Timeframe of Measure	2022/23	2023/24	2024/25
Quarter 1 - April to June	~1,200	~1,800	~2,500
Quarter 2 - April to Sept	~1,500	~2,100	~2,500
Quarter 3 - April to Dec	~1,600	~2,200	~2,500
Quarter 4 - April to March	~1,800	~2,300	-

Number

2K

0K

Timeframe of Measure

Quarter 1 - April to June

Quarter 2 - April to Sept

Quarter 3 - April to Dec

Quarter 4 - April to March

2,558

Trend increasing, data will be compared against previous year as we progress, new review module implemented

**ID3.7 - Number of lets to registered providers from the housing waiting list** Current Status SMART Actions if Off Target

High Is Good Cllr. Gill Heesom

Per Quarter (Snapshot)

**Negative** Yearly Trend

FY ● 2022/23 ● 2023/24 ● 2024/25

Timeframe of Measure	2022/23	2023/24	2024/25
Quarter 1 - April to June	~100	~200	~150
Quarter 2 - April to Sept	~200	~350	~250
Quarter 3 - April to Dec	~350	~450	~350
Quarter 4 - April to March	~550	~500	-

Number

500

0

Timeframe of Measure

Quarter 1 - April to June

Quarter 2 - April to Sept

Quarter 3 - April to Dec

Quarter 4 - April to March

350

Monitoring nominations received from the housing providers, measure will be monitored as year progresses

**ID4.4 - Total Rough Sleepers Verified in Quarter** Current Status SMART Actions if Off Target

Low Is Good Cllr. Gill Heesom

Per Quarter (Snapshot)

**Positive** Yearly Trend

FY ● 2022/23 ● 2023/24 ● 2024/25

Timeframe of Measure	2022/23	2023/24	2024/25
Quarter 1	~50	~10	~10
Quarter 2	~35	~15	~15
Quarter 3	~15	~10	~10
Quarter 4	~10	~10	-

Number

50

0

Timeframe of Measure

Quarter 1

Quarter 2

Quarter 3

Quarter 4

6

**ID4.4a, 4.4b, 4.4c and 4.4d - Breakdown of Rough Sleepers Verified in Quarter** Cllr. Gill Heesom

● 1. Prevented 1 - New Rough Sleepers ● 2. Non-Recurring 1 - Returning Rough Sleepers ● 3. Brief 1 - Entrenched Rough Sleepers ● 4. Prevented 2 - Rough Sleepers after ...

Timeframe of Measure	1. Prevented 1 - New Rough Sleepers	2. Non-Recurring 1 - Returning Rough Sleepers	3. Brief 1 - Entrenched Rough Sleepers	4. Prevented 2 - Rough Sleepers after ...
Quarter 1	2	2	4	0
Quarter 2	0	1	2	2
Quarter 3	0	2	3	1
Quarter 4	0	0	0	0

Number

4

2

0

Timeframe of Measure

Quarter 1

Quarter 2

Quarter 3

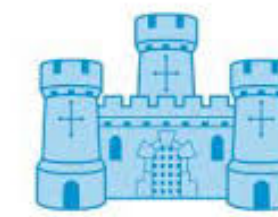
Quarter 4

In November we carried out the annual count. This process is done jointly with Stoke-on-Trent City Council. On previous years we have done an evidence-based estimate, but on this occasion, we carried out a count-based estimate. This was based on ensuring the process and figures collected were the most accurate as our funding allocations from MHCLG is based around these. Our annual figures for 2024 were 7. For previous years we have had:

- 2024 – 7
- 2023 – 10
- 2022 – 6
- 2021 – 7
- 2020 – 9

Our figures have decreased by 3 from 2023

Ensure that there are good homes for everyone and that every citizen has a safe and secure place to live



Project Status Split for Priority 3.

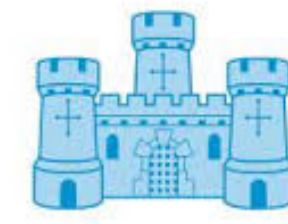
Project/Action is Progressing as Expected

4

Project/Action is Completed

2

Portfolio Holder	Service Area	Action	Corporate Objective	Status report	Commentary on progress
Cllr. Gill Heesom	Neighbourhoods	Build on our work with Staffordshire Police	Reduce anti-social behaviour and crime in our communities	✔ Project/Action is Progressing as Expected	Partnership work is ongoing with the Local Policing Team in Newcastle, with data sharing and analysis informing the prioritisation and deployment of resources. Statistics are showing that Crime and ASB is reducing, particularly in Newcastle town centre which is a priority area for Precision Policing based on the Strategic Assessment.
Cllr. Craig Skelding	1. Commercial Delivery 2. Neighbourhoods	Delivering an economic and cultural legacy from the celebration of the borough's 850th anniversary in 2023.	Delivering an economic and cultural legacy from the celebration of the borough's 850th anniversary in 2023.	★ Project/Action is Completed	The statue of the late Queen Elizabeth continues to receive positive feedback as
Cllr. David Hutchison	1. Neighbourhoods 2. Sustainable Environment	Expansion of the street warden scheme and the creation of neighbourhood delivery teams.	Secure a step change in street cleanliness and the quality of the public domain	★ Project/Action is Completed	Project/Action has been completed.
Cllr. David Hutchison	Sustainable Environment	Further increasing recycling rates across the borough with a particular focus on food waste	Further increasing recycling rates across the borough with a particular focus on food waste	✔ Project/Action is Progressing as Expected	Recycling levels have increased over the last twelve months, with recycling from flats being rolled out and performing well. Food waste to flats is currently being rolled out, and the Council will be providing recycling and separate food collections to businesses from April 2025.
Cllr. Simon Tagg	1. Strategy, People and Performance 2. Neighbourhoods	Work collaboratively with the Newcastle Partnership	Ensure that our most vulnerable residents are supported through the impact of the rising cost of living.	✔ Project/Action is Progressing as Expected	Ongoing partnership work continues. Through the partnership board, we are progressing working groups around vulnerability, employability, cost of living and mental health. We also are the designated chair for Better Health Staffordshire in Newcastle and are in receipt of grant funding to impact on health inequalities.
Cllr. Craig Skelding	Neighbourhoods	Work with partners to develop effective community bodies	Support the development of community solutions to local problems	✔ Project/Action is Progressing as Expected	The Civic Pride initiative has been launched and a programme drafted for 2025 to enable engagement with communities across the Borough on the themes of clean, safe, green and welcoming.



Priority 4: Performance Indicators Current Status



Corporate Objective	Count
Increasing the number of people living, working and using Newcastle town Centre	3
<b>Total</b>	<b>3</b>

Smart Narrative

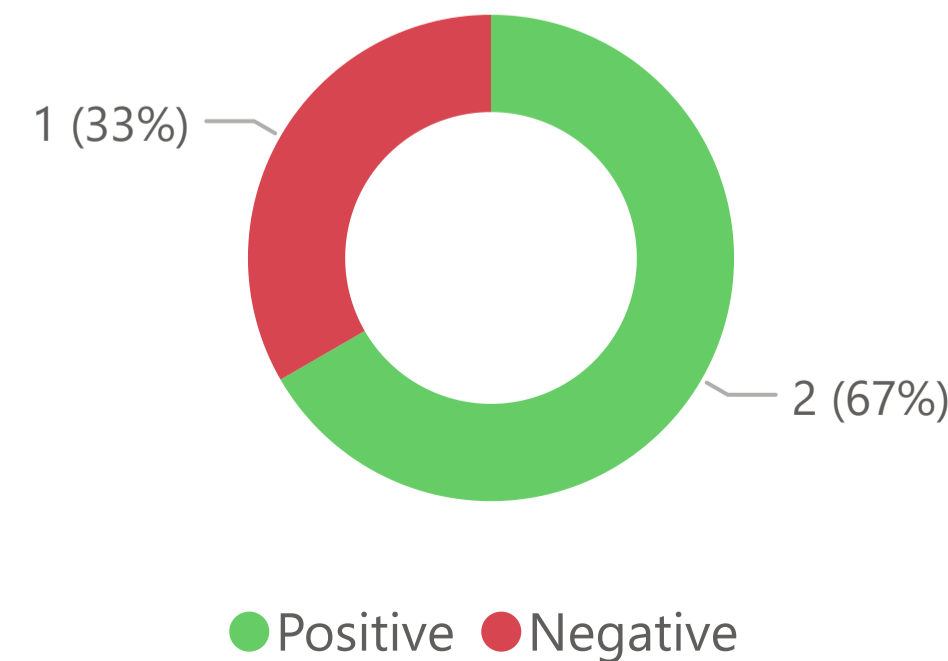
- There are 2 Indicators which have set targets this quarter within Priority 4.
- Both the indicators that have had data shared have met their respective targets. One of these also showed an improvement when compared to Quarter Three of the previous year, the other showed a negative trend when comparing the same time period from the previous year.
- There is 1 Indicator which is contextual this quarter and does not have a target to meet. This measure relates to the Town Centre Footfall. The data provided only shows Quarter 2 & Quarter 3 with no data provided for Quarter 1. This has meant the measure did not have any historic data to compare against so no trend data has been provided.
- Within Priority 4, One project/action has been classed as completed; this being "Developing a Town Centre Strategy for Kidsgrove". All other Projects/Actions were identified to be progressing as expected.

Priority 4: Summary Project Status Split

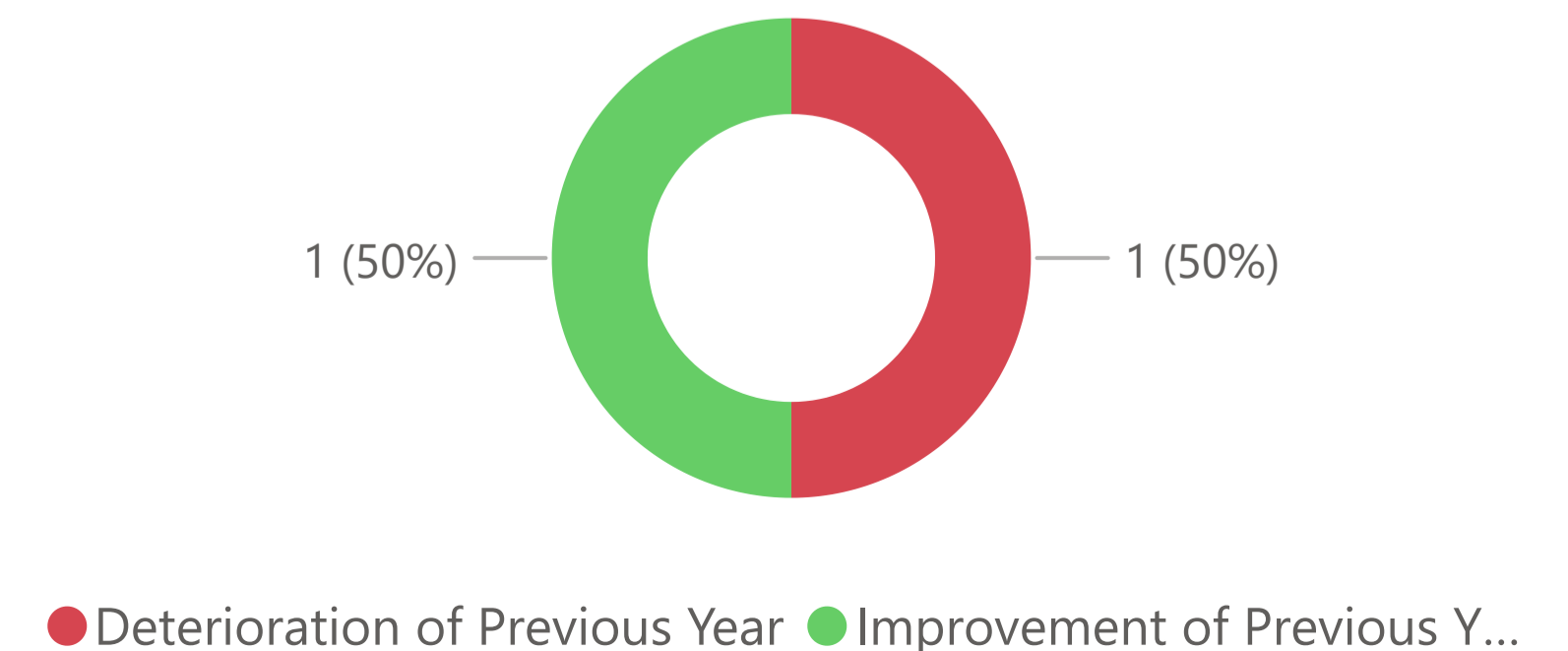
● Project/Action is Completed ● Project/Action is Progressing as Expected



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



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

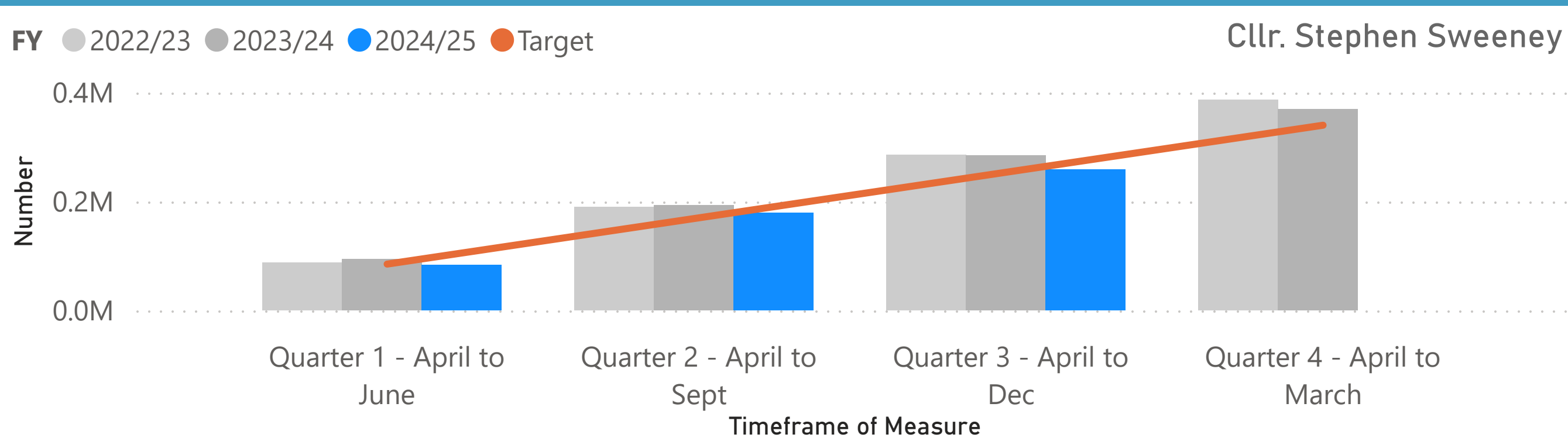




**ID4.1 - Car parking usage:-Number of tickets purchased** Current Status SMART Actions if Off Target

High  
Is Good  
Cumulative (Per Annum)

Negative  
Yearly Trend



**258,637** ✓

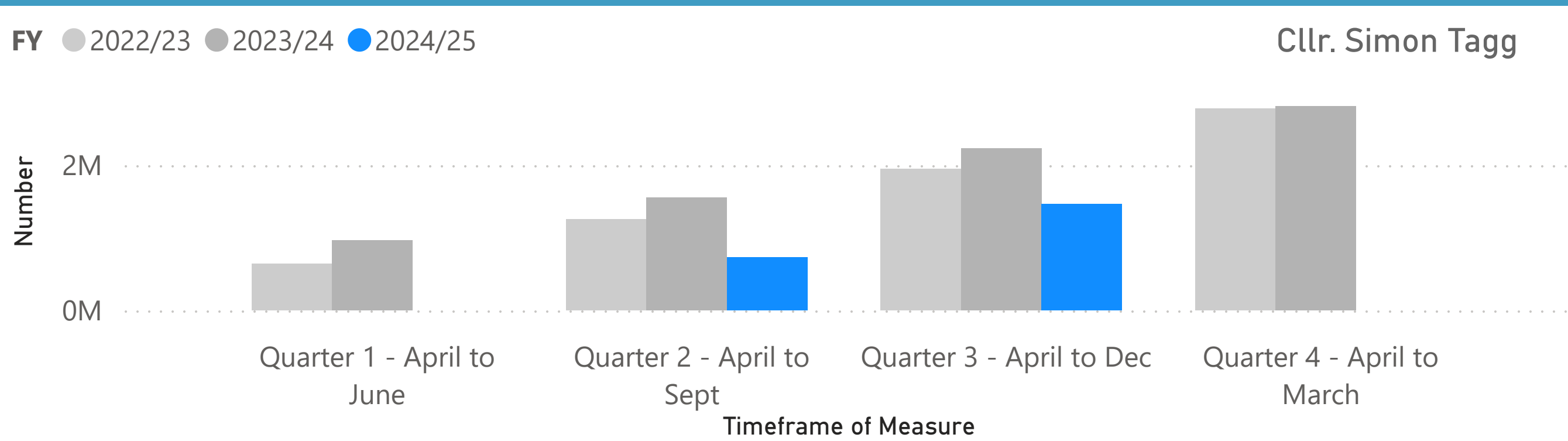
Target: 255,000

Not Required as Target Met

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

High  
Is Good  
Cumulative (Per Annum)

N/A  
Yearly Trend



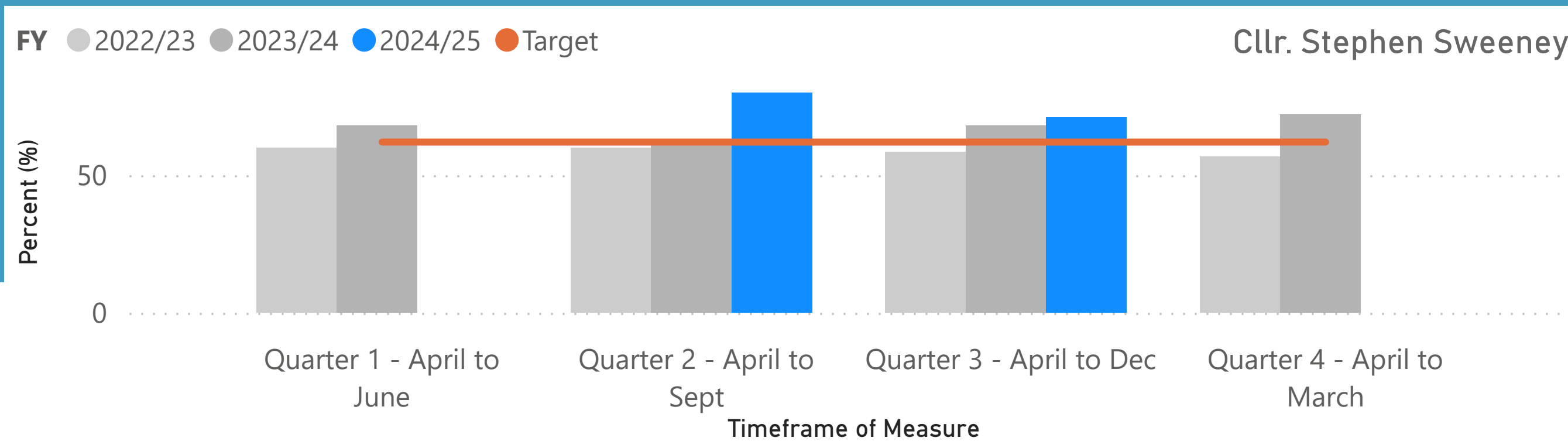
**1,466,057**

Data shown is for Q2 & Q3 only. Data was not provided by the BID for Q1. Due to only showing these two quarters, comparison between financial years is not available. Footfall in isolation for Quarter 3 has improved when comparing the same period from 2023/24.

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

High  
Is Good  
Cumulative (Per Annum)

Positive  
Yearly Trend



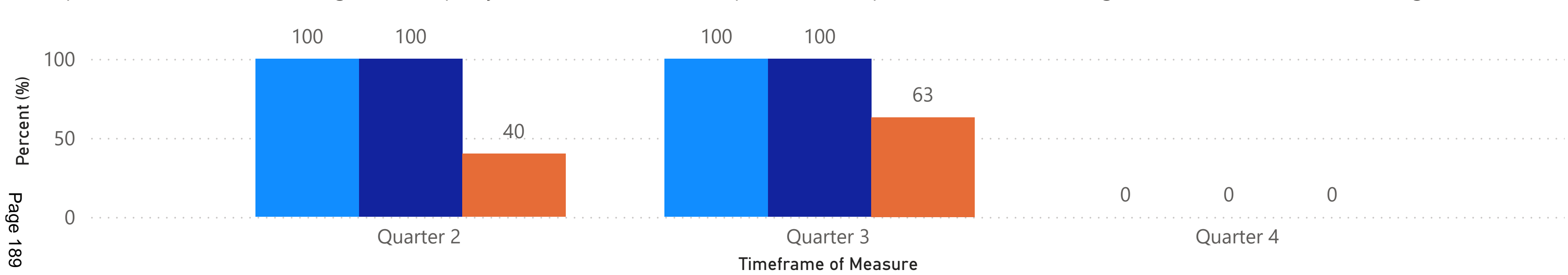
**71.00** ✓

Target: 62.00

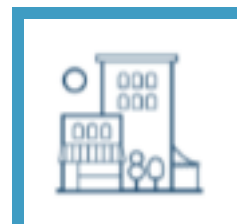
Seasonal fluctuations at the outdoor market follow national trends. This is evidenced by the reduction of the number of outdoor events, held predominantly in the Summer months. PIs for stall occupancy are now collected following a Market remodelling project, which reduced numbers of fixed stalls from 40 to 27.

**ID4.3a, 4.3b and 4.3c- Average stall occupancy rate for Specific Markets**

● 1. Specialist event markets - Average stall occupancy rate for markets ● 2. Antique Forum Group Licensed Market - Average stall occu... ● 3. General market - Average stall occu...



Increasing the number of people living, working and using Newcastle town Centre



## Project Status Split for Priority 4.

Project/Action is Progressing as Expected

4

Project/Action is Completed

1

Portfolio Holder	Service Area	Action	Corporate Objective	Status report	Commentary on progress
Cllr. Stephen Sweeney	1. Commercial Delivery 2. Planning	Redeveloping Midway car park to provide aspirational town centre residential accommodation	Increasing the number of people living, working and using Newcastle town centre	✔ Project/Action is Progressing as Expected	A planning application has been submitted for the redevelopment of the Midway car park into residential accommodation and is expected to be determined in early 2025.
Cllr. Stephen Sweeney	1. Neighbourhoods 2. Commercial Delivery	Developing a Town Centre Strategy for Kidsgrove	Encourage visitors and support local businesses in Kidsgrove	★ Project/Action is Completed	Project/Action has been completed.
Cllr. Stephen Sweeney	Commercial Delivery	Redevelopment of Ryecroft Site	Continuing to work with key partners to deliver the redevelopment of opportunities across the borough	✔ Project/Action is Progressing as Expected	Planning applications have now been received from Capital&Centric and McCarthy Stone for key elements of the Ryecroft redevelopment scheme. These Development of Castle Car Park is nearing completion with a planned opening in early 2025.
Cllr. Stephen Sweeney	Commercial Delivery	Redevelopment of York Place	Continuing to work with key partners to deliver the redevelopment of opportunities across the borough	✔ Project/Action is Progressing as Expected	Stripping back of the existing structure to the concrete frame is well under way. A planning application has been submitted for the redevelopment of York Place and is expected to be determined in early 2025.
Cllr. Stephen Sweeney	Neighbourhoods	Further enhance the historic market and public realm and boost our signature specialist market programme	Further enhance the historic market and public realm and boost our signature specialist market programme	✔ Project/Action is Progressing as Expected	The final phase of the Public Realm and Market Improvement project is scheduled for completion in March 2025, and the programme of event markets for 2025 is being compiled with specialist providers.

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

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

**04 February 2025**

**Report Title:**           **Tree Risk Management Strategy**

**Submitted by:**       **Service Director – Sustainable Environment**

**Portfolios:**           **Sustainable Environment**

**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"/>
<p>To request that the council adopts a tree risk management strategy as outlined below to ensure the councils increasing and maturing tree stock is managed to an acceptable risk management standard to members of the public, property and buildings.</p> <p>To request that the tree risk management strategy is adopted as policy to provide surety of application</p>			
<b><u>Recommendation</u></b>			
<b>That Cabinet:</b>			
<ol style="list-style-type: none"> <li>1. Endorses the tree risk management strategy;</li> <li>2. Adopts the tree risk management strategy as policy</li> </ol>			
<b><u>Reasons</u></b>			
<p>The proposed Tree Risk Management Strategy aims to strike a proportionate and balanced approach between the risks and the benefits gained from trees and to make the Council's tree resource as safe and diverse as reasonably practicable. In this way the Council will be better placed to demonstrate that it has fulfilled its Duty of Care and taken all precautions as far as reasonably practicable to avoid risks to the safety of people who use, pass by and neighbour the Council's land.</p>			

**1. Background**

1.1 Newcastle Borough Council owns approximately 650 hectares of land and cares for over 115,000 trees at 307 sites. The trees in the ownership of the Borough

Council are highly valued for their importance to Newcastle's landscape, wildlife values and benefits that they provide to the urban climate and people of Newcastle. However, while there are undeniable benefits to managing significant numbers and varieties of tree stock to multiple locations there is also an ever-present risk associated with every single tree in the councils ownership or management.

- 1.2 In 2023 the Council purchased a tree management software package, which has been significant in our being able to plot and manage the council tree stock effectively and enhance our tree intelligence, guiding our approach to directing existing resources into our higher risk trees and tree locations. Additionally, over the past three years, a long-established seasonal arboriculture team has been extended into a year-round service, supported by reassigning an existing staffing resource to an Arboriculture Surveyor post, enabling a much-improved position in relation to developing detailed information on our comprehensive tree stock. Additional surveying support has been achieved by an external contractor providing two days per week surveying capacity, a crucial resource to ensure regular widespread surveying and tree data capture.
- 1.3 Tree failures can cause significant damage, and initiate litigation claims against the Council. A clear and robust tree risk management strategy and adoption as a policy provides a significant tool in demonstrating the councils reasonable approach to managing its tree stock and guides resources to ensure our approach to surveying and maintaining our high-volume stock in relation to each individual trees location typology, age and health is accounted for and managed consistently.
- 1.4 Throughout the UK there are on average six fatalities which are attributed to falling trees and branches per year. This is considered by the Health and Safety Executive to be an acceptable and very low level of overall risk for the population as a whole.

## 2. **Material Issues**

- 2.1 The programme of tree inspection and management requires a practical approach, whereby resources are directed to areas where there is greatest risk to people and property. The proposed tree risk management strategy identifies a frequency, method, and timing of inspections. The frequency and methodology of inspection associated with the type of assigned usage zone ranges from inspections between one and two years (determined by location or defects of individual trees) through to no inspections required to areas such as general woodlands with no formal pathways or clear desire routes)
- 2.2 Accurate recording of tree survey information held within the tree management software is essential to ensure system driven reports to inform arboriculture interventions. The proposed strategy identifies the importance of recording incidents such as where trees fail or drop significant branches to identified tree defects and the determined surveying frequency and to ensure transparency with our health and safety obligations and to ensure an oversight by the council's insurance team.
- 2.3 When major storms are experienced expediated post storm impact surveys will be undertaken to inform priorities and to guide resources to the highest priority locations utilising our in house and external contractor resources.
- 2.4 The Council leases a number of property sites and land. The lease arrangements with regards to responsibilities in relation to tree management is often absent,



unclear or ambiguous. New leases shall explicitly identify where the responsibility for tree safety management lies and the standard to be achieved in managing any trees on land identified within the lease.

**2.5** Appropriate and planned training is being undertaken by identified staff to attain professionally and industry recognised Arboriculture Association accepted level of competency and a level which will withstand scrutiny at a legal level in the event of litigation claims or otherwise.

**2.6** Where arboriculture interventions are identified, through responsive or cyclical surveying, the timing of any physical undertaking will reflect the adopted risk management associated with individual trees and will range from the highest priority of 'Immediate' intervention where a tree poses an urgent and significant risk, to 'Low/Low-moderate' where a tree feature is not judged as hazardous before the next scheduled inspection.

The objective of the risk control measures is to reduce risks to people and property from trees as far as possible whilst:

- Supporting the council's principle of avoiding pruning and felling of trees unless there is a safety, arboricultural or legal reason or need that can be demonstrated.
- Avoiding unnecessary removal or disfigurement of our trees which could cause environmental, wildlife, landscape or cultural harm.
- Conserving habitats that are provided by trees especially those that are old and decaying.
- Ensuring minimal tree operations to reduce the amount of carbon that is released back into the environment from those operations and increase the potential of those trees to sequester more carbon

**2.7** Over the next five years the following summarised priorities will be completed:

- All the council sites are to be zoned and surveyed at a rate of 20% per year, to enable full compliance with this strategy by 2029.
- Cable Braced and artificial restraint trees ground surveyed every two years and aerially every five years.
- Red route review to be completed by September 2025 then biannually.
- Post storm / severe weather routes to be surveyed biannually.
- Leased Sites to be fully reviewed by October 2027.
- Tree Risk Management System recording data to be checked for inaccuracies to ensure that a complete record of the Councils tree stock is held in correct format by July 2029.
- During 2030 an external audit be undertaken to ensure compliance with the Tree Risk Management Strategy.

**2.8** Arboriculture operational activity and managing our tree stock are potentially high-risk activities for Newcastle Borough Council. Close operational management and adopting a robust strategy and policy, which is adhered to, significantly reduces risk to the public and litigation risk to the council and to officers. It is recommended that the service area and implementation of the strategy is audited internally on a three-year cycle and externally audited on a five-year cycle.

3. **Recommendation**

3.1 To adopt the tree risk management strategy as policy as provided in Appendix 1

4. **Reasons**

4.1 Adoption of the tree management strategy to ensure a consistency of management.

4.2 Adoption of the tree management strategy to support the council in relation to any litigation claim or otherwise.

5 **Options Considered**

5.1 To develop a Tree Risk Management Strategy that supports the operations of the council.

6 **Legal and Statutory Implications**

6.1 The Council has a Duty of Care and needs to be compliant with The Health and Safety at Work Act 1974.

6.2 Occupiers Liability Act 1957 and 1984

7 **Equality Impact Assessment**

7.1 There are no equality impact issues arising from this report.

8 **Financial and Resource Implications**

8.1 Current tree management and associated operational budgets to be sustained to enable compliance with the strategy.

8.2 Additional dynamically identified financial resources post major storm event requirements.

9 **Major Risks & Mitigation**

9.1 Significant risks associated with not having and adhering to the tree risk management strategy.

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

10.1 Use of electric equipment where possible and effective planning utilising Eztreet software



## 11. One Council

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

### **One Commercial Council**

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

### **One Digital Council**

*The tree management software package recently introduced is a good example of the services willingness to develop and implement a digital approach which makes a more robust process for important record keeping, and easy for all residents and businesses to engage with the Council, with our customers at the heart of every interaction.*

### **One Green Council**

*We will deliver on our commitments to a net zero future and make all decisions with sustainability as a driving principle. Effective management of the Councils tree stock ensures that they are maintained and replaced where necessary to contribute positively to carbon capture, thus helping reduce the borough to its net zero goals.*

## 12. Key Decision Information

12.1 This is not a key decision.

## 13. Earlier Cabinet/Committee Resolutions

13.1 None

## 14. List of Appendices

## 14.1 Appendix 1 – Tree Risk Management Strategy Policy Document

### 15. Background Papers

15.1 None

## Appendix 1

### Newcastle under Lyme Borough Council: Tree Risk Management Strategy (TRMS)

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Newcastle Borough Council owns approximately 650 hectares of land and cares for over 115,000 trees. The trees of the Borough Council (hereafter called the council) are highly valued for their importance to Newcastle's landscape, wildlife values and very positive benefits that they provide to the urban climate and people of Newcastle.

#### Tree Management

Trees are dynamic living organisms that naturally lose branches or fall. The council has a statutory and common law duty to assess and manage risks associated with trees. The duty is established in criminal law under the Health and Safety at Work Act 1974, and in civil law under the Occupiers Liability Act 1957 and 1984. The duty involves the council taking reasonable precautions to remove or reduce risks related to trees and the environment around trees so far as is reasonably practicable.

Throughout the UK there are on average six fatalities which are attributed to falling trees and branches per year. This is generally considered by the health and safety executive to be an acceptable and very low level of overall risk for the population as a whole.

This Tree Risk Management Strategy produced by the council aims to strike a proportionate and balanced approach between the risks and the benefits gained from trees, to make our tree resource as safe and diverse as reasonably practicable. In this way the council will be better placed to demonstrate that it has fulfilled the Duty of Care and taken all precautions as far as reasonably practicable to avoid risks to the safety of employees and people who use, pass by and neighbour council owned land.

The strategy will enable the council to undertake regular tree inspections and manage the tree population in a proportionate and cost-effective manner, that will assess whether trees for which the council are responsible present a risk to life and or property and provide a framework by which remedial action can be taken where appropriate.

Guidance in Health and Safety Executive (HSE), National Tree Safety Group (NTSG), and Common-sense risk management of trees has been used to ensure a best practice, practical and deliverable approach.

The approach to Tree Safety Management Procedures covers the following essential aspects:

#### Mandatory requirements:

- Usage zones defined for all council owned sites.
- Inspection of trees must be carried out in accordance with frequency assigned.
- Inspections must be carried out by people with appropriate training/expertise. Provision must be made in council budgets for operatives, officers and managers to complete BTI (Basic Tree Inspection), QTRA (Quantified Tree Risk Assessment) PTI (Professional Tree Inspection), and FdSc Arboriculture and Tree Management.
- Records of staff and consultants training must be kept.
- Where hazards are identified the risk will be assessed (QTRA), recommendations provided and a work priority stated.
- Provision must be made in council budgets for arboriculture inspection (in-house for reactive and routine inspections (all routes)) and specialist consultants (routine inspections (red routes), and where further specialist inspection or investigation is needed (dataset trees)).
- Provision must be made in council budgets to support the council's in-house Arboriculture Team.

**Appendix 1**

- Provision must be made in council budgets to provide arboriculture support through the council’s term contractor.
- Records of inspection and remedial work must be kept updated on the council TRMS recording system (currently Ezytreev)

**Leased Properties**

New leases shall explicitly identify where the responsibility for tree safety management lies. The following paragraph in is to be inserted into all new leases:

*‘Tree Inspection and Management is the responsibility of **..Insert name.** Consultants/contractors appointed to undertake Tree Inspection and Management works must follow the designated procedures in the council’s Tree Risk Management Strategy and be appropriately qualified (LANTRA Professional Tree Inspection course as a minimum). Records of inspection, remedial work and qualification/training of the inspector(s) must be kept. Trees should also be inspected following high winds and storms.*

*Tree works must be carried out by a competent tree surgeon in accordance with the relevant British Standard (currently BS3998:2010).*

*..... **Insert name** will be responsible for complying with all current legislation and permissions/consents concerning Tree Preservation and Tree Protection. ‘*

*..... **Insert name** must consult the council and gain permission in writing before completing any works to council owned trees.*

**Usage Zones**

**Establishing and Mapping our Usage Zones**

*The programme of tree inspection and management requires a practical approach, whereby most resources need to be directed to areas where there is greatest risk to people and property. It is not possible or practical to inspect every tree.*

*The approach is to designate usage zones to each site which relate to the intensity of site use based upon up-to-date site knowledge gained by the council going about its general duties, and the likelihood of people being injured, or buildings or other valued property being damaged in the event of failure of all or part of a tree.*

**Our Tree Inspections: Usage Zones**

<b>Usage Zone</b>	<b>Level of Use</b>	<b>Typical examples (determined by local knowledge/council teams)</b>
1 High These are our <b>Red Routes</b>	Frequent high volume of road traffic or visitor use.  High likelihood of visitors staying in the area	Areas in council ownership that are close to busy roads. Railways Major Car Parks Play Areas Trees adjacent to heavily used buildings (Schools etc) Town Centre trees Trees within our Key Parks and Open Spaces Trees adjacent to heavily used footpaths

**Appendix 1**

		Trees within our main Cemeteries and Crematorium Trees around fishing pools
2 Medium <b>Purple Route</b>	Generally moderate volume of road traffic or public use.  Public tend to disperse rather than gather	Woodland with frequently used paths. Footpaths, bridleways, and way marked trails. Trees overhanging private gardens. Trees within Closed Churchyards Known public rights of way including well used desire lines.
3 Low <b>Blue Route</b>	Generally low volume road traffic or public use. Public well dispersed	Woodland with seldom used paths. Trees within low usage areas of open space. Trees around quiet car parks.
4 Very Low <b>Brown Route</b>	Very low level of public use or infrequently used	Arable land, woodland (away from paths)

A site may have split zones, where some areas warrant a higher level of inspection. Zones will reflect normal usage throughout the course of a year.

Over the next 5 years all of the council's sites will be allocated usage zones. These zones and rationale must remain up-to-date and be reviewed at least every two years or following a significant change of use of a site. These decisions will be documented.

**Frequency Method and Timing of Inspections**

Usage Zone	Frequency of Inspection	Inspection Type
1 High <b>Red</b>	Between one and two years using a *rolling programme	Walk by inspection of every tree looking for obvious defects
2 Medium <b>Purple</b>	Normally every four years	Walk by inspection of all trees on publicly accessible routes, and all trees adjacent to properties (where access is possible) looking for obvious defects
3 Low <b>Blue</b>	Normally every six years	Walk by inspection of all trees on publicly accessible routes, and all trees adjacent to properties (where access is possible) looking for obvious defects
4 Very Low <b>Brown</b>	No inspection required	No inspection required
<b>Post Major Storm/Severe Weather trees</b>	Following named major storms/severe weather	Basic inspection for obvious damage (by foot/bike/vehicle drive by).
<b>Monitored trees</b>	Additional inspections if appropriate	Increased frequency and/or detailed monitoring inspections, often requiring a higher level of expertise (e.g. climbing inspection)

**Appendix 1**

<p><b>Cable braced trees</b> and/or other artificial supports</p>	<p>Normally two years (within annual rolling programme) for ground-based inspection Aerial inspection every 5 years</p>	<p>Detailed observation of the condition of cables and associated hardware and condition of supporting branches (higher level of expertise)</p>
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*\*Rolling programme allows an extension to a 12-month inspection interval, but not beyond the maximum interval, so that trees shall be inspected at varied times of the season in order that different features can be identified e.g. fungal fruiting bodies in Autumn, sparse crowns in Spring and upper crowns in winter.*

Research in America has shown that younger trees are less likely to fail. Newly planted trees/groups/woodland will be categorised and recorded when stem diameters are greater than 150mm (when measured at 1.5m height). These are expected to be picked up through zoning and programmed site inspections.

**Inspections**

Inspections shall be carried out by people with the appropriate training and expertise. The council is supporting its tree inspectors in gaining the following accreditations QTRA (Quantified Tree Risk Assessment Registered User), BTI (Basic Tree Inspection Certificate), PTI (Professional Tree Inspection Certificate) and FdSc in Arboriculture and Tree Management. All contractors completing tree inspections will have LANTRA PTI Certificate as a minimum.

All zoned inspections will be completed by staff trained to PTI level as a minimum. Post storm inspections will be completed by staff trained to BTI as a minimum.

**Timing of inspections**

The best time to inspect trees is during September and October, when fungal fruiting bodies can most easily be identified, however trees inspected in winter can reveal significant structural defects and trees inspected whilst in leaf during summer can give a valuable indication of general health. The frequency of inspection of the Red routes is between one and two years using a rolling programme, this enables inspection visits to take place throughout the seasons to gain a broader overview of tree health.

Post storm major storm/severe weather inspections take place at our main cemeteries and crematorium and major parks as soon as practicable after a storm has occurred.

**Monitored Trees**

Monitored (re-inspected trees) may be on this list for a short-term whilst additional investigation or is being completed or on trees where it is decided to retain them despite having defects that are of some concern (e.g. trees that are considered important enough because of its age, species, location, wildlife or cultural value where defects require monitoring to ensure that the risk that they pose does not become unacceptable), these trees are likely to need more careful and frequent inspection. Such trees may require decisive intervention e.g. complete removal, veteranisation or partial removal. Intervals for these inspections will be on a case-by-case basis, with flexibility in system. Management decisions affecting these trees may require specialist consultancy.



## Appendix 1

### **Cable braced trees (or trees requiring other artificial support)**

Cable Bracing has been used on a number of council trees over the years. This is a specialist area of arboriculture and should be undertaken only by an arboriculturist with relevant experience and in-depth knowledge of tree anatomy and physiology, and a working knowledge of the engineering principles.

All forms of restraint in a tree shall be inspected at regular interval, the default frequencies for inspections are completed within our annual rolling programme (for ground-based inspections using binoculars) and five-yearly for detailed aerial inspections.

During each inspection the following shall be assessed (ref BS3998:2010):

- *Wear and tear or damage affecting the materials used and their continuing fitness for purpose (e.g. slippage of wire rope grips, photo-degradation of soft materials or squirrel damage, condition of wooden/metal props)*  
*Note: the frequency of inspection of synthetic fibre materials will normally be determined by the manufacturer's recommendations. Some materials will photo-degrade more rapidly than others, and this will have an effect on the safe useful life of the system.*
- *Evidence of recent deterioration in the supported or supporting structure(s)*
- *Adverse effects of the attachments of the restraints on the tree (e.g. chafing or constriction damage)*
- *The presence and extent of decay.*

If the system is found not to be meeting the specified objectives, it should be adjusted, repaired, or replaced as appropriate or alternative management options implemented.

### **Recording**

Accurate recording is essential to enable inspections to be linked back to whole site inspections, routine site inspections, individually recorded defect inspections, reactive inspections, dataset inspections and post storm inspections.

### **Tree Inspection Records:**

- Site maps and Record of Usage Zones.  
Usage Zones to be reviewed at least every two years.
- Whole Site Inspections.  
This demonstrates that all trees (where within red routes), and all trees within the publicly accessible parts of other areas and where our trees are adjacent to properties have been inspected. Site records must include a completed date (date when the whole site had been inspected) inspector name.
- Individually Recorded Inspections  
It is generally only necessary to make a record on an individually inspected tree when hazard is identified, dataset trees, or when a reactive inspection is undertaken (details linking advice given to the council's customer reference number shall be inputted). Where hazards are identified trees will be individually recorded, risk will be assessed (QTRA), recommendations provided, and priority given.
- Post Storm Inspections shall be recorded as a tree set with date and inspector name.
- Dataset Trees

## **Appendix 1**

All dataset trees will be individually recorded. The council keeps up to date records of its dataset trees where an accessible record of all past inspections and management is required- these are trees which require additional resources.

- Cable Braced trees.
- Monitored trees (trees requiring additional inspections)
- Further Investigation trees (e.g. tomography, resistograph, climbing inspections etc)
- Trees Requiring Ivy Removal to facilitate inspections.

### **Recording incidents**

To monitor and improve our Tree Risk Management procedures it is important to record incidents that the council is aware of, where trees fail or drop significant branches:

- Incidents where trees have fallen or shed limbs where injury, or damage to property has occurred must be reported on the TRMS recording system, Target 100 and to the insurers.
- Incidents where trees have fallen or shed limbs where blockage of highways (where tree team assistance for removal is needed) must be reported on the TRMS recording system and on Target 100.
- Incidents where trees have fallen or shed limbs onto footpaths, highways, public open space causing no injury to people, no damage to property, or no requirement for road closure are to be recorded on the digital TRMS recording system.
- Incidents where trees have fallen or shed limbs within woodland away from footpaths together with weather conditions may be useful in reviewing tree management systems.

### **Post Major Storm/Severe Weather Inspections**

The council will complete inspections following severe weather incidents (for example major storms, tornados).

After major storm events there is a risk that trees may have become subject to partial windthrow, or canopy breakages resulting in potentially unstable trees or partially detached limbs. Once severe weather warning has passed, a list of routes will be inspected for obvious damage (by foot/bike/vehicle drive-by). Post major storm routes will be informed by incident recording data and by officer knowledge, rationale to be reviewed and recorded every two years.

The council already install signage in high usage wooded localities. Providing information and interpretation is helpful in increasing public understanding of issues, either at the points of entry or around site. Other ways of providing information (online, website etc) will be considered in future updates of this strategy.

### **Informal Reporting**

Informal reporting can contribute significantly to public safety. The council currently operates a reactive procedure whereby matters can be reported directly through the council's website. This contact is generally received from the general public, Staffordshire County Highways, Network/Services Providers, or grounds managers/operatives. Where necessary reactive site visits are prioritised, and outcomes recorded.

## **Appendix 1**

Observation and reporting of tree issues by council operatives is already in place. Streetscene/waste employees report issues as they go about their duties, these staff are a useful resource to us, as they travel hundreds of miles daily throughout the Borough. Toolbox talks and handouts/posters will be used to help support this our process.

Staff who spend considerable amounts of time in our public spaces (for example cemeteries staff, council own tree team and supervisors) shall receive Basic Tree Inspection (BTI) training (one-day training course which could be completed from a council depot). These staff will be a valuable resource in informal reporting and completing our post storm inspections.

### **Our Risk Control Measures,**

The objectives of the control measures are to reduce risks to people from trees as far as reasonably practicable whilst:

- Supporting the council's principle of avoiding pruning and felling of trees unless there is a safety, arboricultural or legal reason or need that can be demonstrated.
- avoiding the unnecessary removal or disfigurement of our trees which could cause environmental, wildlife, landscape or cultural harm.
- conserving habitats that are provided by trees especially those that are old and decaying.
- By ensuring minimal tree operations the amount of carbon that is released is reduced back into the environment from those operations and increases the potential of those trees to sequester more carbon.

The range of measures (although not in order of priority) includes:

- eliminating the hazard, through remedial work, monolithing or felling.
- managing access, by closure (permanent or temporary), path diversion, or signage aimed at managing the flow of pedestrians/vehicles away from the hazard.
- providing information and promoting awareness

### **Remedial actions**

The environmental, cultural, landscape and habitat value of trees should always be considered when deciding on remedial action. Old trees are often uniquely valuable as habitat for wildlife, and even if the physical condition of the tree is poor, remedial action should only be specified where there is a clearly perceptible risk to life or property. This might mean managing user access in the vicinity (for example by re-routing a path), removing part of the tree, or even felling it. Felling should be regarded as a last resort especially for trees with a high ecological value. Where appropriate the council will monolith trees, Monolithic trees are widely accepted as being best industry practice as an alternative to felling. The habitat created is of great conservational value. Trees identified for monolith will be recorded on the council's TRMS recording system.

The appropriate remedial action must be decided by the inspector. Action may include increased frequency of visits and/or further detailed investigations or specified tree works. Further detailed investigations often require a higher level of expertise, these investigations are to be completed by the council's consultant.

Works identified during inspections are prioritised according to need. Remedial action is taken where they present sufficient risk or hazard. The following categories are presently used:

- **Immediate.** Trees which pose an urgent and significant risk shall be dealt with immediately on the best advice available. Public access shall be restricted until the work has been completed.

## **Appendix 1**

- **High:** Remedial action must be prioritised and implemented within 6 months or another specified timeframe. Consideration to be given to restricting public access until the work has been completed,
- **Moderate/High:** Remedial action must be prioritised and implemented within 9 months or another specified time frame
- **Moderate** Remedial action must be prioritised and implemented within 18 months or another specified time frame
- **Low-moderate** Feature is not judged to be hazardous before next inspection due. Proactive management may prevent problems developing, or will benefit the tree and improve long-term safety.
- **Low** Proactive management

### **Work plans**

Accurate recording of site inspections is essential to prove all zones have been inspected at the frequency specified for their usage zone, recorded any defects that could pose a reasonably foreseeable risk, and specified and undertaken appropriate remedial action completed through our work plans.

Historically the incomplete transfer of data from our previous (now obsolete) system has led to data that is not representative of the current position. This has caused problems in creating work plans. Significant progress has been made over the last year in checking for inaccuracies to ensure that a complete and accurate record of the council's tree stock is held, this work will continue to be prioritised.

The TRMS recording system (Ezytreev) data is used to create our work plans and sign off completed work. The system identifies upcoming/overdue inspections as well as works that are due/overdue and provides deadlines by month.

### **Priorities/performance indicators for the next 5 years**

Over the next five years the following priorities will be completed, following this an external audit will be undertaken.

- All of the council Sites are to be zoned and surveyed at 20% per year, to enable full compliance with this strategy by September 2029
- Toolbox talks and handouts to be completed (November 2024) then biannually.
- Leased Sites: Review of leased sites to be completed by October 2027
- Post storm/severe weather routes to be in place by October 2024 to be reviewed biannually (October 2026)
- Red route review to be completed (September 2025) then biannually.
- Cable Braced and artificial restraint trees climbed and checked by September 2024.
- TRMS recording system (Ezytreev) data to be checked for inaccuracies to ensure that a complete record of the council's Tree stock is held in a correct format by July 2029.
- Training is to be delivered at an appropriate level to all inspectors for BTI (Basic Tree Inspection), PTI (Professional Tree Inspection), QTRA and FdSc Arboriculture and Tree Management.

### **Audits**

An internal audit shall be carried out to inform 3-yearly reviews of this strategy. This will help to validate our Tree Risk Management System, highlight any areas for improvement ensuring that it is fit for purpose.

An external audit shall be carried out on a 5 yearly cycle with the aim of ensuring the maintenance of proper records, checking activities are meeting the mandatory rules of

**Appendix 1**

operation, performance indicators are being met, monitoring activities that top management cannot itself monitor and pointing out failings in performance that can subsequently be addressed.

**Existing and new pests and diseases**

Increasing numbers of pests and diseases are attacking the UKs trees, some with devastating consequences (for example Ash Dieback). Outbreaks of disease will be initially monitored through the council's digital TRMS recording system, with consideration given to separate strategy should further inspection/action be needed to manage the impact.

---

**References**

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- Tree Safety and Management in the National Trust LJB 18/12/23
- Principles of Tree Hazard Assessment and Management: David Lonsdale
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- Hart District Council: Tree Risk Management Strategy
- High Peak Tree Risk Management Strategy
- National Tree Safety Group (NTSG) Managing trees for safety
- NTSG (National Tree Safety Group) Common sense risk management of trees
- Forest Research: Common sense risk management of trees - landowner summary
- Southampton City Council: STORMS operating principles standards
- Decision making for arborists: How to get it right and sleep tight on windy nights: Jeremy Barrell
- American National Library of medicine: Understanding tree failure—A systematic review and meta-analysis Published online 2021
- Tree Risk Management Workshop: Course notes: Treelife
- QTRA Practice note 2011
-

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# Appendix 1: Tree Risk Management Strategy

Sustainable Environment  
January 2025



NEWCASTLE·UNDER·LYME  
BOROUGH COUNCIL

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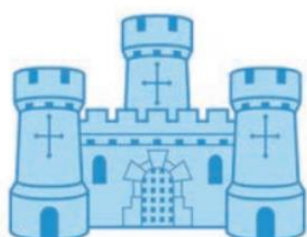




Appendix 2

# Storm Darragh Impact & Response Report

Sustainable Environment  
January 2025



NEWCASTLE·UNDER·LYME  
BOROUGH COUNCIL

## **An example of a practical response to recent severe weather event in December 2024 following procedure set out in our Tree Risk Management Strategy**

At 16:00 on 5th December 2024 Kidsgrove woodland at Kidsgrove and Clough Hall Park experienced reported destructive tornado type winds. On 7th and 8th December 2024 a further significant weather event, storm Darragh, was experienced and had effects across the borough causing considerable destruction of trees Borough wide. The events took place mostly within the hours of darkness creating additional difficulties for our teams in relation to assessing damage and dealing with the effects as safely as possible.

The level of damage and destruction to our trees, particularly within the Clough Hall area was unprecedented for the borough.



### **Our Response**

#### **Tornado**

Our initial response was dealt by the Borough Councils on call officer, who attended the site along with the Police and Staffordshire County Highways following multiple reports of tree damage to property and gardens fences.

Our on-call Arborist was called out, and out of hours support was then obtained from all of the remaining team members who were available to assist at the time when the significance and scale of the damage started to emerge.

Soon after the tornado type event passed, during the hours of darkness, the Arboriculture team felled a dangerous tree, and other team members assessed damage to remaining trees. Clough Hall Park was close due to concerns of unstable and damaged trees in addition to closing footpaths through

adjacent woodland. Staffordshire County Highways activated two road closures (Boat Horse Road and The Avenue) and instructed their highways contractor to clear fallen trees.

On 6th December 2024, post storm tree inspections were completed by all available BTI (Basic Tree Inspection) trained staff.

### **Storm Darragh**

Storm Darragh was a national storm weather event impacting on a large swathe of the UK with Yellow, Amber and Red warnings being issued by the Met Office prior to and during the weather event. The storm was experienced in the Borough on the weekend of Saturday 7th and Sunday 8th November. Additional Officers and Arboriculture team Operatives were mobilised respond to live weather impacts and to continue post tornado inspections, as per our Tree Risk Management Strategy and complete urgent tree works when conditions were safe to do so. We were additionally supported by our consultant contractor to undertake additional surveys.

In the week following Storm Darragh BTI (Basic Tree Inspections) were carried out Borough wide by trained staff across Streetscene and Landscape teams. Damage was recorded in multiple locations across much of the Borough including:

- Newcastle cemetery, where services were scheduled in locations of large fallen trees,
- Knutton cemetery, fallen trees prevented access
- Clough Hall Park – significant and wide scale fallen, uprooted and/or structural tree damage.
- Clough Hall woodland – large woodland decimated.
- Former Chapel at Kidsgrove – fallen tree damage
- Multiple road fall locations.

### **Post Storm Inspections**

One of the Mandatory Requirements of our Tree Risk Management Strategy is to train officers and managers in BTI (Basic Tree Inspection). In November 17 members of staff across Streetscene and Landscape Teams were trained and received their qualification in BTI.

After major storm events there is a risk that trees may have become subject to partial windthrow, or canopy breakages resulting in potentially unstable trees or partially detached limbs. Once severe weather warning has passed, a list of routes will be inspected for obvious damage.

Our post storm inspections identified over 100 fallen and/or dangerous trees across 27 of our sites.

Informal reporting by members of the public and staff through the Borough Councils 'Report a Tree Issue' was incredibly helpful with an additional 50+ tree related reports received in the week following the storm.

Direct reporting and subsequent reactive inspections significantly contribute to public safety. Improvements in the online reporting system and its mapping system have increased considerably reduced officer time in locating trees.

In the calendar year up to storm Darragh 72 locations were raised that were high or immediate priority. In the 4 day period of the tornado and storm Darragh 21 high and immediate locations for priority jobs were recorded, this created a significant work load being incurred and dealt with by our inhouse team, each location will include multiple jobs, which may include fells, major limb removals etc. Additional support, as per the Tree Risk Management Strategy, has been sought and secured (during a period of peak demand for regional Arboriculture Teams) from two contractor teams, employed for 6 weeks to date and projected for an additional 4/5 weeks.

As per the Tree Risk Management Strategy works identified during inspections are prioritised according to need. Remedial action is taken where they present sufficient risk or hazard and the identified categories illustrated within the strategy are used, including the 'Immediate' category. Much of the storm damage was identified as 'immediate' priority.

During the past three years annual routine inspections have been undertaken to our red route's, locations where trees of significance in relation to their location and condition are subject to a Quantified Tree Risk Assessment. Utilisation of these routine inspections has likely reduced our litigation exposure significantly.

#### **Current Position**

Arboriculture work is ongoing in relation to the two recent storm events reported above, which is largely in addition to programmed work to other high priority trees identified prior to the recent damage. The contractor input has been essential to assist in the current and ongoing recovery to ensure we position the Council in as reasonable safe position as possible in relation to our tree stock.

Immediately following the storm events and over the past several weeks the use of social media has been a useful tool in updating members of the public in relation to immediate dangers and our measured approach in dealing with minimising the risk to residents. This has been particularly useful in relation to the closure of Clough Hall Park and our liaising with SCC in relation to a footpath closure to Clough Hall Woods.

Damage caused by the storms has been recorded on our Tree Risk Management system and on our corporate risk management register, T100, which is accessed by our insurance team to collate information where claims are registered. The information captured is crucial to aiding an appropriate response to any claim for damages or otherwise.

Intervention in the recovery of the woodland will be restricted to completing works where safety issues are a concern. This will allow the regeneration (already visible) to flourish. Felling dead or damaged trees will be regarded as a last resort, as these are often uniquely valuable as habitat for wildlife, even if the physical condition of the tree is poor.

#### **Summary**

Implementation and alignment of our approach to managing tree risk throughout the year and during and post severe weather events significantly reduces risk to residents, employees and reduces litigation claims during normal weather conditions and stress tested circumstances such as the recently tested severe weather events.

## NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

### CORPORATE LEADERSHIP TEAM'S REPORT TO CABINET

04 February 2025

**Report Title:** Local Development Scheme (2025 – 2028)

**Submitted by:** Deputy Chief Executive

**Portfolios:** Strategic Planning

**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>The report seeks approval for an update to the Council's Local Development Scheme (2025 – 2028) which sets out the timetable for the preparation of a new Local Plan for the Borough.</p>			
<p><b><u>Recommendation</u></b></p> <p>That Cabinet:</p> <p style="padding-left: 40px;"><b>1. Approves the update to the Council's Local Development Scheme ("LDS") for the period 2025 – 2028.</b></p>			
<p><b><u>Reasons</u></b></p> <p>The Deputy Prime Minister has asked following the publication of a new National Planning Policy Framework in December 2024, that all local planning authorities produce and publish an updated LDS, setting out the timetable for the preparation of a new Local Plan in accordance with the Framework. The LDS should be agreed by the 6 March 2025 and shared with Government.</p>			

## 1. **Background**

- 1.1 A Local Plan sets the vision and framework for how the Borough will grow and develop. It sets out targets for the number of jobs and homes to be delivered in the Borough and an overarching spatial strategy to guide development to sustainable locations. The Borough Council has been preparing a Local Plan since 2021 having regard to relevant national guidance and a detailed evidence base. On the 20 December 2024, the Council submitted its Local Plan (2020-2040) for public examination to the Secretary of State.
- 1.2 The submission of the Local Plan (2020-2040) was in line with the Council's current LDS (2023-2026), which envisaged submission of the Local Plan for examination by the end of the 2024 calendar year, with examination taking place throughout 2025 and adoption of the Plan assumed in the last quarter of 2025. The timetable and progress of the examination is now a matter for the Inspector appointed to consider the soundness and legal compliance of the

Local Plan. Information on the Local Plan examination can be found on dedicated planning policy pages of the Borough Council's website which will be updated throughout the examination process.

- 1.3** A revised version of the National Planning Policy Framework ("NPPF") was published on the 12 December 2024. This has implications for the preparation of Local Plans amongst other planning matters, including the timing of plan preparation and their content. As part of a package of announcements made at the launch of the revised NPPF, the Deputy Prime Minister has asked all local planning authorities to produce an updated LDS within 12 weeks of the publication of the NPPF (i.e. by no later than 6 March 2025).

## **2. Issues**

- 2.1** Attached at Appendix 1 is an updated LDS which sets out the proposed programme, between 2025 and 2028 for a new Local Plan. This is a public document which will provide information for interested parties on the timetable for preparation of a new Local Plan for the Borough.
- 2.2** The LDS sets out the proposed approach to a new local plan. For the avoidance of any doubt, the revisions to the current approved LDS do not impact on the emerging Local Plan (2020-2040) and the fact that this has been submitted for examination.
- 2.3** The timing of the update to the LDS comes from a request from the Deputy Prime Minister. The updated LDS should include clear, realistic, and specific dates for consultation and submission of the Local Plan. There may shortly be further revisions made to the Local Plan making system in respect of new local plans, taken forward through provisions in regulations associated with the Levelling Up and Regeneration Act. This uncertainty means that the timetable in the revised LDS may be subject to change with consequently a further update likely to be brought back to Cabinet later in the year.
- 2.4** In line with the provisions of the December 2024 NPPF (paragraphs 234b & 236 respectively) for local plan making, where a local plan has been submitted for examination on or before the 12 March 2025 and the emerging Plan provides for less than 80% of local housing need, the Local Planning Authority will be expected to begin work on a new plan, under the revised plan-making system provided for under the Levelling Up and Regeneration Act 2023 (as soon as the relevant provisions are brought into force in 2025) in order to address any shortfall in housing need. This is the current position of the Council, and this LDS responds to this and sets out the Council's indicative programme for producing a new Local Plan. The need for and progress on a new Local Plan, beyond the Plan submitted for examination, will be dependent on the regulations provided for under the Levelling Up and Regeneration Act 2023.

## **3. Recommendation**

- 3.1** That Cabinet approves the updated LDS for the period 2025 – 2028.

## **4. Reasons**

- 4.1 The Deputy Prime Minister has asked for all local planning authorities to produce an updated LDS by the 6<sup>th</sup> of March 2025, which sets out the timetable for the preparation of a new Local Plan.

## 5. Options Considered

- 5.1 The option of not to proceed with a new Local Plan and to cease work is not considered a reasonable option as the Council has a statutory duty to prepare development plan documents. Other consequences are the possibility without a forward supply of development sites that the Council fails to demonstrate a 5-year land supply and respond to the requirements of the recently updated NPPF (December 2024). This would result in planning applications being submitted and requiring to be determined in line with the presumption of sustainable development and being permitted unless strong reasons exist to indicate otherwise.

## 6. Legal and Statutory Implications

- 6.1 In accordance with section 20 of the Planning and Compulsory Purchase Act 2004 (as amended) the Council has a statutory duty to prepare planning policies and maintain an up to-date development plan. Secondary legislation contained in the Town and Country Planning (Local Planning) (England) Regulations 2012 provides additional guidance on Plan making.
- 6.2 As noted in the December 2024 version of the NPPF, provisions are to be brought forward for a revised plan-making system through regulations associated with the Levelling Up and Regeneration Act and Local Planning Authorities will be expected to begin work on a new Plan, under these provisions. The regulations are expected to be brought into force in 2025.
- 6.3 A Local Development Scheme is required under section 15 of the Planning and Compulsory Purchase Act 2004 (as amended). This must specify the development plan documents (i.e. local plans) which, when prepared, will comprise part of the development plan for the area. The Local Development Scheme must be made available publicly and kept up to date. Local planning authorities are asked to publish their LDS on their website.

## 7. Equality Impact Assessment

- 7.1 The LDS sets a timetable for a new Local Plan and has no direct implications. An Equality Impact Assessment will be conducted during the preparation of the Local Plan.

## 8. Financial and Resource Implications

- 8.1 Following approval of the LDS, a report will be brought back to Cabinet later in 2025 to consider the costs of producing a new Local Plan. As noted above, further information is expected this calendar year, through regulations associated with the implementation of the Levelling Up and Regeneration Act, on how the government intend the revised local plan making system to work which may require a further iteration of the LDS to be prepared. Future reports

on the new Local Plan will provide additional information on Plan preparation costs.

## 9. Major Risks & Mitigation

- 9.1** That the emerging Local Plan (2020-2040) is found unsound at examination which may have implications for the timing of the preparation of a new Local Plan. Appropriate steps have and are being taken to minimise the risk through the provision of a comprehensive evidence base and legal and consultancy support.
- 9.2** The Levelling Up and Regeneration Act will have implications for how Local Plans are made. Changes to the NPPF have already resulted in changes to policy guidance on matters including Greenbelt, with the introduction of the term “Grey belt.” Updates and implications of other changes which affect local planning policy issued by national government will be kept under review.

## 10. UN Sustainable Development Goals (UNSDG)

- 10.1** As the Local Plan is primarily focused on the use of land, overall levels of growth and the relationship to the environment and infrastructure then a number of the UN Sustainable Development Goals will overlap with the aims of the Plan.



## 11. One Council

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

One Commercial Council

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

One Digital Council

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

In line with the intentions of Government, a new Plan is anticipated to be produced in accordance with digital principles and approach.



One Green Council

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

A new Local Plan will seek to support the Council's ambition around a net zero future.

## 12. **Key Decision Information**

12.1 This report provides an update on the Local Plan / decision reports associated with the Local Plan will affect all wards in the Borough.

## 13. **Earlier Cabinet/Committee Resolutions**

13.1 Full Council decision on the emerging Final Draft Local Plan (24 July 2024) - <https://moderngov.newcastle-staffs.gov.uk/ieListDocuments.aspx?CId=152&MId=3860&Ver=4>

## 14. **List of Appendices**

14.1 Appendix 1: Newcastle-under-Lyme Borough Council's Local Development Scheme 2025 - 2028

## 15. **Background Papers**

15.1 Information on the Borough Local Plan (2020-2040) can be found here: - [Local plan examination – Newcastle-under-Lyme Borough Council](#)

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# Local Development Scheme 2025-2028

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## Introduction

1. The Local Development Scheme (LDS) is a three-year project plan which sets out what development plan documents the Council is intending to produce and when they will be delivered.
2. The LDS shows the anticipated key milestones in the production of Local Plan documents. The LDS is being updated at this time in response to a request from the Deputy Prime Minister, Angela Rayner MP, the Secretary of State for Housing, Communities and Local Government who has requested an updated LDS from all Local Planning Authorities by the 6 March 2025.

## Why is a Local Development Scheme produced?

3. An LDS is required to be produced under section 15 of the Planning and Compulsory Purchase Act 2004 (as amended). The document must be publicly available and should be kept up to date.

## How does it link to the Statement of Community Involvement?

4. The Statement of Community Involvement (SCI) sets out how the Council intend to engage with local communities, businesses and other interested parties when developing and reviewing planning documents and determining planning applications. The SCI contains more detail on how we will consult on the Local Plan and its preparation at each key milestone.

## Current Development Plan

5. The Development Plan for the Borough currently consists of several documents and some selected saved policies. These are as follows:
  - Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy (adopted 2009)
  - Saved Policies of the Newcastle under Lyme Local Plan (adopted 2003)
  - Minerals Local Plan for Staffordshire (2015-2030), produced by Staffordshire County Council
  - Staffordshire and Stoke-on-Trent Waste Local Plan (2010-2026), produced by Staffordshire County Council
6. The documents listed above are available to view on the Councils Planning Policy website, via the 'Current Development Plan' page: <https://www.newcastle-staffs.gov.uk/planning-policy/current-development-plan>

## Neighbourhood Development Plans

7. Neighbourhood Development Plans also form part of the development plan. They are produced by local communities led by Parish Councils or Neighbourhood Forums. As such, the Local Planning Authority cannot set a timeline for their production in the LDS. However, the Council will continue to support neighbourhood planning groups to progress their Neighbourhood Plans. For more details on Neighbourhood Plans in the Borough, please see the relevant pages of the

Borough Council's website: <https://www.newcastle-staffs.gov.uk/planning-policy/neighbourhood-planning>

8. Also included on the Borough Council webpages is a map of all designated neighbourhood areas and more information on each of the plans.

### **Approved or 'Made' Neighbourhood Development Plans as at January 2025**

- Loggerheads Neighbourhood Development Plan (made 15 February 2019)
- Chapel and Hill Chorlton, Maer and Aston and Whitmore Neighbourhood Development Plan (made 21 January 2020)
- Betley, Balterley and Wrinehill Neighbourhood Plan (made 4 January 2022)
- Madeley Neighbourhood Development Plan (made 23 May 2022)

### **Neighbourhood Development Plans in development as at January 2025**

- Audley Parish Neighbourhood Development Plan (at submission / examination stage)
- Kidsgrove Neighbourhood Development Plan
- Keele Neighbourhood Development Plan
- Silverdale Neighbourhood Development Plan
- Bradwell, May Bank, Porthill and Wolstanton Neighbourhood Forum

## The new Local Plan(s) for the Borough

9. On 13 January 2021, Cabinet resolved to produce a new Local Plan covering the borough of Newcastle-under-Lyme administrative area. The emerging Local Plan (2020-2040) has been prepared and consulted upon over the last few years and was submitted to the Secretary of State for examination on the 20 December 2024. An independent Inspector(s) from the Planning Inspectorate will be duly appointed to consider the local plan and its supporting evidence and decide whether the plan meets the relevant soundness and legal compliance tests. The planning policy pages on the Council's website provide an update on the Local Plan examination.
10. Once adopted, the emerging Local Plan (2020-2040) will replace the Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy and Saved Policies of the Newcastle-under-Lyme Local Plan (adopted 2003).
11. The LDS reflects the position on the emerging Local Plan (2020-2040) but also sets out next stages for the preparation of a new Local Plan for the Borough.
12. In line with the provisions of the December 2024 National Planning Policy Framework (paragraphs 234b & 236 respectively) for local plan making, where a local plan has been submitted for examination on or before the 12 March 2025 and the emerging Plan provides for less than 80% of local housing need, the Local Planning Authority will be expected to begin work on a new plan, under the revised plan-making system provided for under the Levelling Up and Regeneration Act 2023 (as soon as the relevant provisions are brought into force in 2025) in order to address any shortfall in housing need.
13. The LDS sets out the Council's indicative programme for producing a new Local Plan in line with the revised plan-making system as per paragraph 12 above. However, as there remains uncertainty about the implementation of national reforms, including from the Levelling Up and Regeneration Act, national development management

policies and potentially a further revised National Planning Policy Framework on Plan Making, then the dates set out in Appendix 1 are indicative only and should be treated with caution. The dates in this LDS may have to be revised to respond to national changes in Plan making, in due course.

## Policies Map

14. A Policies Map accompanies local plans to illustrate spatially, the application of policies within them. The policies map for the Borough will be updated as each Plan is adopted.

## Evidence

15. A range of evidence is required to inform the content of policies and proposals in the Local Plan. Some evidence is produced in-house by the Council and several documents are also produced by specialist external consultants on behalf of the Authority. The Council's planning policy team continually work on developing the evidence base at the same time as the Local Plan document. Policies in the Local Plan will make clear which evidence has been used to inform the wording of the policy. The full evidence library will also be subject to independent scrutiny once any Local Plan has been submitted to the Planning Inspectorate for Examination.

## Sustainability Appraisal

16. The Local Plan is supported by a Sustainability Appraisal which meets the requirements of the Strategic Environmental Assessment (SEA) Directive. The process of sustainability appraisal is iterative, beginning with a scoping report which identifies the criteria to assess the sustainability of each policy and proposal including any site allocations. At key stages of consultation on the Local Plan, the plan will be supported by an appraisal of the sustainability of proposed policies and of reasonable alternative options. This demonstrates the Council has met the SEA Directive as decisions made should accord with the objectives of sustainable development.

## Habitats Regulation Assessment

17. A Habitats Regulations Assessment (HRA) identifies whether a plan is likely to have a significant effect on the protected features of certain sites, also known as 'habitats sites' in the National Planning Policy Framework, either alone or in combination with other plans or projects. This fulfils the obligations of the Conservation of Habitats and Species Regulations 2017 (as amended). Along with the Sustainability Appraisal, the HRA is produced at each key stage of plan production.

## Glossary of Terms

**Adoption** – approval of a local plan by a council after the plan has been through all of the stages in its preparation, including independent examination. Once adopted, it becomes a development plan document (see below).

**Development plan** – comprises all adopted local plan documents and ‘made’ neighbourhood plans. The development plan is, by law, the starting point for making planning application decisions.

**Evidence** – documents prepared to support and inform the Local Plan policies and proposed site allocations (where relevant)

**Examination** – is the process by which a local plan is independently assessed by a Planning Inspector appointed by the Secretary of State. The Inspector decides whether the plan has met relevant legal requirements and meets the tests of ‘soundness’ as set out in the National Planning Policy Framework (positively prepared, justified, effective and consistent with national policy).

**Local Plan** – a plan for the future development of a local area, drawn up by the local planning authority in consultation with the community, under the Town and Country Planning (Local Planning) (England) Regulations 2012. A local plan can consist of either strategic or non-strategic policies, or a combination of the two.

**Local Development Scheme** – a timetable for producing future local plan documents.

**National Planning Policy Framework** – This sets out the government’s planning policies and explains how they should be applied when preparing local plans and when making planning application decisions.

**New-style local plan** – this is the term used to describe a local plan prepared under the reforms being brought forward through the Levelling-up and Regeneration Act 2023.

**Regulation 18 stage** – this is the stage where the Council sets out the potential scope of the Local Plan.

**Regulation 19 stage - this** is the stage at which the Council publishes its full, final draft of its local plan for a minimum of six weeks' public consultation. It should be the version of the document that it intends to submit for examination.

**Submission** – this follows the publication stage when the local plan is formally submitted for independent examination.

## Appendix 1 Schedule of Development Plan Documents

Table 1: Schedule of Local Plan Documents

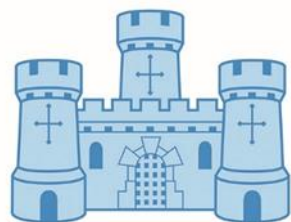
	<b>Emerging Local Plan (2020-2040)</b>	<b>New Local Plan</b>
<b>Title</b>	Local Plan (2020-2040)	New Local Plan
<b>Description</b>	The Local Plan sets the vision and framework for how the Borough will grow. It sets out targets for the number of jobs and homes to be delivered in the Borough and an overarching spatial strategy to guide development to sustainable locations.	This plan will be prepared in accordance with the National Planning Policy Framework (December 2024, as updated) and the requirements of the revised plan making system provided for under the Levelling Up and Regeneration Act 2023 (when relevant provisions are brought into force in 2025). Plan period to be decided.
<b>Area covered</b>	Borough wide	Borough Wide
<b>Key policy context</b>	National Planning Practice Guidance, Ministerial Statements. The Local Plan has been prepared in accordance with the December 2023 version of the National Planning Policy Framework.	National Planning Policy Framework (December 2024, as updated), National Development Management Policies, National Planning Practice Guidance, Ministerial Statements, Levelling Up and Regeneration Act Regulations
<b>Local Plan preparation</b>	Complete	-
<b>Notice of start of plan making</b>	Complete	01 November 2025***
<b>Regulation 18 Stage</b>	Complete	01 November 2026
<b>Regulation 19 Stage</b>	Complete	01 November 2027
<b>Submission</b>	Submitted on 20 December 2024*	01 March 2028
<b>Adoption</b>	19 November 2025**	01 September 2028

\*Once the Local Plan is submitted for examination, it is difficult to accurately estimate in terms of timescale because the timetable is influenced by the progress of the examination led by the Planning Inspector(s). It is hoped that the examination can be concluded in 2025 - that the Plan is found sound by the Inspectorate and that the Council can move forward to adopt the Local Plan.

\*\*this date is currently the last scheduled Council meeting in 2025. Again, this will be dependent on progress with the Local Plan examination.

\*\*\* this is the date from which the Council will start to produce a new local plan, in line with the requirements of the regulations published by the government in 2025, following the Levelling Up and Regeneration Act (2023). This date will be dependent on when the regulations are published and also progress on the examination of the 2020-2040 Local Plan.





**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 February 2025 and 31 May 2025**

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
Revenue and Capital Budget Strategies 2025/26	To consider a report on the Revenue and Capital Budget Strategies 2025/26	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 4 February 2025	Finance, Assets and Performance	All Wards	N/A	No
Walleys Quarry Odour Update	To consider a report on odour issues at Walleys Quarry	Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 4 February 2025	Health, Wellbeing and Environment	All Wards	N/A	No
Quarter 3 Finance and	To consider a report on the Quarter 3	Cabinet Portfolio Holder - Finance,	Cabinet 4 February 2025	Finance, Assets and	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)	
Performance Report 2024/25	Finance and Performance Report 2024/25	Town Centres and Growth		Performance, Audit and Standards			
Adoption of the Council's Tree Management Strategy	To consider a report on the adoption of the Council's Tree Management Strategy	Cabinet Portfolio Holder - Sustainable Environment	Cabinet 4 February 2025	Health, Wellbeing and Environment	All Wards	N/A	Yes
Agreement of a revised Local Development Scheme	To consider a report on a revised Local Development Scheme	Cabinet Portfolio Holder - Strategic Planning	Cabinet 4 February 2025	Economy and Place	All Wards	N/A	No
Walleys Quarry Odour Update	To consider a report on odour issues at Walleys Quarry	Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 18 March 2025	Health, Wellbeing and Environment	All Wards	N/A	No
CCTV in Newcastle Town Centre - Contract Renewal	To consider a report on CCTV in Newcastle Town Centre - Contract Renewal	Cabinet Portfolio Holder - Community Safety and Wellbeing	Cabinet 18 March 2025	Health, Wellbeing and Environment	Town	3 Information relating to the financial or business affairs of any particular person (including the authority holding that information)	Yes
Town Centre Regeneration	To consider a report on the Town Centre	Cabinet Portfolio Holder - Finance,	Cabinet 18 March 2025	Finance, Assets and	Town	N/A	Yes

Report Title	Description	Portfolio	Intended Decision Taker and Date	Overview & Scrutiny Committee	Wards Affected	Reason for Determining in Private Session (if Applicable)	
Update	Regeneration Update	Town Centres and Growth		Performance, Economy and Place			
Expansion of Recycling Materials collected to include Flexible Plastics and Cartons	To consider a report on the expansion of recycling materials collected to include flexible plastics and cartons	Cabinet Portfolio Holder - Sustainable Environment	Cabinet 18 March 2025	Health, Wellbeing and Environment	All Wards	N/A	Yes
Carbon Capture Sites Update	To consider a report on the Carbon Capture Sites update	Cabinet Portfolio Holder - Sustainable Environment	Cabinet 18 March 2025	Health, Wellbeing and Environment	All Wards	N/A	Yes
Creation of a Country Park on the Former Keele Golf Course	To consider a report on the Creation of a Country Park on the Former Keele Golf Course	Cabinet Portfolio Holder - Sustainable Environment, Cabinet Portfolio Holder - Strategic Planning	Cabinet 18 March 2025	Health, Wellbeing and Environment	Keele	N/A	No
Kidsgrove Town Board Award award for the Shared Service Hub Development	To consider a report on the Kidsgrove Town Board Award award for the Shared Service Hub Development	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 6 May 2025	Economy and Place	Kidsgrove & Ravenscliffe	3 Information relating to the financial or business affairs of any particular person (including the authority holding that	Yes

Report Title	Description	Portfolio	Intended Decision Taker and Date	Overview & Scrutiny Committee	Wards Affected	Reason for Determining in Private Session (if Applicable)	
						information)	
Football Foundation Home Advantage Programme	To consider a report on the Football Foundation Home Advantage Programme	Cabinet Portfolio Holder - Leisure, Culture & Heritage	Cabinet 6 May 2025	Health, Wellbeing and Environment	All Wards	N/A	Yes
Walleys Quarry Odour Update	To consider a report on the Walleys Quarry Odour Update	Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 6 May 2025	Health, Wellbeing and Environment	All Wards	N/A	Yes

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