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All Members of the Council

My Ref: LCS-DLDS-DS-C-022
Your Ref:

Contact Roz Patterson
Tel: 0191 4332088

Date: Wednesday,
16 November 2022

NOTICE OF COUNCIL MEETING

You are summoned to attend a meeting of Gateshead Metropolitan Borough Council to be held in the Council Chamber, Gateshead Civic Centre, at **2.35 pm** on **Thursday, 24 November 2022** to transact the following business:-

1 To confirm the Minutes of the meeting held 13 October 2022 (Pages 3 - 8)

2 Official Announcements

(announcements may be made by the Mayor, Leader of the Council or the Chief Executive)

3 Petitions

(to receive petitions submitted under Council Procedure Rule 10)

4 Questions from Members of the Public

(to consider any questions submitted under Council Procedure Rule 7)

5 Local Government Act 1972 - Section 85 (Pages 9 - 10)

RECOMMENDATIONS FROM CABINET

- 6 **Local Council Tax Support Scheme for 2023/24** (Pages 11 - 24)
- 7 **Medium Term Financial Strategy 2023/24 – 2027/28** (Pages 25 - 64)
- 8 **Climate Emergency Strategy Adoption and Climate Update** (Pages 65 - 286)
- 9 **Treasury Management - Performance to 30 September 2022** (Pages 287 - 296)
- 10 **Revenue Budget 2022/23 - Second Quarter Review** (Pages 297 - 306)
- 11 **Capital Programme and Prudential Indicators 2022/23 - Second Quarter Review** (Pages 307 - 322)
- 12 **Capital Strategy 2023/24 to 2027/28** (Pages 323 - 340)
- 13 **Boundary Commission for England (BCE) - 2023 Review of Parliamentary Constituencies - Revised Proposals** (Pages 341 - 350)

MOTIONS AND QUESTIONS

- 14 **Notice of Motion** (Pages 351 - 352)

(to consider any notices of motion submitted in accordance with Council Procedure Rule 9.1)
- 15 **Questions**

(to deal with any questions submitted in accordance with Council Procedure Rule 8.1)



Sheena Ramsey
Chief Executive

GATESHEAD METROPOLITAN BOROUGH COUNCIL

COUNCIL MEETING

Thursday, 13 October 2022

PRESENT: THE MAYOR COUNCILLOR D BURNETT (CHAIR)

Councillors: J Adams, V Anderson, R Beadle, D Bradford, C Buckley, P Burns, L Caffrey, B Clelland, C Davison, W Dick, S Dickie, P Diston, K Dodds, C Donovan, A Douglas, J Eagle, S Gallagher, M Gannon, A Geddes, F Geddes, J Gibson, B Goldsworthy, M Goldsworthy, T Graham, J Green, G Haley, M Hall, S Hawkins, H Haran, H Kelly, L Kirton, P Maughan, K McCartney, J McCoid, J McElroy, E McMaster, M McNestry, J Mohammed, L Moir, R Mullen, B Oliphant, A Ord, C Ord, M Ord, I Patterson, S Potts, D Robson, S Ronchetti, J Simpson, J Turner, J Wallace, R Waugh, D Weatherley, H Weatherley, D Welsh, A Wintcher and K Wood

APOLOGIES: Councillors: M Brain, P Craig, D Duggan, L Green, S Green, P McNally, J Reay and J Turnbull

A minute silence was observed following the deaths of Alderman David Napier, Alderman Roger Highmoor and Tomasz Oleszak

CL37 TO CONFIRM THE MINUTES OF THE MEETING HELD 21 JULY 2022

COUNCIL RESOLVED - That the minutes of the meeting held on 21 July 2022 be approved as a correct record.

CL38 OFFICIAL ANNOUNCEMENTS

(A) New Strategic Directors

Council welcomed the new Strategic Director of Adult Social Services and Strategic Director of Children's Services.

(B) Liberal Democrat Appointment

Council agreed that Councillor Amanda Wintcher replaces Councillor Sonya Hawkins on the Strategic Housing Board.

CL39 PETITIONS

Councillor Ron Beadle submitted a petition on behalf of residents living near Kells Lane Park regarding the park being locked overnight.

CL40 QUESTIONS FROM MEMBERS OF THE PUBLIC

Mr Tony Dowling submitted the following question:

“I speak on behalf of “Keep Our NHS Public North East”.

Further to the deeply flawed Health and Care Act 2022, you will be aware that “North East and North Cumbria Integrated Care System” is now responsible for commissioning all healthcare for Gateshead from 1st July this year.

There are potentially a number of problematic areas associated with the new Integrated Care System, and some of these difficulties may be addressed and remedied locally through attention to the wording of the Constitution of the new “North East and North Cumbria Integrated Care Board”.

Issues that need to be clearly stated within the Constitution include:

- the ICS commitment to maintain a comprehensive health service, free at the point of need, and accessible to all residing in the area
- the need to exclude representatives from the private sector organisations on any ICS board or committee; this issue is noted in the Constitution, but there is a “let-out” clause which allows private sector involvement
- a commitment that NHS providers are the default providers of health services
- vigorous scrutiny, transparency and accountability with all new contracts
- a commitment that anyone who needs emergency care while present in Gateshead will receive the necessary treatment, whether or not they are registered with a GP in the county
- a commitment that the Integrated Care Board will include a Councillor from each local authority; the current Constitution identifies one elected member to represent 17 local authorities covering a population of 3 million. Locally, three additional Council officers are identified for the Board, but these are not elected members. There also need to be representatives from the range of health professionals and patient groups. This presence will uphold local democracy and transparency
- a commitment to hold all meetings of Boards and Committees in public, making papers available, and welcoming questions from the public
- the requirement for the full assessment of health and care needs, and availability of social supports, prior to patients discharge from hospital
- the need for all NHS providers within the area to adhere to nationally agreed pay, terms and conditions, as negotiated with NHS staff Unions

I would be grateful if you would please outline what Gateshead Council is doing with regard to each of these issues when in contact with officers of the Integrated Care System, and please confirm the Council’s stance is to support the principle that the NHS must be comprehensive, universal and free at the point of use and based on the clinical needs of patients – not on the new Integrated Care Boards’ financial considerations.”

Councillor Lynne Caffrey responded to the question.

CL41 ANNUAL REPORT OF THE AUDIT AND STANDARDS COMMITTEE 2021/22

Consideration was given to a report seeking approval of the Audit and Standards Committee Annual Report for 2021/22.

COUNCIL RESOLVED - That the Annual Report of the Audit and Standards Committee for 2021/22 be approved.

CL42 REVIEW OF THE CONSTITUTION

Consideration was given to a report seeking approval for a number of amendments to the Constitution.

COUNCIL RESOLVED - That the proposed changes to the Council's Constitution as set out in Appendix 2 of the report be approved.

CL43 TENANCY STRATEGY AND ALLOCATIONS POLICY

Consideration was given to a report seeking approval of a new Tenancy Strategy and Allocations Policy.

COUNCIL RESOLVED - That the Tenancy Strategy and Allocations Policy be approved.

CL44 APPOINTMENT OF PUBLIC ANALYSTS

Consideration was given to a report seeking approval of the appointment of Public Analysts.

COUNCIL RESOLVED - That the appointment of six Public Analysts, listed in the report, be approved.

CL45 PHYSICAL ACTIVITY STRATEGY 2022 - 2032

Consideration was given to a report seeking approval of a new Physical Activity Strategy for Gateshead.

COUNCIL RESOLVED - That the Physical Activity Strategy for Gateshead be approved.

CL46 NOTICE OF MOTION - FAIR TAX

Councillor Ron Beadle moved the following motion:

"Council notes that:

1. Polling from the Institute for Business Ethics finds that "corporate tax avoidance" has, since 2013, been the clear number one concern of the British public when it comes to business conduct.

2. Around 17.5% of public contracts in the UK have been won by companies with links to tax havens.
3. It has been conservatively estimated that losses from multinational profit-shifting (just one form of tax avoidance) could be costing the UK some £17bn per annum in lost corporation tax revenues.
4. The Fair Tax Mark offers a means for business to demonstrate good tax conduct, and has been secured by a wide range of businesses across the UK, including FTSE-listed PLCs, co-operatives, social enterprises and large private businesses.

Council believes that:

1. As recipients of significant public funding, local authorities should take the lead in the promotion of exemplary tax conduct; be that by ensuring contractors are paying their proper share of tax, or by refusing to go along with offshore tax dodging when buying land and property.
2. Where councils hold substantive stakes in private enterprises, influence should be wielded to ensure that such businesses are exemplars of tax transparency and tax avoidance is shunned.
3. More action is needed, however, as current and proposed new UK procurement law significantly restricts councils' ability to either penalise poor tax conduct (as exclusion grounds are rarely triggered) or reward good tax conduct, when buying goods or service.
4. UK cities, counties and towns can and should stand up for responsible tax conduct – doing what they can when existing frameworks and pledging to do more given the opportunity, as active supporters of international tax justice.

Council resolves to:

1. Approve the 'Councils for Fair Tax' Declaration.
2. Lead by example and demonstrate good practice in our tax conduct, right across our activities.
3. Ensure IR35 is implemented robustly and contract workers pay a fair share of employment taxes.
4. Undertake due diligence to ensure that not-for-profit structures are not being used inappropriately by suppliers as an artificial device to reduce the payment of tax and business rates.
5. Demand clarity on the ultimate beneficial ownership of suppliers UK and overseas and their consolidated profit and loss position, given lack of clarity could be strong indicators of poor financial probity and weak financial standing.
6. Promote Fair Tax Mark certification especially for any business in which we have a significant stake and where corporation tax is due.
7. Support Fair Tax Week events in the area, and celebrate the tax contribution made by responsible businesses are proud to promote responsible tax conduct and pay their fair share of corporation tax.
8. Support calls for urgent reform of UK procurement law to enable local authorities to better penalise poor tax conduct and reward good tax conduct through their procurement policies."

On the motion being put it was declared to be carried.

CL47 NOTICE OF MOTION - PROPORTIONAL REPRESENTATION

Councillor Dawn Welsh moved the following motion:

“Council welcomes the recent decision of the Labour Party Conference to support Proportional Representation.

Council believes that Proportional Representation in local elections would enable this Council to be more representative of the people it serves and therefore would benefit the people of Gateshead.

Council calls on the Chief Executive to write to ‘Councils for PR’ to confirm our support for Proportional Representation for Westminster and local elections.”

On the motion being put it was defeated.

CL48 QUESTIONS

There were no questions submitted.

Mayor.....

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COUNCIL MEETING

24 November 2022

LOCAL GOVERNMENT ACT 1972 – SECTION 85

Mike Barker, Strategic Director, Corporate Services and Governance

Local Government Act 1972 – Section 85

1. Councillor Paul McNally has been unable, because of ill health, to attend meetings of the authority since July 2022.
2. Section 85 of the Local Government Act 1972 provides that if a member of a local authority fails throughout a period of six consecutive months from the date of his/her last attendance to attend any meeting of the authority, he/she shall, unless the failure was due to some reason approved by the authority before the expiry of that period, cease to be a member of the authority.

Recommendation

3. It is recommended that, for the purposes of Section 85(1) of the Local Government Act 1972, the Council agree to regard the ill health of Councillor Paul McNally as the reason for his failure to attend meetings.

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COUNCIL MEETING

24 November 2022

LOCAL COUNCIL TAX SUPPORT SCHEME FOR 2023/24

Sheena Ramsey, Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to recommend to Council the approval of a Local Council Tax Support Scheme for the year 2023/24.
2. The Council is provided with funding to deliver its own Local Council Tax Support scheme although this grant is no longer separately identifiable having been subsumed within the Council's overall finance settlement figure that continues to reduce year on year.
3. The proposed Local Council Tax Support scheme for Gateshead has been established with due regard to the Council's statutory obligations and in order to support those claimants most in need of financial assistance, consistent with the Council's other priorities and policies.
4. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

5. It is recommended that Council:
 - (i) approve the proposed scheme as set out in paragraphs 8 and 10 of the report; and
 - (ii) delegate powers to the Strategic Director, Resources and Digital, to provide regulations to give effect to the scheme including publishing full details online.

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25 October 2022**TITLE OF REPORT:** Local Council Tax Support Scheme for 2023/24**REPORT OF:** Darren Collins, Strategic Director Resources and Digital

Purpose of the Report

1. Cabinet is requested to recommend to Council a Local Council Tax Support Scheme of the year 2023/24

Background

- 2 The Local Government Finance Act 2012, paragraph 5 of Schedule 1A, established a framework for Local Council Tax Support that requires the Council for each financial year, to revise its scheme, or replace it with another scheme and to do so before 11 March in the financial year preceding that for which the revision or replacement scheme is to have effect.
- 3 The Council is provided with funding to deliver its own Local Council Tax Support scheme although this grant is no longer separately identifiable having been subsumed within the council's overall finance settlement figure that continues to reduce year on year. The regulations require that pensioner households must be protected from the impact of the local scheme and therefore any shortfall in funding will fall to working age households or the council itself.
- 4 When designing a scheme the Council additionally must also consider its responsibilities under:
 - The Child Poverty Act 2010
 - The Disabled Persons (Services, Consultation and Representation) Act 1986, and Chronically Sick and Disabled Persons Act 1970
 - The Housing Act 1996 which gives local authorities a duty to prevent homelessness with special regard to vulnerable groups
- 5 The Council should also consider changes that might adversely (or beneficially) impact on its residents in year, in particular, the increased cost of living, the removal of hardship funding and any changes announced in the budget, particularly in relation to changes in benefit income, which affect entitlement within our scheme.
- 6 Under legislation, the Council's own Local Council Tax Support scheme must be approved each year by Council by 11 March at the latest. A proposed council tax support scheme within this report is therefore a scheme for 2023/2024.

Proposal

- 7 The proposed Local Council Tax Support scheme for Gateshead has been established with due regard to the Council's statutory obligations and in order to

support those claimants most in need of financial assistance, consistent with the Council's other priorities and policies.

- 8 Apart from some minor underlying adjustments to the scheme calculations to bring the scheme in line with the Government's Housing Benefit and Universal Credit scheme, the proposed scheme for 2023/24 will remain the same as the scheme that was in place in previous years from 2013/14 and this will retain the same provision for pensioners and the original 8 underlying principles outlined below for working age claimants:
- Protection should be given to certain groups – all working age claimants to pay at least 8.5% of their council tax liability
 - The scheme should encourage people to work
 - Everyone in the household should contribute
 - Capital or Savings threshold should be maintained at £16,000
 - War Pensions should be disregarded
 - Minimum level of support should be £1 (per week)
 - Child benefit should be disregarded as income.
 - A discretionary fund should be maintained.
- 9 The proposed scheme therefore retains the minimum contribution for all working age claimants at 8.5% of their Council Tax liability and does not recommend an increase to this figure.
- 10 It is proposed that the discretionary part of the scheme is increased from £25,000 to £130,000 to help support the most vulnerable claimants in exceptional circumstances.

Recommendations

11. Cabinet is requested to recommend that Council:
- i) Approve the proposed scheme as set out in paragraphs 8 and 10 of the report; and
 - ii) delegate powers to the Strategic Director Resources and Digital to provide regulations to give effect to the scheme including publishing full details online.

For the following reasons:

- i) To meet the statutory requirements of the Local Government Finance Act 2012 in relation the establishment of a framework for Localised Council Tax Support
- ii) To mitigate the impact of the increased cost of living on Council Tax support claimants
- iii) To mitigate the impact of funding reductions on Council finances
- iv) To support the Council's "Thrive" agenda.

CONTACT: Pam Richardson

extension: 3648

Policy Context

1. The proposals in this report are consistent with Council priorities and in particular ensuring that effective use is made of Council resources to support the framework for “making Gateshead a place where everyone thrives”.

Background

2. The Welfare Reform Act 2012 included the abolition of the Council Tax Benefit scheme with effect from 1 April 2013.

The Act created the need for each billing authority in England to develop a scheme that ‘states the classes of person who are to be entitled to a reduction under the scheme’. The Council must, before developing a scheme, consult any major precepting authority which has power to issue a precept, publish a draft scheme in such a manner as it sees fit, and then consult such other persons as it considers are likely to have an interest in the operation of the scheme.

3. The Council scheme, since 2013 has been based on 8 underlying principles:
 - **Principle 1 – Protection should be given to certain groups** – All working age claimants to pay at least 8.5% of their council tax liability. The council will support through the local scheme the remaining amount up to 91.5%.
 - **Principle 2 – The scheme should encourage people to work** – The earnings taper will not be increased and the earnings disregard will not be decreased.
 - **Principle 3a – Everyone in the household should contribute: Non-Dependants** - Non dependant deductions will increase in line with government recommendations and be on a sliding scale according to income.
 - **Principle 3b – Everyone in the household should contribute: Second Adult Rebate** – there will be no second adult rebate.
 - **Principle 4 – Benefit should not be paid to those with relatively large capital or savings** – The level of savings a claimant can have will be £16,000. A tariff will be applied for savings held between £6,000 and £16,000.
 - **Principle 5 – War pensions should not be included as income** – In recognition of the sacrifices made by war pensioners, war pension income will be excluded as income.
 - **Principle 6 – There should be a minimum level of support** – The minimum award of council tax support will remain at £1 per week.
 - **Principle 7 – Child benefit will not be included as income** – All child benefit income will continue to be disregarded in the calculation.
 - **Principle 8 – Establishment of a discretionary fund** – A discretionary fund will allow for additional support to be provided to the most vulnerable in exceptional circumstances.

Consultation

4. The Leader of the Council has been consulted in the preparation of this report. Where the proposed scheme for a year remains the same as in previous years, no formal consultation is required to be undertaken.

Alternative Options

- 5 Alternative options could involve the adoption of a scheme which offers less support by increasing the minimum contribution or more support to residents by increasing at a greater rate the Council's commitment of resources. The proposal retains the significant level of support from the Council to working age claimants in line with policy priorities.

Implications of Recommended Option

6 Resources:

- a) **Financial Implications** – The Strategic Director, Resources and Digital confirms:

- The proposed approach enables the Council to operate a support scheme within the funding available and to mitigate the impact on working age claimants by utilising council resources.
- Adopting the scheme means that approximately 12,000 council tax payers (out of 13,400 working age claimants) will continue to pay no more than 8.5% of their council tax (around £130 per year/£2.50 per week). This modelling is based on current numbers of claims.
- The full impact on the Collection Fund also continues to be monitored and the behaviour of those claimants who are required to pay has been analysed during the current and previous years. Collection from this client group has remained static in the first nine years of the scheme and continues to do so in 2022/23.
- A discretionary fund of £130,000 is available to be used to support the most vulnerable claimants in exceptional circumstances.
- The removal of the ring-fence within the Government funding calculation means that Government funding for this area has been significantly reduced. The best estimate of the net overall cost of the scheme to the Council is approximately £24.25 million.

- b) **Human Resources Implications** – There are no human resource implications directly arising from this report

- c) **Property Implications** - There are no property implications directly arising from this report

- 7 **Risk Management Implication** - Retaining a scheme based on the same principles eliminates the risk of a local scheme not being supported from a technology perspective.

- 8 **Equality and Diversity Implications** - A Comprehensive Impact Assessment has been carried out.
- 9 **Crime and Disorder Implications** – No impact.
- 10 **Health Implications** – Financial concerns arising from the Governments Welfare Reforms and the impacts of Covid may adversely affect the mental and physical health of some residents.
- 11 **Climate Emergency and Sustainability Implications** - There are no sustainability implications arising from this report.
- 12 **Human Rights Implications** – There are no Human Rights implications arising from this report.
- 13 **Ward Implications** – This scheme affects all current and future working age benefit recipients across Wards within the borough.

Background Information

Welfare Reform Act 2012

Local Government Finance Bill

Communities and Local Government - Statement of intent

Communities and Local Government - Vulnerable people –key local authority duties

Welfare Reform and Work Bill 2015

Comprehensive Impact Assessment

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INTEGRATED IMPACT ASSESSMENT TEMPLATE

Title of proposal: Local Council Tax Support Scheme 2023/2024 (LCTS)	Age	Race	Sex	Gender reassignment	Disability	Religion or Belief	Pregnancy and Maternity	Sexual Orientation	Marriage and Civil Partnership	Description of potential mitigation <p>The current LCTS scheme provides support for low income households. Residents may get LCTS if they pay Council Tax and their income and capital (savings and investments) are below a certain level. This may apply whether they rent or own their home, or live rent-free. They could qualify if they are out of work, or in work and earning a wage. Individuals apply for LCTS through a single application process. If they are eligible for LCTS they will receive a reduction applied directly to their Council Tax bill.</p> <p>The Government has stated that LCTS for those of pension age must be based on criteria and regulations set by government so any changes to the scheme the council makes, only affect those of working age.</p> <p>Under the current scheme, those of working age are required to pay at least 8.5% towards their council tax bill, regardless of their circumstances. The 2023/24 scheme will replicate the current scheme and takes account of vulnerable groups and refers to existing responsibilities including the Child Poverty Act 2010, the Disabled Person Act 1986 and the Housing Act 1996 as well as the public sector equality duty in section 149 of the Equality Act 2010 by applying a series of premiums as part of the calculation.</p>
Equality impact: (✓ all that apply. The assessment should also consider impact on council employees and carers where applicable)		✓	✓	✓		✓		✓	✓	



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INTEGRATED IMPACT ASSESSMENT TEMPLATE

<p>Description of impact:</p> <p>Age – the scheme affects working age people only as the Government Regulations protect pensioners</p> <p>Disability – the scheme applies additional premiums in respect of disability</p> <p>Pregnancy and Maternity – the scheme gives support for up to two children for new applicants</p>	✓					✓					<p>The scheme for pensioners is detailed in the prescribed regulations set by the Government. This means that all pensioners are protected from any changes made to the Local Council Tax Support Scheme.</p> <p>The scheme recognises that people with disabilities may require additional help. Additional premiums and earning allowances can be given if the circumstances are met.</p> <p>The scheme recognises the additional financial burden those with children have. Additional allowances for up to two children, child care costs and enhanced premiums for lone parents can be given if circumstances are met. Support and signposting will be available for those that require assistance.</p>
<p>Health impact: (eg physical, mental health, wellbeing, substance misuse)</p> <p>The profile of council tax payers in Gateshead will generally reflect the wider community. However, the shape of households in receipt of local LCTS differs from the wider community profile. This is a consequence of the nature of the support scheme, which provides help for council tax payers whose financial circumstances are not sufficient to cover the council tax charge.</p> <p>All working age people could theoretically receive different levels of support. However, additional premiums in respect of disability are not being affected, which will assist in promoting good health and wellbeing.</p>	<p>The scheme recognises that people with disabilities may require additional help. Additional premiums and earning allowances can be given if the circumstances are met.</p> <p>Pension age claimants are specifically protected by Government Regulations so will be unaffected by any changes.</p>										



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INTEGRATED IMPACT ASSESSMENT TEMPLATE

<p>Due to the current cost of living crisis, this will impact on people of both working and pension age who may already be in receipt of LCTS or who may be new to the scheme. The scheme although cannot make allowances for the additional cost of living, there is a discretionary scheme which can help vulnerable people if they are struggling and meet the criteria. The discretionary scheme is available on application for anyone in receipt of LCTS or who have applied and not entitled, however this could well impact on the overall cost of the scheme.</p> <p>The impact of this is positive.</p>	<p>There is the availability of a discretionary fund within the scheme which acts as a safety net for vulnerable people and those most in need of financial support.</p>
<p>Socio Economic impact: (eg neighbourhood, ward, area of deprivation, household group, income, wealth)</p> <p>The profile of council tax payers in Gateshead will generally reflect the wider community. However, the shape of households in receipt of local LCTS differs from the wider community profile. This is a consequence of the nature of the support scheme, which provides help for council tax payers whose financial circumstances are not sufficient to cover the charge.</p> <p>All working age people could potentially receive a different level of support, although the impact is not specific to the characteristic or geographical area.</p> <p>Due to the current cost of living crisis, this could potentially impact on people of both working and pension age who may already be in receipt of LCTS or who may be new to the scheme. Although this may have a social economic impact it is not specific to the geographical area.</p> <p>The impact of this is differential.</p>	<p>Pension age claimants are specifically protected by Government Regulations so will be unaffected by any changes.</p> <p>There is the availability of a discretionary fund within the scheme which acts as a safety net for vulnerable people and those most in need of financial support.</p> <p>Those impacted by the cost of living crisis may be eligible to claim a discretionary fund if they meet the scheme criteria.</p>
<p>Environmental impact: (does the proposal impact on climate change and the Council's commitment to be carbon neutral by 2030?)</p> <p>The impact of this is neutral.</p>	<p>N/A</p>



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INTEGRATED IMPACT ASSESSMENT TEMPLATE

<p>Cumulative impact: (consider impact based on successive budgetary decisions relating to the proposal or is the proposal part of wider budgetary considerations that may collectively have an impact on service users, and is potentially at odds with the Thrive agenda)</p> <p>The proposals could potentially impact on all working age recipients of local LCTS, approximately 11,649 claimants as of October 2022. However, increased spending in this area will change service provision in other areas so has the potential to affect all residents of Gateshead.</p> <p>Those households with larger outgoings, such as disabled households or families with children and those households who are not working or are in low paid employment may be overrepresented within the LCTS caseload.</p> <p>The number of claims is currently remaining static with no sudden increases. Depending on the economy and welfare changes this could potentially result in an increased number of applications which will increase the cost of the scheme and could form part of wider budgetary considerations going forward.</p> <p>The impact of this is differential.</p>	<p>Ongoing monitoring of the scheme will take place during the year. This will be monitored in relation to spend, ease of administration and the potential impacts on the groups affected, ability to pay and whether the operation of the scheme appears to be leading to unintentional adverse impacts.</p> <p>Monitoring of the number and reasons for a discretionary award will help to identify whether some groups are impacted more than others and which groups require additional assistance or whether any groups are likely to be impacted as a result of the proposals.</p>
<p>Summary of consultation/data/research undertaken to inform the assessment: (eg feedback and engagement with service users, trade unions, employees, partners, public, benchmarking, case studies)</p> <p>Local Council Tax Support is an existing scheme. As it is proposed that the scheme for 2023/24 remains the same as that currently in operation during 2022/23. Due to this it has been concluded that there is no need to consult.</p> <p>The 2023/24 scheme considers the reduction in government funding, the impact of ongoing Welfare Reforms, the most significant of which is the ongoing roll out of Universal Credit Full Service in Gateshead, which will move into the managed migration stage during the life of this scheme. There is also the</p>	



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INTEGRATED IMPACT ASSESSMENT TEMPLATE

uncertainty of the current financial situation of the economy due to the cost of living crisis and therefore, as we cannot foresee what effect this will have on the economy or health and wellbeing, a decision to change the scheme is deemed too risky.

As of October 2022, there are approximately 19,923 claimants currently in receipt of LCTS, of which 11,649 are working age. Extensive modelling has taken place to see how the scheme will continue to affect and support claimants currently in receipt of LCTS as well as the cost to the council. The viability of the current scheme and any proposed scheme (banded schemes and tolerance schemes) and alternatives has then also been modelled.

Because it is difficult to model the full impact of the ongoing welfare reforms on the existing LCTS caseload, analysis of the data has been carried out based on the current known facts. If there are changes to these, it could mean there are gaps in the analysis. Where these are identified as a result of legislative changes or welfare reforms, the scheme has the capacity to be amended if they would cause the level of support people receive to significantly increase or decrease, or if the sustainability of the scheme is placed at risk, or they affect the underlying principles of the scheme.

For short term issues, there is the availability of a discretionary fund within the scheme which acts as a safety net for vulnerable people and those most in need of financial support. As the proposed scheme for 2023/24 remains the same as the scheme that has been in place for 2022/23 it should be noted that there has been no significant negative impact identified. Where this is identified, a further full IIA Assessment would be completed.

Other stakeholders include

- Housing organisations
- Landlords
- Community groups and voluntary sector
- Precepting authorities
- Staff and Members

Signed: (completing officer) Caroline Hassan

Date: 18.10.2022

Service Director: (approved)

Date: 18.10.22 Marisa Jobling



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INTEGRATED IMPACT ASSESSMENT TEMPLATE



COUNCIL MEETING

24 November 2022

MEDIUM TERM FINANCIAL STRATEGY

2023/24 – 2027/28

Sheena Ramsey, Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to endorse the Medium-Term Financial Strategy 2023/24 – 2027/28.
2. A one year settlement was received for 2022/23 in February 2022 and the settlement for 2023/24 is expected in December 2022.
3. The MTFS is based on a 5-year planning horizon and will be kept under regular review.
4. There is an estimated funding gap of £55m for five years to 2027/28.
5. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

6. It is recommended that Council approves the Medium-Term Financial Strategy for 2023/24 to 2027/28 including the proposed MTFS principles and the medium-term financial context as set out in the attached report and appendix.

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TITLE OF REPORT: **Medium Term Financial Strategy 2023/24 – 2027/28**

REPORT OF: **Darren Collins, Strategic Director, Resources & Digital and
Borough Treasurer**

Purpose of the Report

1. To request Cabinet to recommend to Council the approval of the Medium-Term Financial Strategy (MTFS) 2023/24 to 2027/28 including the proposed MTFS principles and the medium-term financial context as set out in this report and appendix.

Background

2. The Medium-Term Financial Strategy (MTFS) is a key part of the Council's Budget and Policy Framework which aims to ensure that all financial resources are directed towards delivery of Council priorities. The Strategy describes the financial direction of the Council for financial planning purposes and outlines the financial pressures over a five-year period but is reviewed annually to reflect the dynamic nature of local government funding.
3. On 7 February 2022 a one-year financial settlement was received for 2022/23. The settlement for 2023/24 is expected in mid to late December 2022. It was announced (prior to changes in Central Government Leadership and Cabinet) a possible 2-Year settlement. No further details are known at this time.
4. A three-year Budget approach was agreed in December 2021 for planned use of reserves of £20m to allow time to identify cuts and efficiencies required over the three-year planning.
5. Medium term financial planning has never been more challenging given the current financial climate. There is continued uncertainty in relation to the level of future funding, spiralling inflation amidst uncertainty around international issues, the national economy and cost of living crisis, notably around food, fuel and utility prices across the country.
6. Inflationary pressures identified in 2022/23 will have a cumulative effect across the MTFS period. It is anticipated that levels of inflation will not reduce significantly by the end of 2022/23 and therefore likely to be ongoing pressures during 2023/24.
7. It has been an unprecedented year in relation to energy costs with significant increases in both Gas and Electricity costs with expectation to rise further in 2023/24.

8. Fuel cost have risen significantly in 2022, although recently started to reduce but still high cost compared to 2021 with uncertainty if it will continue into future years.
9. Current pay award 2022/23 (offer status) made by the National Employers is significantly higher than previously estimated at 5.7%. Any pay award or national Living Wage increases is unfunded from Government and must be met from settlement funding which put additional pressure on the Council's budget.
10. In September 2022 the Government made several announcements to respond to the cost-of-living crisis with the main being the Growth Plan 2022, Energy Bill Relief Scheme and the reversal of the Health and Social Care Levy. More recent Government announcements have since reversed some of the initial actions. Further details are awaited to understand if there is any impact for the Council.
11. Increasing demand across Social Care both in Adult Social care and Children's Services. This is due to the increase in population of older people fee increases in the commissioned sector in order to meet the cost of care. In addition, demand pressure on Looked after Children and Care packages for children with multiple complex needs.
12. In December 2021 the Government published the people at the Heart of Care Adult Social Care Reform White Paper. The paper set out a 10-year vision that puts personalised care and support at the heart of social care. It included plans to fundamentally reform the amount someone might pay for their care over their lifetime and significantly raises the threshold at which people start to pay for care. The charging reforms together with the requirement to undertake a market sustainability and fair cost of care exercise will come with significant cost pressures and the adequacy of the government funding to meet these costs is unclear.
13. As with previous years there is no guidance from Government on future funding and financial reforms which is a significant barrier to effective financial planning for the Council. The changing landscape to accessing funding has recently seen Local Authorities having to bid for additional funding. In 2016 Central Government announced the Fair Funding review which has yet to be delivered and unlikely during this Parliament.
14. The current context is exceptional, and it will require continual monitoring, financial discipline and new and flexible approaches to financial planning and management.

Proposal

15. The MTFS is based on a 5-year planning horizon within a ten-year investment framework, taking projections to 2027/28 and these estimates will be kept under regular review.
16. The proposed MTFS for 2023/24 to 2027/28 is attached at Appendix 2. This presents an extremely challenging financial position over the medium term due to continued uncertainty on funding and worsening position due to impact of spiralling inflation.

17. The MTFS budget forecasts show an estimated revised funding gap of £55m for five years to 2027/28, a worsening position from £45m last year, with £10m in the first year 2023/24. Crucially, this estimated gap is after £5.8m use of Budget Sustainability reserves in the current year, which is year one of the three-year approach, £10m in 2023/24 and £4m in 2024/25. In addition, the gap assumes use of pandemic reserves of £8.9m in the current year, £13.5m in 2023/24 and £3m in 2024/25.
18. The gap has increased significantly from last year due to inflationary increases and demand pressure across social care.
19. Energy costs have seen significant increases in both Gas and Electricity costs in 2022 with expectation to rise further in 2023/24. Current forecast includes £4.3m relating to 2023/24 which is significantly higher than in previous years.
20. Adults' social care experience pressures year on year in relation to increasing demand for services due to the increase in population of older people and pressures due to fee increases in the commissioned sector. These pressures are expected to continue and be exacerbated for the short, medium and long term. In addition, increases in demand pressure on Looked after children and Care packages for children with multiple complex needs.
21. To assist in meeting the financial challenges ahead the principles which underpin the MTFS have been reviewed and these are proposed as follows:
 - The overall financial strategy will be to ensure that the Council's resources are directed to the thrive agenda framework. Financial sustainability will be achieved and maintained through targeted investment, reducing costs and more efficient ways of working. The Council's MTFS will be reviewed on at least an annual basis.
 - The Council will consider a range of delivery mechanisms and funding sources to support capital investment to deliver thrive priorities, including the use of prudential borrowing, and will ensure that the full costs associated with financing the investment are considered when investment decisions are taken.
 - The Council will maintain its general reserve at a minimum of 3% of the net revenue budget to cover any major unforeseen expenditure. The Council will aim to balance its revenue budget over the period of the MTFS without reliance on the use of the general reserve.
 - The Council will maintain earmarked reserves for specific purposes which are consistent with achieving its key priorities. The use and level of earmarked reserves will be reviewed at least annually.
 - Overall Council spending should be contained within original estimates. If following monthly revenue monitoring, service budgets are projected to exceed original estimates, plans should be prepared setting out the actions required to ensure spending at the end of the year does not exceed original budget estimates.

- The Council recognises the impact of increases in council tax levels and fees and charges in an area of relatively low income and low wealth and will therefore balance the need for increases against the delivery of the thrive framework and the need for services.
- The Council will meet its financial obligations and maintain financial sustainability through the setting of a balanced budget and the delivery of outturn within the overall budget each year.

22. A detailed review of the reserves will be undertaken as part of the budget and council tax setting. General Reserves and Strategic Earmarked Reserve balances as at 31 March 2022 can be found in appendix 1. Full breakdown of reserves can be found in the full MTFS document at appendix 2.

23. The Council recognises that usage of reserves is one-off in nature and must be linked with expenditure and income plans to support financial sustainability in the medium term. Therefore, using reserves in this way means that it is essential to have a planned schedule of savings and efficiencies to achieve a balanced budget in future years and reinvest to achieve thrive priorities. The Investment Plan and HRA Business Plan will also be aligned and prioritised to ensure affordability and to manage risks.

Recommendations

24. Cabinet is requested to recommend to Council approval of the Medium-Term Financial Strategy for 2023/24 to 2027/28 including the proposed MTFS principles and the medium-term financial context as set out in this report and appendix.

For the following reasons:

- To contribute to the good financial management practice of the Council;
- To assist the maintaining of the financial sustainability of the Council over the medium to long term.

CONTACT: Darren Collins extension: 3582

Policy Context

1. The Medium-Term Financial Strategy (MTFS) includes financial projections analysis and context that supports the Council's new policy approach 'Making Gateshead a Place Where Everyone Thrives'. The Council recognises there are huge financial pressures on not just Council resources, but those of partners, local businesses and residents. To deliver on the policy approach over the next five years, the Council will remain resolute in its determination to make Gateshead a place where everyone thrives. This means the Council's decision-making including resource allocation through the budget will be policy and priority led and driven.

Background

2. The MTFS establishes the best estimates of the level of revenue resources available to the Council over the medium term and estimates the financial consequences of the demand for Council services. It assists financial planning and strategic financial management through providing the financial context within which the Council budget will be set.
3. Medium term financial planning has never been more challenging given the current climate. There is continued uncertainty in relation to the level of future funding, spiralling inflation amidst uncertainty around international issues, the national economy and cost of living crisis, notably around food, fuel and utility prices across the country.
4. A three-year Budget approach was agreed in December 2021 for planned use of reserves of £20m to allow time to identify cuts and efficiencies required over the three-year planning.
5. Inflationary pressures identified in 2022/23 will have a cumulative effect across the MTFS period. It is anticipated that levels of inflation will not reduce significantly by the end of 2022/23 and therefore likely to be ongoing pressures during 2023/24.
6. As with previous years there is no guidance from Government on future funding and financial reforms which is a significant barrier to effective financial planning for the Council. The changing landscape to accessing funding has recently seen Local Authorities having to bid for additional funding.
7. The current context is exceptional and the unknown impacts alongside the level of risk to finances mean that forecasts will need to be closely monitored and potentially refreshed more frequently than usual as further consequences become clear.

8. The funding estimated to be received from Government and from council tax and business rate payers over the next five years is not sufficient to cover current level of spend plus new budget pressures. Local authorities are legally obliged to set a balanced budget each year and to ensure they have sufficient reserves to cover any unexpected events. Therefore, to legally balance the budget the Council must make spending plans affordable by matching it to the estimated funding available over that time. Staying the same is not an option. The Council is required to change to deliver its priority outcomes within the limited funding available.
9. The Council will ensure that reducing resources are used to maximum effect and allow the Council to continue to deliver new and better ways of working and invest to improve the efficiency of services provided. It is evident however the continuing reductions in funding and increases in demand will have an inevitable impact on both the nature and scope of services that the Council is able to deliver. The Council will aim to manage the process of change to its services effectively.
10. The Council will continue to have significant revenue and capital budgets to invest and deliver services consistent with the delivery of key priority outcomes of “Making Gateshead a Place where Everyone Thrives”. The Council will retain its vision for the future of the Borough through promoting development and economic growth and this will assist in maintaining the medium-term financial sustainability of the Council.

Reserves Summary

11. Breakdown of each reserve and balances as at 31 March 2022 are outlined below;
 - **Council General Reserve £8.5m**- This is a statutory fund that acts as a contingency and allows the Council to meet any unforeseen costs. If the council overspend in a year this fund will meet that liability. The minimum balance on the reserve is 3% of the net revenue budget which meets the MTFS principles.
 - **Financial Risk and Resilience £9.4m**- This reserve is held in respect of key financial risks identified through risk management process. Balances include; (Insurance (£2m), grant clawback (£3m), workforce development costs (£2.6m), commercial risk (£1.5m) and budget flexibility (£0.3m))
 - **Thrive £8.4m** -This reserve is held to support the Council Thrive priorities of Economic, Housing and Environmental Investment (£3.9m) and Poverty, Health and Equality Investment (£4.5m)
 - **Budget Sustainability £20.0m** – Agreed in December 2021 an agreed approach to help support the timings of achieving significant budget savings and Thrive outcomes whilst still dealing with pandemic impacts over three-year period. £5.8m of this is committed within the 2022 budget.

- **COVID Reserves** - Pandemic Services Impact £25.6m. This reserve is held to support the approach to budget and impacts of the pandemic across council services and is committed to be utilised over the MTFS period. The Pandemic Collection Fund Impact £12.9m for specific grants provided by Government to replace lost funding to council tax and business rates is fully committed within the 2022 budget.

12. Using reserves in this way means that it is crucial to have a planned schedule of savings and efficiencies over the period to achieve a balanced budget that is sustainable in future years.

Consultation

13. The MTFS sets a financial context for budget consultation. The Council's budget planning framework is supported by the development of integrated impact assessments (IIAs) for draft budget proposals. These assessments include identifying possible disproportionate impact in relation to the protected characteristics as described within the Equality Act 2010 and identify potential mitigation where applicable.
14. The Council maintains its strong commitment to equality, believing that all groups and individuals within the community and its workforce have equal opportunity to benefit from the services and employment it provides. IIAs help the Council to arrive at informed decisions and to make the best judgements about how to target resources.
15. The Leader of the Council has been consulted on this report.

Alternative Options

16. There are no alternative options.

Implications of Recommended Option

17. Resources:

- a) **Financial Implications** – the Strategic Director, Resources and Digital confirms that financial context is contained within the report and appendices. Any direct implications will form part of the budget planning framework and identification of budget proposals.
- b) **Human Resources Implications** – The need to support Council employees as much as possible through changes is recognised. Any direct implications will

form part of the budget planning framework and identification of budget proposals.

- c) **Property Implications** - No direct property implications. Any direct implications will form part of the budget planning framework and identification of budget proposals.

18. **Risk Management Implication** - Risks arising from the direct impacts of this strategy will form part of the Council's approach to the budget planning framework.
19. **Equality and Diversity Implications** - An equality impact framework has been developed to assess budget proposals.
20. **Crime and Disorder Implications** – No direct crime and disorder implications. Direct implications arising from the impacts of this strategy will form part of the Council's approach to the budget planning framework and consultation process.
21. **Health Implications** - No direct health implications. Direct implications arising from the impacts of the Health and Wellbeing Strategy this will form part of the Council's approach to the budget planning framework and consultation process.
22. **Climate Emergency and Sustainability Implications** - The MTFS provides a framework with the express objective of achieving a sustainable financial position over the medium term. Addressing climate change remains a priority of the Council and the MTFS frames the resources available.
23. **Human Rights Implications** - No direct human rights implications.
24. **Ward Implications** - All areas of the Borough are covered by the principles set out in this strategy

Background Information

25. Provisional Revenue Outturn 2021/22 - 21 June 2022

Medium Term Financial Strategy 2023/24 - 2027/28

1. Summary

This Medium-Term Financial Strategy (MTFS) sets out the forecast financial resources that are needed and also that are available for the Council to deliver its key priorities. Since the last MTFS was agreed by Council in October 2021, a number of factors have affected the financial outlook for the Council.

Externally, the war in Ukraine and the pandemic has led to inflation increasing beyond the provisions in the previous MTFS, with the cost-of-living crisis notably around food, fuel and utility prices across the country.

Internally work has begun to identify and address the in-year inflationary pressures and progressing the three-year budget approach agreed in December 2021. This approach was in line with the agreed approach for the planned use of reserves of £20m to allow time to identify cuts and efficiencies required over a three-year planning period.

Based on local estimates outlined in this report, the council estimates that overall, it will need to close a cumulative financial gap of £55m to 2027/28. In calculating the gap, £14m reserves has been applied over the medium term in line with the agreed approach (£6m in 2022/23). In addition, the gap assumes use of pandemic reserves of £8.9m in the current year, £13.5m in 2023/24 and £3m in 2024/25.

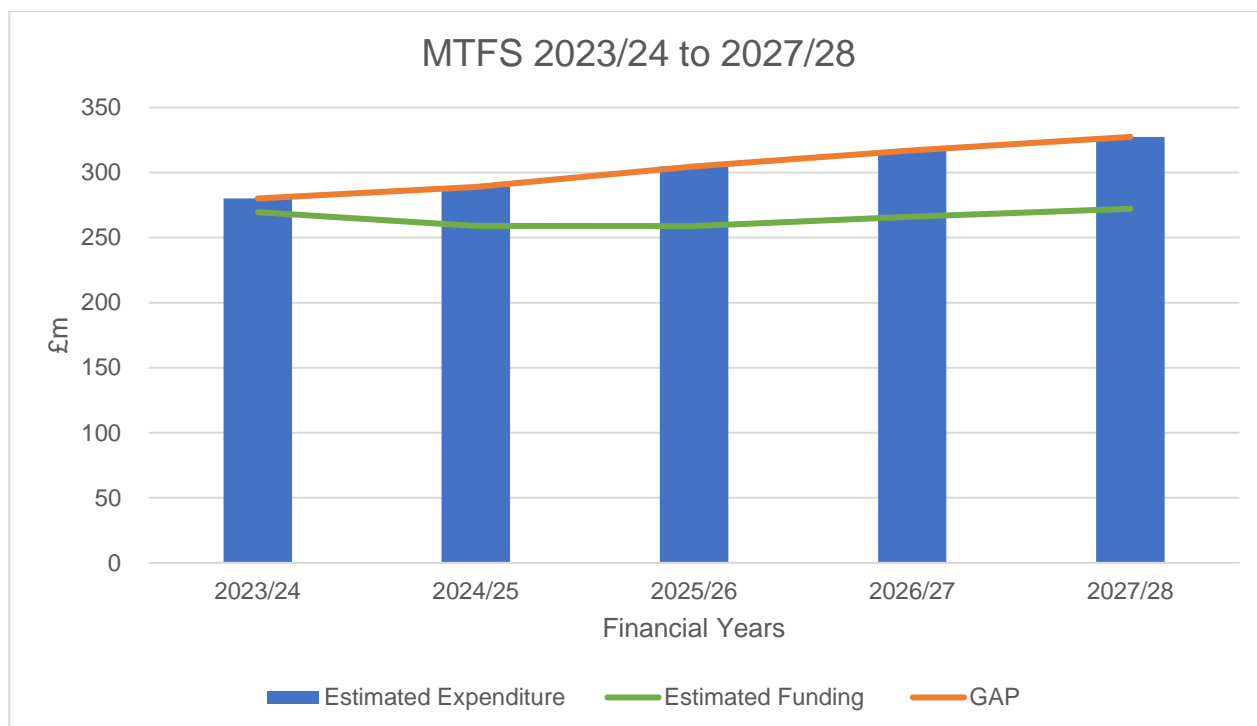
This gap can be summarised as follows (there may be slight differences due to roundings):

2022/23 £m	Indicative Budget Forecast	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m
254.304	Estimated Base budget	280.117	288.867	304.807	317.093	327.410
(254.304)	Estimated Funding Resources	(245.941)	(252.008)	(258.895)	(265.981)	(272.218)
	Funding Gap (before Reserves)	34.176	36.860	45.912	51.112	55.191
	Pandemic Reserves	(13.520)	(3.065)			
	Budget Sustainability Reserve	(10.000)	(4.000)			
	Total Reserves	(23.520)	(7.065)	0.0	0.0	0.0
	Minimum Cumulative Funding Gap	10.657	29.795	45.912	51.112	55.191
	Minimum Annual Funding Gap	10.657	19.139	16.117	5.200	4.079

The budget gap is predominantly driven by the significant ongoing impact from demand pressure (for social care) and inflation on the Council's cost base in 2023/24. This is forecast to increase core costs by £25.813m in 2023/24.

Although we expect some compensatory increases, the funding resources initially fall back in 2023/24, due to the continuing uncertainty of the Government settlement but then slowly increase, largely due to the potential impact of council tax increases.

This can be presented graphically as follows:



After the planned use of reserves the gap for 2023/24 is £10.657m – Securing savings to support closure of a gap at this level is a significant challenge but will be assisted by the emerging work on the delivery of the budget approach and through the delivery of change to align resources to priorities to enable residents of Gateshead thrive.

Since the start of austerity, the Council has made substantial cuts and responded to demand pressures to deliver £179m budget savings. Despite ongoing financial challenges, the Council has delivered against its revenue budget since 2010 showing strong and stable financial management with an outstanding record of budget delivery.

The budget gap as identified within this MTFS will present a significant financial challenge that will be met by a Council wide approach driven by the delivery of Council priorities.

2.The Purpose, Priorities and Principles of the Medium-Term Financial Strategy (MTFS)

What is the Medium-Term Financial Strategy?

This Medium-Term Financial Strategy outlines our approach to setting out the Council's financial future over next five years (2023/24 to 2027/28).

Purpose and priorities

The MTFS is a key part of the Council's Budget and Policy Framework which aims to ensure that all financial resources are directed towards the delivery of Council priorities. The Strategy describes the financial direction of the Council for financial planning purposes and outlines the financial pressures over a five-year period but is reviewed annually to reflect the dynamic nature of local government funding.

The MTFS establishes the likely level of revenue resources available to the Council over the medium term and estimates the financial consequences of the demand for Council

services. It improves financial planning and strategic financial management through providing the financial context within which the Council budget will be set.

The review also allows for consideration of the Council's reserves policy and level of reserves to ensure there is adequate protection against unforeseen events.

In the current financial climate, the Council's principal financial aim is to continue to effectively align scarce resources to support Council priorities.

The Council's strategic approach, **Making Gateshead a Place Where Everyone Thrives** - provides a framework to demonstrate how the Council will work and make decisions in the future which will be policy and priority-led and help resource the impact being made on delivery of the Health and Wellbeing Strategy. It is predicated on the following Council pledges:

- **Put people and families at the heart of everything that we do**
- **Tackle inequality so people have a fair chance**
- **Support our communities to support themselves and each other**
- **Invest in our economy to provide sustainable opportunities for employment, innovation, and growth across the borough**
- **Work together and fight for a better future for Gateshead**

The Council's MTFS sets out the financial context for the Council's resource allocation process and budget setting. The Council's Performance Management Framework supports the aims within the Strategy by aligning performance with the overall approach to the budget to support the financial sustainability for the Council ensuring that resources are deployed on the outcomes for making Gateshead a Place Where Everyone Thrives.

There are huge financial pressures on not just Council resources, but those of partners, local businesses, and residents. The Council will continue to work with partners, other organisations, residents and communities to deliver positive outcomes.

To remain affordable and deliver sustainable public services, the MTFS has three main objectives: -

- Consider the scale of financial challenges over the medium term and take appropriate actions to achieve financial sustainability and a balanced budget year on year.
- Ensure the Council aligns its funding to deliver against priorities.
- Prioritise capital schemes based on deliverability of tangible outcomes whilst considering the context of the overall capital and revenue affordability.

Approach and principles

The MTFS is consistent with the priorities the Council is pursuing. The principles underlying the MTFS 2023/24 to 2027/28 are as follows:

- The overall financial strategy will be to ensure that the Council's resources are directed to the Thrive agenda framework. Financial sustainability will be achieved and maintained through targeted investment, reducing costs and more efficient ways of working. The Council's MTFS will be reviewed on at least an annual basis.

- The Council will consider a range of delivery mechanisms and funding sources to support capital investment to deliver thrive priorities, including the use of prudential borrowing, and will ensure that the full costs associated with financing the investment are considered when investment decisions are taken.
- The Council will maintain its general reserve at a minimum of 3% of the net revenue budget to cover any major unforeseen expenditure. The Council will aim to balance its revenue budget over the period of the MTFS without reliance on the use of the general reserve.
- The Council will maintain earmarked reserves for specific purposes which are consistent with achieving its key priorities. The use and level of earmarked reserves will be reviewed at least annually.
- Overall Council spending should be contained within original estimates. If, following monthly revenue monitoring, service budgets are projected to exceed original estimates, plans should be prepared setting out the actions required to ensure spending at the end of the year does not exceed original estimates.
- The Council recognises the impact of increases in council tax levels and fees and charges in an area of relatively low income and low wealth and will therefore balance the need for increases against the delivery of the thrive framework and the need for services.
- The Council will meet its financial obligations and maintain financial sustainability through the setting of a balanced budget and the delivery of outturn within the overall budget each year.

3.External (Cost) Pressures

The Council is facing numerous financial challenges from external factors which it needs to overcome if it is to remain on a sustainable financial footing. (Also see PESTEL analysis in supporting information)

Inflationary Pressures (Unavoidable)

Since February 2022, the war in Ukraine has led to inflationary increases, notably around food, fuel and utility prices, which are affecting the economy generally. The average inflationary pressure anticipated for the year was +2%. The Consumer Price Index (CPI) is now 10%, with Retail Price Index (RPI) at 12% based on the current Office for Budget Responsibility (OBR) forecast. There is uncertainty as to when or if these will fall back to previous levels.

Energy Costs

2022 is an unprecedented year in relation to energy costs with +100% increase in both Gas and Electricity costs with expectation to rise further in 2023/24.

Pay Award / National Living Wage (NLW)

This cost pressure relates to the cost of pay awards agreed for employees of the Council as well as agreed pay increments. Local Authority pay awards are determined through the national bargaining process rather than being mandated by Government. Pay award 2022/23, (offer status) made by the National Employers is significantly higher than previously estimated. Any pay award or NLW increases is unfunded from Government and must be met from settlement funding which puts additional pressure on the Council's budget.

In May 2022, the Council agreed to take steps to address low pay in the workforce and this work will continue.

Government response to Cost-of-Living Crisis (The Government's Growth Plan 2022 and 'Mini Budget')

- **Energy Bill Relief Scheme** - On 21 September 2022 the Government announced a six-month scheme for businesses and other non-domestic energy users (including Local Authorities). This is welcome news as prices have been significantly inflated in light of global energy prices. After this initial six-month scheme, the Government will provide ongoing, focused support to vulnerable industries. There will be a review in three months to consider where this should be targeted to make sure those who most in need get support. No further details are available at this time.
- **Reversal of the Health and Social Care Levy** - On 22 September 2022, the Government announced cancelling the Health and Social Care Levy, initially introduced via a 1.25% percentage point rise in National Insurance contributions, which took effect in April 2022. This will come in two parts; reduction of NI rates from 6 November 2022, removing the temporary 1.25% for the remainder of 2022/23 and the 1.25% Health and Social Care Levy will not come into force as a separate tax from 6 April 2023 as previously planned. The Government have committed to maintaining the additional spending on health and social care that was associated with the introduction of the Levy. This will result in lower employers NI costs for the Council than previously anticipated. However, it should be noted Local Authorities were identified as receiving funding as part of the Service Grant and would expect this to be reduced to offset, therefore no expected saving to the council.
- **Plan for Patients** - In addition to the above on 22 September 2022, the Health and Social Care Secretary released a "Plan for Patients". This included £500m of additional funding into Adult Social Care to help people get out of hospitals and into social care support.
- **Government's Growth Plan 2022**

The Chancellor announced the Growth Plan 2022 on 23 September with potential implications for Local Government as set below:

- **Investment Zones** – New zones are intended to drive growth and unlock housing across the UK by lowering taxes and liberalising planning frameworks to encourage rapid development and business investment. Government has written to all local leaders to invite discussion. The Secretary of State will shortly set out the selection criteria to become an Investment Zone and the process for designated sites within.
- **Universal Credit** – Rules are to be tightened by reducing benefits if people do not fulfil their job search commitments.

- **Planning and Infrastructure Bill** – There are plans to accelerate new roads, rail, and energy infrastructure. New legislation will cut barriers and restrictions making it quicker to plan and build new roads etc. Further information and guidance is not available at this time.
- **Housing** - The Government aims to accelerate the disposal of public land for housing development.
- **Cost of Borrowing** – On 22 September, the Bank of England increased its rate from 1.75% in August 2022 to 2.25% in response to rising inflation. It is anticipated that the base rate will continue to increase over the next few months as the Bank looks to reduce inflation to 2% and provide certainty in the financial markets. Any increase in the base rate or further uncertainty in the economy could translate into increased cost of borrowing.

Gateshead Context (Challenges)

Over the years all local authorities have faced significant cuts to their funding from central government because of austerity, at a time when pressure on core service delivery has increased, particularly in Children's Services and Adult Social Care. Many Councils have been forced to abandon spend on preventative measures to fulfil their statutory duties.

- **Cost of living Crisis**

Current financial outlook in terms of rising inflation and interest rates as well as cost of living risks, notable around food, fuel and utility prices that our residents and businesses are facing.

- **Continuing economic uncertainty of the pandemic**

The pandemic has both exacerbated and magnified the precarious state and volatility of local government funding which was already under strain. Despite receiving emergency funding, it is likely that the Council will experience longer-term impacts of the pandemic, the impacts of increasing demand for services, and potential reduced Business Rates and Council Tax income. Direct Government support in relation to the impacts of covid has now ended.

- **Lack of Funding Reform to Address Areas with High Needs/Low Tax Bases**

Longer-term reform of local government funding has been delayed and a structural solution is needed to meet the many statutory duties and demands placed on local authorities.

Over the last decade, Government strategy to reduce reliance on grant and localise funding has resulted in moving ever-larger amounts of funding away from councils who have the highest need to those who can grow the most resource locally. The change of emphasis in how funding has been allocated has benefited councils with low needs, a large and growing council tax base, and a thriving business estate, by comparison to authorities like Gateshead with high needs and low council tax and business rate base.

The Government has confirmed that the fair funding reforms initially consulted upon in 2016 will not be implemented in the 2023/24 settlement.

- **Social Care Funding**

The funding for social care is already complex and the way in which funding is being considered for the charging reforms via short term grant allocations is going to further exacerbate this, and the reforms do not address the fundamental failings within the social care funding system.

Adult Social Care represents the largest budget with significant demand pressures. The lack of clarity around the future funding for social care beyond the very short term makes it difficult to budget and resource effectively without risk to the Council.

- **Brexit Impacts**

The medium and long-term implications of Brexit remain unclear and are still emerging and will continue to do so for some time to come, but they can be summarised as shortage of labour, shortage of goods and materials including longer lead in times and price increases.

- **Twelve Years of Austerity**

An early consequence of over a decade of funding cuts has been cuts to preventative spend. As funding fell and demand for services grew, many councils have been forced to abandon spend on preventative measures to fulfil their statutory duties. The cumulative impact of years of cuts has a significant impact on communities. This Council has consistently lobbied the Government over the disproportionate cuts to funding which impact unfairly on local authorities with high levels of deprivation, and low tax bases.

- **Short-term and Late Funding Settlements /One-off tranches of Funding**

One-year local government settlements hinders councils' ability to plan over the period of the MTFS, something which is crucial to deliver investment, valued local services and support to vulnerable residents. This situation is compounded by the lateness of financial settlements in the budget setting timetable with major grant funding announcements as late as February and some made after the budget is set in February.

Whilst additional funding is always welcome, short term annual funding leaves councils and partners unable to plan service delivery over the medium/long term. It hinders the ability to recruit and put long term stabilising measures into action.

The changing landscape to accessing funding has recently seen Local Authorities having to bid for additional funding. Furthermore, many of these specific grants are competitive, ringfenced, lower value which are then resource intensive to bid for and manage. Gateshead has been successful in the bid to the UK Shared Prosperity Fund; however, there is an expectation costs will offset the funding therefore not included in the MTFS forecast.

- **Pressure on Reserves**

Reliance on use of reserves for permanent budget requirements is not a prudent and sustainable approach in the long-term but can be used, where appropriate, to pump prime invest to save initiatives or in a planned approach to bring permanent budget savings. The Council's balances are at a minimum and with many competing demands these must be managed effectively.

- **Devolution**

The Government announced, in the Levelling Up White paper in February 2022 that discussions are to be held with county areas with regards to a new devolution deal. Any impact of devolution discussions is currently not included in the MTFS forecast.

4.Council's Current Financial Position

Revenue Outturn 2021/22

Through the pandemic and lockdown restrictions over the last couple of years, the Council has risen to the challenge. Recovery from the pandemic and learning to live with covid has started across all services of the Council to help the residents of Gateshead. Cabinet agreed in June 2022 a net revenue budget of £238.758m. The overall outturn position for the Council resulted in a surplus of £0.431m. The positive year-end position is a testament to the collective approach taken by groups and services to keep pressures under review within the financial year and ensuring that action was taken in a timely manner to ensure outturn within budget. Effective financial management has ensured that all covid funding resources and time limited funds have been maximised alongside consideration of setting aside funding for future pressures and lost income.

The Council has a strong and stable financial base with an outstanding record of budget delivery. Since the start of austerity, the council has made significant cuts and responded to demand pressures to deliver £179m of budget savings.

Revenue Budget 2022/23

On 24 February 2022 the Council agreed a revenue budget of £254.3m which was balanced through planned use of £5.8m of reserves. This approach was in line with the agreed three-year approach for planned use of reserves to allow time to identify cuts and efficiencies.

Given high inflation and demand the expectation that delivery of the budget will be under significant pressure. This is evident in current year monitoring and projections.

5.Financial Challenge Beyond 2022

Medium term financial planning remains extremely difficult due to significant uncertainty amidst international issues, the national economy and cost of living crisis, coupled with the delays to finance reforms, which are now unlikely in this parliament.

The level of funding beyond 2022/23 has not been specified by Government resulting in greater risks in relation to the localisation of business rates and the local council tax scheme. The unknown impacts alongside the level of risk to finances mean that all forecasts will need to be closely monitored and potentially refreshed more frequently than

usual as consequences become clear. Staying the same will not be an option for the Council. The Council will be required to change to deliver its priority outcomes within the limited funding available.

In response to the impact on the economy that the inflationary pressure is causing, the Bank of England has increased its base rate from 1.75% in August 2022 to the current rate of 2.25% on 22 September 2022.

Any increase in the base rate or further uncertainty in the economy could translate into increasing the cost of borrowing should the Council need to borrow for the Capital Programme. This will have a corresponding impact on the revenue budget and business cases for projects included in the capital programme.

The financial impacts of the pandemic are expected to continue this year and beyond. The Council has set aside funding from reserves to cover cost pressures and lost income and therefore these impacts are neutral early in the MTFS estimates. This will need to be kept under review. Impact on council tax and business rates funding has been included as these are being managed over three years. Impacts are kept under regular review within the revenue budget monitoring framework.

For planning purposes provision is included for the impact of pay awards and estimated impacts of the National Living Wage which are unfunded by government.

Savings proposals will have staffing implications. These will be managed through the Council's Redundancy Policy and Procedure as necessary. At this stage it is proposed that any cost of redundancy payments and the release of pensions (if applicable) as required by the LGPS Regulations will be met from within the overall corporate resource position at outturn each year, should the position allow. This position will be kept under review and updated as part of the budget proposals to Cabinet.

Economic Growth

Local economies are linked to national economic growth. Our vision for Gateshead is of a fairer, greener and more resilient economy that enables everyone to thrive and delivers good jobs, growing businesses and great places. The Council aims to promote a strong and sustainable local economy leading to wellbeing and prosperity for residents, communities and businesses. This will be supported by a planned approach to investment to boost local economic growth such as improving local infrastructure and wider transport links. Success in this area will enable the Council to have a stronger medium- and long-term financial position and allow redirection of resource to activities which protect the most vulnerable.

The Council faces challenges with additional burdens relating to Planning and Building Control due to the changes in legislation with the new Building Safety Act 2022 coming into effect early 2023.

From a financial perspective the Council will look to invest resources to generate economic growth that may result in increased business rates and council tax income to the Council. This may contribute to closing the financial gap.

Significant Challenges in Social Care

Adult's Social Care

Adult social care experience pressures year on year in relation to increasing demand for services due to the increase in population of older people and pressures due to fee increases in the commissioned sector. These pressures are expected to continue and be exacerbated for the short, medium and long term.

In December 2021 the Government published the People at the Heart of Care Adult Social Care Reform White Paper. The Paper sets out a 10-year vision that puts personalised care and support at the heart of adult social care. It includes plans to fundamentally reform the amount someone might pay for their care over their lifetime and significantly raises the threshold at which people start to pay for care. The charging reforms together with the requirement to undertake a market sustainability and fair cost of care exercise will come with significant cost pressures and the adequacy of the government funding to meet these costs is unclear. The funding for social care is already complex and the way in which funding is being considered for these reforms via short term grant allocations is going to further exacerbate this, and the reforms do not address the fundamental failings within the social care funding system.

The proposed charging reforms come at a time of other significant reforms such as the introduction of assurance across all adult social care and following the backdrop of a global pandemic which has severely impacted social care demand.

The discharge to assess model is resulting in people with more complex needs being discharged from hospital sooner which is inevitably having an impact upon social care spending.

Despite the increasing demographic pressures on social care through an ageing population and the increasing need of individuals requiring support, the workforce vacancy rates continue to be an issue and consequently people waiting for care and support, often in more expensive settings, is increasing.

In response to some of the challenges the Council is analysing our workforce data to understand the size of the challenge going forward. Regionally and locally, we are developing new and innovative approaches to workforce recruitment and retention across the health and care sector, however this is against a backdrop of a high wage economy policy, and a challenging labour market in other sectors, which compete with social care such as retail and hospitality.

Children's Social Care

With regards children's social care, The End Child Poverty coalition reports the North East as having the second highest rate of child poverty at 38% and this region has seen the steepest rise in the last 5 years. The North East Child Poverty Commission's report in September 2022 reminds us that the NE has gone from having a child poverty rate below the UK average to the highest of any UK nation or region in the space of seven years and that is even by the government's preferred measure of 'absolute child poverty', which has fallen marginally across the UK since 2014/15. All 12 NE local authorities feature in the top 20 local authorities nationally that have seen the sharpest increase in child poverty between 2015 and 2021.

Around 16% of Gateshead residents live within the most deprived 10% of neighbourhoods in England and many of the families open to Children's Social Care and Early Help live in the most deprived areas of the borough. Research available leaves little doubt of the clear evidence linking the impact of deprivation to risk for children, and subsequently higher levels of demand for statutory social care and early help services.

Locally in Gateshead some significant pressures are emerging. Over the course of the pandemic, since March 2020 to present, there have been substantial increases in referrals and demands and for services. Caseload numbers in children's social care since March 2019 are as follows:

31 March 2022 – 1,979
31 March 2021 – 1,697
31 March 2020 – 1,587
31 March 2019 – 1,505

This is a 31% increase since March 2019 and assuming a caseload of 20 children per social worker a requirement of 23 additional posts. Numbers have started to fall recently and were 1,869 as at 31 August 2022.

For too many of our families, life with a range of issues such as domestic abuse, poor mental health, the impact of trauma, coupled with significant poverty creates a complex and unequal system which leaves many families ill equipped to provide the safe nurturing environment for their children that they crave, and their children need.

Gateshead Council had circa 510 looked after children (end September 22) costing on average £40,000 per child annually. This compares to:

31 March 2022 – 484
31 March 2021 – 440
31 March 2020 – 414
31 March 2019 – 379

This is a 33% increase since March 2019. The national and local increase in safeguarding pressures is the result of a complex myriad of factors, including longer term pandemic impacts which are still to be recognised. The internal residential estate in Gateshead has grown in recent years, however this has not been able to meet the increased demand seen in the system because of overall numbers of children.

The outsourcing of placements comes at a higher cost, the most expensive of which is costing £24,000 per week currently. This is not only occurring due to increased complexities of need for the children in the system but also due to the increased numbers of children requiring placements. Increased activity set out above has resulted in a significant impact on the social care workforce with caseloads per social worker increasing which will also need to be kept under review.

Looking Ahead Threats

- ▶ Cost of living crisis and high inflation rates if these continue to rise.
- ▶ Any unachieved budget savings in the agreed savings programme leading to pressure the following financial year
- ▶ Continued growth in demand in Adult and Children's Social Care Services and funding reforms are insufficient to address this;
- ▶ Unfunded pay pressures such as public sector pay award and the Governments National Living Wage aspirations, which also impacts on negotiations with care providers and commissioning costs;
- ▶ The performance of traded and investment income linked to wider economy;
- ▶ Significant uncertainties on the pandemic impact on income from business rates and council tax and fees and charges;
- ▶ The financial impacts of the UK's vote to leave the European Union (EU) and the current uncertainty which is likely lead to instability in the short to medium-term.
- ▶ Challenges in recruitment and reductions/ shift in work force from working in social care/ linked to competing industries such as retail, hospitality;
- ▶ Addressing the health, employment and poverty inequalities that the pandemic has added to;
- ▶ Increased demand for welfare, mental health services and debt advice
- ▶ Increased demand for business advice and support.

Looking Ahead Opportunities

- ▶ Review all Council services to focus resources on the delivery of priority outcomes and shaping the Council to how it needs to be in the future to withstand other pressures and delivery priorities
- ▶ Embrace and embed new ways of working arising from the pandemic such as putting the customer first, more efficient working practices staff resilience and adaptability
- ▶ Opportunity to accelerate climate change targets through reduced building use and travel
- ▶ Accelerating and building on working with communities in hubs alongside the voluntary sector and other partners
- ▶ Embracing the move to self-service and online services to provide a quick and streamlined service
- ▶ Opportunities to rationalise Council buildings and assets
- ▶ Working closer in partnership with key partners such as the voluntary sector, health partners and the Police and Crime Commissioner to help residents to thrive
- ▶ Following the housing review the ability to drive forward housing delivery and provide a good service to tenants.

6.MTFS Estimates

Hyper- inflation has exacerbated the uncertainties of accurate modelling adding pressure to the current year as well as forecasting for the future years impact, increased pay award and increased uncertainty around funding.

The MTFS has been prepared on best estimates using the current information we have to date amidst significant uncertainty about international issues, the national economy and cost of living crisis. Given the high uncertainty the impact of any changes to some of these assumptions and key risks are included in the supporting information. The table shows the financial gap expected over five years with the proposed use of reserves. These are shown in more detail within the review of reserves section.

In December 2021, the budget approach was agreed for planned use of reserves of £20m to allow time to identify cuts and efficiencies required over a three-year period 2022/23 to 2024/25. The scale of the challenge required a radically different approach to the budget. With reducing resources, the Council cannot keep doing everything it has previously done, so the approach needs to be more clearly linked to the hierarchy of delivering on thrive priorities through the Health and Wellbeing Strategy and the Economic, Housing and Investment Strategies.

Based on estimates outlined in this report, the Council will need to close a cumulative financial gap of £55m in the next five years. This impact will be mitigated temporarily through the agreed planned application of £14m budget sustainability reserve (£6m in 2022/23). In addition, the gap assumes use of pandemic reserves of £8.9m in the current year, £13.5m in 2023/24 and £3m in 2024/25.

This is an extremely challenging medium-term forecast. Using reserves in this way means that it is crucial to plan and deliver a schedule of savings, efficiencies and reinvestment to achieve a balanced budget in future years and to achieve Thrive priorities.

Budget Approach

The Budget approach incorporates the following activities:

- Priority Zero Based Budget Challenge
- Priority Based Transformation Programme
- Planned use of reserves

Work has commenced to generate options for budget cuts and savings and areas for investment within required timescales and guided by the budget approach framework. In February 2023, a report will propose a budget and council tax for 2023/24 to reflect statutory requirement to produce a balanced budget by 11 March each year and recommend this to Council in late February 2023.

The financial gap can be summarised as follows (there may be slight differences due to roundings):

2022/23 £m	Indicative Budget Forecast	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m
254.304	Net Revenue Budget	254.304	280.117	288.867	304.807	317.093
	Adjustment (Contingency level to 3.5%)	5.031				
	Base Adjustments: Reserves budgets removed	(1.750)	(9.245)	0.00	(0.440)	0.00
	Inflation	8.107	3.894	3.961	4.028	4.097
	Demand Pressures	13.098	7.767	6.417	7.206	7.416
	Corporate Pressures	1.250	2.050	1.250	0.500	0.000
	Strategic Economic Investment (Capital)	0.077	4.284	4.312	0.992	(1.197)
254.304	Revised Base Budget	280.117	288.867	304.807	317.093	327.410
	Other Grants (Inc Public Health)	(63.830)	(64.635)	(65.455)	(66.294)	(67.152)
	Resources					
	Revenue Support Grant	(17.395)	(18.091)	(18.453)	(18.822)	(19.198)
	Top up/Equalisation	(15.355)	(15.355)	(15.355)	(15.355)	(15.355)
	Retained Business Rates	(41.884)	(42.722)	(44.587)	(46.511)	(47.440)
	Council Tax Base & Growth	(104.356)	(107.976)	(111.705)	(115.545)	(119.499)
	Council Tax /Council uplift	(2.077)	(2.149)	(2.223)	(2.299)	(2.378)
	Council Tax Potential ASC precept	(1.044)	(1.080)	(1.117)	(1.155)	(1.195)
(254.304)	Total Resources	(245.941)	(252.008)	(258.895)	(265.981)	(272.218)
	Funding Gap (before Reserves)	34.176	36.860	45.912	51.112	55.191
	Reserves					
	Pandemic Reserves	(13.520)	(3.065)	0.0	0.0	0.0
	Budget Sustainability Reserve	(10.000)	(4.000)	0.0	0.0	0.0
	Total Reserves	(23.520)	(7.065)	0.0	0.0	0.0
	Minimum Cumulative Funding Gap	10.657	29.795	45.912	51.112	55.191
	Minimum Annual Funding Gap	10.657	19.139	16.117	5.200	4.079

Table 2 – Rates (at a glance) used within the MTFS 2023/24 to 2027/28 assumptions

Assumptions	2023/24	2024/25	2025/26	2026/27	2027/28
CPI	10%	4%	2%	2%	2%
RPI	12%	5%	3%	3%	3%
Energy Increase	NEPO Guidance	2%	2%	2%	2%
Pay Inflation	1.75%	1.75%	1.75%	1.75%	1.75%
CTAX Increase (%)	1.99%	1.99%	1.99%	1.99%	1.99%
ASC Precept	1%	1%	1%	1%	1%

Capital investment must also be kept under review and clearly aligned to priorities and financial sustainability to ensure affordability and to manage risks. This will include a strategic investment plan to underpin the prioritisation of capital investment. All budget growth (excluding social care demand or fees) must be funded through planned savings.

The starting point for the above forecast is the 2022/23 net budget of £254.304m approved by Council in February 2022. The forecast assume delivery of this budget and ongoing costs are incorporated into the projections.

Inflation

Inflationary Pressures (Unavoidable) – The inflationary pressures identified in 2022/23 will have a cumulative effect across the MTFS period. It is anticipated that levels of inflation will not reduce significantly by the end of 2022/23 and therefore there is likely to be ongoing pressures during 2023/24 as well.

The CPI and RPI assumptions are based on current Office for Budget Responsibility (OBR) forecast and shown in table 2 above. CPI potentially impacts on both costs and funding.

Energy Costs – Energy costs are set within a North East Procurement Organisation (NEPO) framework. 2022 is an unprecedented year in relation to energy costs with +100% increase in both Gas and Electricity costs with expectation to rise further in 2023/24.

Fuel Costs – Fuel cost have risen significantly in 2022, although recently started to reduce but still high cost compared to 2021 with uncertainty as to future years.

Pay Pressures – Current Pay award 2022/23 made by the National Employers is significantly higher than previously estimated (5.7%). Assumed 1.75% pay award over future years which would be above the NLW set for 2024. For planning purposes provision is included for the impact of pay awards and estimated impacts of the National Living Wage which are unfunded by government.

Contractual Inflation – Rising costs to existing contracts.

Inflation	2023/24	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m	£m
Energy Increase (NEPO Guidance)	4.372	0.241	0.245	0.250	0.255
Other Costs (NNDR, Fuel , Insurance)	0.220	0.229	0.233	0.238	0.243
Pay Inflation (1.75%)	2.932	2.975	3.018	3.062	3.107
Contractual Inflation	0.583	0.450	0.464	0.478	0.492
Inflation	8.107	3.894	3.961	4.028	4.097

Demand Pressure (Social Care)

Increasing demand across Social Care in both Adult Social Care and Children's Services. This is due to the increase in population of older people fee increases in the commissioned sector in order to meet the cost of care. In addition, there are increases in demand pressure on Looked after Children and Care packages for children with multiple complex needs.

Demand Pressures	2023/24	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m	£m
Adult Social Care Demands	1.241	1.190	0.987	1.490	1.397
Adult Social Care Fees (External)	6.119	4.389	3.462	3.625	3.796
Childrens Social Care Demands	3.800	1.321	1.220	1.316	1.419
Childrens (s17 payments and individually commissioned placements)	1.938	0.867	0.748	0.775	0.804
Demand Pressures	13.098	7.767	6.417	7.206	7.416

Corporate Pressures

Cost pressures such as pensions costs, and a range of pay issues requiring a fundamental review of the whole pay and grading structure to tackle recruitment and retention issues and market pressures facing the Council, including job evaluation review covering all posts.

Strategic Economic Investment

The Council's capital investment plans are set out in the capital strategy and programme, with the latest approved programme covering the period between the 2022/23 and 2026/27 financial years. The effective use of capital resources, including asset management, is fundamental to the Council achieving its medium- and long-term strategic objectives. Capital investment has a significant impact upon the local economy and helps to ensure that the Council can continue to provide the best possible services and outcomes within Gateshead.

All capital investment decisions will have implications for the revenue budget. The revenue costs over the lifetime of each proposed capital project are considered when the project is being developed to ensure that the impact can be incorporated within the Council's financial plans and to demonstrate that the capital investment is affordable. Revenue implications may include the costs associated with supporting additional borrowing as well as any changes to the running costs associated with the asset or wider benefits to the Council such as the delivery of ongoing revenue budget savings or additional income through the generation of business rates, council tax or energy revenues.

The Council continues to explore external funding possibilities when developing capital projects to minimise the borrowing requirement as far as possible. Within the MTFS, assumptions have been made around the level of external funding in the future, but detailed work programmes will not be committed to until the allocations have been confirmed. Projects and investment plans may therefore be re-prioritised depending on the availability of external funding.

The generation of capital receipts can help to provide resources to support additional capital investment or can help to reduce the borrowing requirement and therefore the cost to the revenue budget. The generation of capital receipts to support the capital programme has historically been challenging, representing low land values and high remedial costs due to land contamination. It is currently assumed that £1m p.a. will be achieved through capital receipts and further consideration is needed into how the few potentially higher value sites can be brought forward to achieve improved capital receipts to support the delivery of capital schemes.

Significant challenges and priorities for the Council's capital investment over the medium term that are set out in the Council's key strategies include:

- Investing in assets to enable the Council to meet its key objective of Making Gateshead a Place Where Everyone Thrives.
- Investment in housing to ensure the supply of housing best meets current and future needs and aspirations to create thriving, mixed communities throughout Gateshead.
- Investment to achieve the Council's climate change aspirations.

- Continuing to regenerate the Gateshead Quays and Baltic Business Quarter area as part of the Council's Accelerated Development Zone, working with our development partner to build upon the successful delivery of iconic projects such as the Sage Gateshead and Baltic to create a significant new mixed-use development to help unlock economic growth and generate additional business rates and raise the profile of Gateshead.
- Continuing to support the regeneration of Gateshead Urban Core to deliver a centre with the stature and vibrancy of a city and continuing to invest in improvements to local centres across Gateshead.
- Improving the Council's corporate ICT infrastructure, equipment and systems to improve connectivity, security and resilience and ensure that the Council remains fit for the future and can provide services as efficiently and effectively as possible.
- Investing in strategic infrastructure to support growth within Gateshead. This includes investment in areas such as transport infrastructure to provide an integrated transport system which meets demand and improves connectivity and accessibility as well as investment in the Council's schools to help increase capacity.
- Investing in the provision of energy infrastructure to support the expansion of the District Energy network to provide lower cost, lower carbon energy to support regeneration and economic development, generate income and provide long term resilience against rising energy prices.
- Meeting essential health and safety and mandatory obligations, such as Equality Act improvements, to improve the accessibility and sustainability of Council owned assets.

The financial planning framework provided by the MTFS will provide the context for a Council Investment Plan that will inform the allocation of resources within the capital programme.

Resources - Other Grants

Regarding funding changes, the New Homes Bonus scheme was due to be phased out by now, however it remains a key funding source for some councils. The New Homes Bonus money is in the Local Government system, and we anticipate that the funding would be redistributed via an alternative mechanism where the Council would expect to receive an allocation.

Regarding Better Care Fund, the Council has received inflationary increases in previous years and expects this to continue. Although the Improved Better Care Fund received a CPI increase in 2022/23, it has assumed cash flat in the current forecast as there is uncertainty this will continue.

Inflationary increases in respect of the Public Health Grant are anticipated. It should be noted if any funding formula are changed this could result in significant changes and potential reduction to grant. However, Government Departments may seek to mitigate the extent of any reductions to Councils that are adversely affected by formula changes by providing transitional arrangements.

Regarding Social Care reforms which will see the cost of care capped, it is anticipated that additional funding will pay for these reforms. Although the increase in funding may be significant, it will be coupled with new burdens. The MTFS has assumed that the reforms are cost neutral to the Council overall and not been included at this time.

In recent years, the Government have provided additional social care grants of which we assume will continue. There are well documented national pressures on Social Care, and the need for additional Social Care Funding has been prominent in the recent Government Leadership contest.

In 2022/23 the Council received a Lower Tier Services Grant of which we expect was one off in nature. However, the Council also received a new Services Grant which is anticipated will continue in some form of distribution to the Council.

Other Grants	2023/24	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m	£m
Social Care- Better Care Fund (CPI)	(7.796)	(8.186)	(8.432)	(8.685)	(8.945)
Social Care- Improved Better Care Fund (cash flat)	(11.387)	(11.387)	(11.387)	(11.387)	(11.387)
Social Care- New Social Care Grant (cash flat)	(12.343)	(12.343)	(12.343)	(12.343)	(12.343)
Public Health Grant (CPI)	(18.948)	(19.706)	(20.100)	(20.502)	(20.912)
S31 Business Rates	(8.837)	(9.014)	(9.194)	(9.378)	(9.565)
New Homes Bonus inc top slice return (£000)	(0.520)	0.000	0.000	0.000	0.000
New 2021 lower tier services grant. Removed for 2023/24.	0.000	0.000	0.000	0.000	0.000
New 2022 Services Grant - assume continues (£000)	(4.000)	(4.000)	(4.000)	(4.000)	(4.000)
Other Grants	(63.830)	(64.635)	(65.455)	(66.294)	(67.152)

Council Resources

There is still no clarity from Government on funding beyond the current year therefore it is assumed the Revenue Support Grant (RSG) model will be in place going forward. The Settlement will not be known until mid to late December. It was announced (prior to changes to Government Leadership and Cabinet) that a possible 2-Year settlement may be delivered although this now appears unlikely.

For forecast purposes only a 1.99% increase in council tax has been assumed, and a 1% Adult Social care precept has also been assumed. Should the Government increase the Council Tax referendum limit, or allow for additional Adult Social Care precept and the Council decide to apply increases above those limits then every 1% increase would result in £1m of additional income.

A revised Council Tax and Business Rates base will be updated and will go to Cabinet in January 2023, in advance of setting the Council Budget in February 2023.

The Council receives Section31 compensation from Government when they decide to freeze the business rates multiplier which is applied against the rateable value of business properties.

This has been capped or frozen by the Government on many occasions previously. In 2018/19 it has been uprated using Consumer Price Index rather than the (higher) Retail Price Index. Our estimates are based on modelling with 2% uplift for future years.

Current Government policy is that Business Rates reset will occur in 2025/26 and at this point Section31 compensation grants would end, but the equivalent funding would be returned to the Council through some other mechanism.

7.Housing

The Council's Housing Strategy recognises that the future success of Gateshead is dependent on ensuring that all its different neighbourhoods thrive and are great places to live and visit. This requires the right mix of safe and secure housing that people can afford, together with good schools, parks, sports and cultural facilities, roads and transport links, and streets and public spaces free of litter and anti-social behaviour. This will be brought together in the development of the next Gateshead Local Plan which is currently underway.

The housing pipeline is continuing to deliver new homes across Gateshead, with 373 new homes completed in 2021/22. The Council recognises that the scale of new housing development needs to increase. A new Residential Growth Strategy is currently being developed that will confirm the priority actions to be undertaken over the next 5 years to maximise additional housing supply on existing and new sites, and to bring long term empty homes back into use. This strategy will also align with the Council's medium-term position and investment plan.

A major review of the Housing Revenue Account (HRA) Business Plan and associated Asset Management Strategy took place in 2021 which ensured affordable 5 and 30 year financial and investment plans moving forward. The plan will make a significant contribution to the Residential Growth Strategy, with a planned HRA funded development programme of 400 new homes over the next 10 years. Due to the significant external cost pressures already outlined above and the proposed ceiling on rent increases the HRA Business Plan is currently being refreshed to ensure it continues to be financially viable and investment is affordable.

8.Schools

Schools are funded through ring-fenced resources (Dedicated Schools Grant (DSG) and several other grants including the Pupil Premium). Children's services funding is included within the core council funding known as the Settlement Funding Assessment.

The Government introduced a National Funding Formula (NFF) for mainstream schools from 2018/19, with some local discretion available within formula. Government have recently sought views on the approach to completing further reforms to the NFF and how to transition away most effectively from local formulae to all mainstream schools' funding allocations being determined directly by the NFF in the years ahead.

At 31 March 2022 the overall reserves balances for all maintained schools in Gateshead totalled £8.94m, an increase of £0.31m from March 2021. This increase was due to several factors many Covid related. This position masks that overall, the number of schools with projected deficits is increasing, but with the current turbulent times and the additional Covid and cost pressure related grants the position is difficult to estimate.

To support with the pandemic demands schools are currently getting additional grants such as Recovery Premium and National Tutoring Programme aimed at helping children recover lost education resulting from the pandemic. It is uncertain how long this funding will continue as allocations are usually single year allocations. The National Tutoring

Programme funding is at risk of claw back if schools do not spend it in line with the very specific conditions of grant.

The impact of future wage inflation is also not known with higher-than-expected pay offer for teachers and a flat rate offer for non-teaching staff. The Department of Education (DfE) provided an additional grant in 2022/23 for additional costs including the increase in national insurance (NI) contributions. This funding has been mainstreamed into the DSG for 2023/24, however, the 22 September 2022 mini budget implications of the NI 1.25% reversal and the funding announcement for public bodies including schools for the increase in energy costs are not yet known. The impact of the Supreme Court ruling on *Harpur Trust V Brazel* for part time term time only workers will also have a financial impact on schools. Whilst Schools have been setting aside a provision for this possible outcome further detailed work will need to be undertaken to assess the impact on individual schools.

It is also thought that the full impact of the pandemic on pupil's characteristics is not fully known with increased numbers of pupils eligible for Free School Meals (FSM) which will impact on the funding to schools. The percentage of FSM pupils in state funded schools has increased each year from 15.4% January 2019 to 22.5% January 2022. The cost of the provision of school meals has been heavily impacted by inflationary increases presenting a significant financial issue.

The number of Education Health and Care Plan (EHCP) requests continues to increase, and even with the creation of additional special school places, the waiting list of special school places and specialist provision continues to increase with demand outstripping supply.

9. Reserves

Local authorities must consider the level of reserves needed to meet estimated future expenditure when calculating the budget requirement. The Strategic Director, Resources and Digital is required, as part of the budget setting process each year, to provide a statement on the adequacy of reserves that is subject to an external audit review to assess value for money and a going concern opinion.

The Council keeps a level of reserves to protect against the risk of any uncertainties or unforeseen major one-off events. This is considered best practice and demonstrates sound financial planning. The use of financial reserves will not in itself resolve a budget problem, but it can allow for smoothing of impacts or allow the Council time to address issues.

The audited statement of accounts shows all the reserves balances held by the Council, but it should be noted that not all of these can be used to support the budget. Reserves can be;

- Held for accounting purposes. These are not true cash balances and are unable to be used to support the budget and are classed as unusable in the Council's statement of accounts and therefore will not be detailed in the sections below.
- The General Fund is split between a General Reserve and reserves attributable to schools (LMS Budget Share Reserve).
- Strategic earmarked reserves the Council has chosen to hold for a specific purpose
- Ring fenced reserves which can only be used for a specific purpose and are not available to support council tax or budget setting of general Council services.

Reserves Policy

The Council's policy on reserves is as follows:

- The Council will **maintain its general reserve at a minimum of 3%** of the net revenue budget to cover any major unforeseen expenditure. The Council will aim to balance its revenue budget over the period of the MTFS without reliance on the use of the general reserve.
- The Council will maintain earmarked reserves for specific purposes which are **consistent with achieving its key priorities**. The use and level of earmarked reserves will be reviewed annually.
- The Council's general reserve is available to support budget setting over the period of the MTFS and usage should be **linked to the achievement of financial sustainability over the medium term**.

Review of Reserves

A review of reserves will be undertaken to inform the 2023/24 budget and covers:

- The purpose for which the reserve is held,
- An assessment of the appropriate level of the reserve to meet potential future liabilities, in line with the Council's reserves policy and aligned to the risk management framework,
- Procedures for the reserve's management and control,
- A process and timescale for future reviews to ensure continuing relevance and adequacy.

The balances as at 31 March 2022 remain subject to audit.

A breakdown of each reserve and the reason it is needed is outlined below;

Reserve	Why Needed	Available to support Council budget	Balance as at 31 March 2022
Council General Reserve	This is a statutory fund that acts as a contingency and allows the Council to meet any unforeseen costs. If the Council overspends in a year this fund will meet that liability. The minimum balance on the reserve is 3% of the net revenue budget	Yes (subject to minimum levels being maintained)	£8.5m
Schools Balances	Use of this reserve is ring-fenced to schools and there is a duty to report planned use to Schools Forum. The balance is for schools collectively, but this includes both surplus and deficit balances of individual schools	No – ringfenced for to schools	£8.9m

The Strategic Director, Resources and Digital has reviewed the level of the general reserve and it is considered that a 3% minimum level should be retained given the current level of risk and uncertainty.

Reserve	Why Needed	Available to support Council budget	Balance as at 31 March 2022
Financial Risk and Resilience	This reserve is held in respect of key financial risks identified through the risk management process and the savings required as part of the Council MTFs. This includes Insurance (£2m), grant clawback (£3m), workforce development costs (£2.6m), commercial risk (£1.5m) and budget flexibility (£0.3m)	Yes	£9.4m
Thrive	This reserve is held support to Council thrive priorities of Economic, Housing and Environmental Investment (£3.9m) and Poverty, Health and Equality Investment (£4.5m)	Yes	£8.4m
Budget Sustainability	This reserve was created in 2021 to help support the timings of achieving significant budget savings and Thrive outcomes whilst still dealing with pandemic impacts. £5.8m of this is committed within the 2022 budget.	Yes	£20.0m

COVID			
Pandemic Services Impact	This reserve is held to mitigate the budget impacts of the pandemic across all council services for the next several years	Yes	£25.6m
Pandemic Collection Fund Impact	Specific grants provided by government to replace lost funding to council tax and business rates	Specific support only	£12.9m

It is important to note that the position above includes significant temporary funding held to mitigate pandemic impacts on services and funding to support loss of income to the collection fund.

Ringfenced Reserves

Ringfenced reserves balances are shown in the table below for information.

Reserve	Why Needed	Available to support Council budget	Balance as at 31 March 2022
Developer Contributions	This reserve consists of developer contributions in respect of agreed regeneration schemes following Section 38 and 106 agreements. The movement on the reserve will fluctuate depending on the use of the contributions to support regeneration schemes such as play areas in new housing developments.	No	£2.0m
Unapplied Revenue Grants	This reserve was created to comply with accounting rules where unspent grants and contributions, without grant conditions are to be used in the following years.	No	£1.4m
Public Health Reserve	The responsibility for Public Health transferred to local authorities on the 1 April 2013. The funding is for future Public Health use.	No	£2.6m
Dedicated Schools Grant Reserve	This is for schools use and cannot be used for other priorities within the Council. Use of this reserve will be agreed by Schools Forum.	No	£2.2m
Housing Revenue Account	This fund is statutory to maintain a revenue account for local authority Council housing provision. It contains the balance of income and expenditure as defined by the Act that is available to fund future expenditure in connection with the Council's landlord function or (where in deficit) that is required to be recovered from tenants in future years.	No	£26.2m
Capital Receipts Reserve	This reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes at the year-end use and may be earmarked for use in the Council's capital programme.	No unless approved by government for transformation	£12.6m
Capital Grants Unapplied	This reserve holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the funds, but which have yet to be applied to meet expenditure. The balance is restricted by grant terms.	No	£6.9m

For financial resilience the Council may need to consider replenishment of the general reserve over the MTFS period.

The overall level of financial resources available to the council is finite and therefore the continued use of reserves above a certain level cannot be sustained in the longer term without placing the Council's financial position at risk. The MTFS recognises that the Council's financial reserves are maintained at a prudent level to protect present and future Council services.

The Council accepts that while balancing the annual budget by drawing on general reserves can be in certain circumstances a legitimate short-term option it is not considered good financial management to finance recurrent expenditure in this way in the medium to long term. The Council recognises that usage of reserves is one-off in nature and must be linked with expenditure and income plans to support financial sustainability in the medium term.

10.Conclusion

The factors and assumptions outlined above result in a forecast gap of £55m driven mainly by Social Care demand pressures and additional inflationary costs.

Achieving sustainable finances represents a formidable challenge for the reasons outlined in this report and some tough choices will need to be taken to achieve long term sustainability. It is essential that the delivery of Council priorities and achievement of priority outcomes is linked to resource allocation in a sustainable way.

The Council has a strong track record of financial performance and will continue to use resources in the best possible way to help residents of the borough thrive.

The medium-term financial plan of the Council will be kept under review to ensure that the financial context within which the Council operates is understood and informs decision making.

Supporting Information

Sensitivity Analysis

= current assumptions built into MTFS

Pay Inflation

The base assumption is pay inflation of 1.75%. Each percentage costs £1.4m

Pay Inflation	1%	1.50%	1.75%	2%	2.5%	3%	4%	5%	6%
Cost (£m)	1.390	2.084	2.474	2.779	3.474	4.169	5.559	6.948	8.338
Additional/ (reduced) cost from MTFS	-1.085	-0.390	0.000	0.305	1.000	1.695	3.084	4.474	5.864

Council Tax

The base assumption is a Council Tax increase of 1.99%. Each 1% of Council Tax generates £1m of income.

Council Tax	0%	1%	1.99%	2%	3%	3%	4%	5%
Income Generated (£m)		-1.044	-2.077	-2.087	-2.609	-3.131	-4.174	-5.218
Additional/ (reduced) cost from MTFS	2.077	1.033	0.000	-0.010	-0.532	-1.054	-2.098	-3.141

Noted anything over 2% the Council must hold a local referendum before implementing any increase.

Energy

Using an estimated base as forecasted, each 5% of Increase would be an additional £0.6m

Energy	2%	5%	8.0%	10%	15%	20%	25%	30%
Cost (£m)	0.241	0.602	0.962	1.203	1.805	2.406	3.008	3.609
Additional/ (reduced) cost from MTFS	0.000	0.361	0.722	0.962	1.564	2.166	2.767	3.369

Funding

The base assumes CPI increase on Revenue Support Grant. For each percentage lower than assumed is £0.158m less Funding.

Government Funding	0%	1%	2%	4%	6%	8%	9%	10%	11%
Income Generated (£m)	0.000	-0.158	-0.316	-0.632	-0.948	-1.264	-1.422	-1.580	-1.738
Additional/ (reduced) cost from MTFS	1.580	1.422	1.264	0.948	0.632	0.316	0.158	0.000	-0.158

Borrowing

Based on average borrowing costs over the medium term, the average annual impact for each 0.25% increase/decrease is £0.290m/(-£0.290m)

Borrowing Rates	2.75%	3.25%	3.50%	3.75%	4%	4.25%	4.50%	4.75%	5.75%
Cost (£m)	15.856	16.436	16.725	17.015	17.305	17.595	17.885	18.175	19.334
Additional/(reduced) costs	-1.159	-0.580	-0.290	0.000	0.290	0.580	0.869	1.159	2.319

Risk Assessment of Key Threats

A series of potential changes in the inflationary outlook, the Spending Review, Local Government Settlement, Business Rate reform and the results of the fair funding review inevitably means there are many uncertainties and sources of risk attached to the forecast.

A comprehensive financial risk assessment is undertaken for the revenue and capital budget setting process to ensure that all risks and uncertainties affecting the Council's financial position are identified. These are reviewed each year as part of the refresh of the MTFS. The key strategic financial risks to be considered in developing the MTFS are as follows: -

Risk	Likelihood	Impact	Risk Management
1. Future available resources are less than assumed.	Possible	High	Annual review of reserves and reserves policy to identify future resources. Assumptions on funding for 2023/24 and beyond are based on best estimates at this time. A prudent approach has been adopted based on previous years' experience as well as using regional network contacts to inform modelling. Savings plans and areas are identified early.
2. Volatility of Business Rates funding including uncertainty around impact of appeals	Likely	High/Medium	Volatility of funding stream outside of council control but impact mitigated by the financial monitoring framework. Modelling of potential impacts is used to inform internal financial planning. Dependency on government funding in this area.
3. Public Health funding is insufficient to meet responsibilities	Possible	Medium	Funding confirmed for 2022/23 but not in future years. The lack of certainty of continuation of grant going forward is a significant risk of circa £17m. Public Health responsibilities will be rolled into the new system under the move to 75% rate retention. Networks and regional lobbying to ensure a sustainable transition of funding is agreed.
4. Pay Awards, fee increases and price inflation higher than assumed	Possible	Medium	Impact of potential increases mitigated by central contingency budget for pay, price increases and care fees. Where pay awards have been agreed these are factored into the estimates where affordable. With current high inflation and cost of living crisis the potential impacts can be seen within the sensitivity analysis.
5. Future spending plans are underestimated	Possible	Medium	Service planning process identifies future budget pressures, and these have informed the indicative budget forecasts. An effective budget monitoring framework is in place to identify in year and potential future cost pressures.
6. Anticipated savings/ efficiencies are not achieved	Possible	High	Regular monitoring and reporting take place but the size of the funding cuts increase the likelihood of this risk. Non-achievement of savings requires compensating reductions in planned spending within services. Greater scrutiny of savings will take place with senior management oversight.

Risk	Likelihood	Impact	Risk Management
7. Revenue implications of capital programmes are not fully anticipated	Unlikely	Low	Capital bid approval framework identifies revenue implications and links to Council priorities. Full analysis of revenue implications assessed and considered in the MTFS projections.
8. Income targets are not achieved	Possible	Medium	Current economic climate likely to impact. This forms part of the regular monitoring and reporting that takes place. Full review of fees and charges is undertaken on an annual basis. Reduced income requires compensatory reduction in spending plans.
9. Budget monitoring not effective	Possible	High	Regular monitoring and reporting in line with corporate framework. Action plans developed to address problem areas. Regular reports to CMT and Cabinet. Track record of delivering budget.
10. Exit strategies for external funding leasing/tapering not met	Unlikely	Medium	Regular monitoring and reporting.
11. Loss of principal deposit	Unlikely	Medium	Limited by the controls in the Treasury Management Strategy which prioritise security of deposit over returns. Impact limited due to the strategy of a diverse portfolio with top rated institutions.
12. Collection rates for retained business rates and council tax lower than anticipated	Possible	High	Impact mitigated by the review of bad debt provisions. Proactive approach to stimulating economic growth. Monitoring of Collection Fund is formally incorporated into the revenue monitoring process and key performance indicators.
13. Changes to Government policy including Health and Social Care changes	Likely	Medium/High	Best estimates of impact of government policy on funding factored into MTFS. Estimates are prudent and based on recent experience. Specific areas of uncertainty identified and subject to focussed actively, close monitoring and review. Risks of Better Care Fund are managed through the joint Council/ICB Better Care Fund Programme Board. The impacts of welfare reform continue to be planned for and monitored through the Council Scrutiny Framework. Charging reform implementation of 18 (3) of the Care Act is managed by an operational working group.
14. Financial budget impacts of potential Brexit	Likely	Medium/High	Continue to work collaboratively with treasury advisors to assess potential budget impacts whilst the Government attempts to ensure an effective transition to a new economic relationship between the U.K. and the EU, including clarifying the procedures and broad objectives that will guide the process.
15. All MTFS risks not adequately identified	Unlikely	Low	Council's Risk Management Framework ensures all operational and strategic risks are identified as part of the annual service planning process. Regional networks such as SIGOMA provide ability to assess and compare strategies to ensure assumptions are comprehensive.

PESTEL analysis

This is a strategic tool to evaluate the external environment of an organisation by breaking down opportunities and threats into several factors. The table below highlights some considerations impacting on the Councils medium term strategy and plans

<i>Political</i> <ul style="list-style-type: none">• Change in Government policy direction and regulation including social care and NHS can impact on social care models and shared funding arrangements and without adequate funding can be an added pressure• Labour laws /National Living Wage can impact on legal views and costs• Environmental laws impact on planning, council buildings and costs• Stability of political parties will ensure policies do not change regularly• National infrastructure and transport links decisions can impact on local economy• PWLB rates can have a significant impact on capital projects and affordability• Brexit - Uncertainty of European Grants and unknown impacts on the economy• Welfare reform/Housing demands /Universal Credit- Governments changes are likely to have an impact in relation to potential bad debt of council tax income and housing rents and the services needed by residents• Local Government Funding Reform – the aim to making councils more self-sufficient and less reliance on grants.
<i>Economic</i> <ul style="list-style-type: none">• National and local economic growth rates• Energy prices increasing or decreasing• Price pressures/ supply chain pressures• Labour market availability and shifts• Exchange rates• Inflation rates both CPI and RPI - Levels of inflation and medium-term trajectories of it have an impact on capital and revenue investment projects on rising costs and contractual commitments.• Interest rates on investments, borrowing and debt• National and local Unemployment rates• The Council plays a strong role in ensuring a strong and vibrant local economy which can in turn lead to better jobs and skilled local people.• Levels of employment influence the need for resident welfare support as well as other type of local government support.
<i>Socio-cultural</i> <ul style="list-style-type: none">• Local health indices• Deprivation levels - Gateshead is currently ranked 47th out of 317 local authorities in England in the overall IMD 2019, where one is the most deprived (rank of average score).• Local population demographics – having a young, healthy workforce or aging population with complex needs changes service needs• Child poverty can influence the levels of looked after children and family support• Health of local workforce
<i>Technological</i>

- Pace of change impacts on upgrades to systems and customer expectations for accessing services
- Level of digital skills locally will determine who can access online services and who need more support such as telephone or face to face service provision.
- Appetite for innovation can influence service adaptation to customer needs
- New technology improves ability to introduce/improve agile working – making workforce more flexible.

Environmental

- Weather and impacts
- Local Climate Change Agendas
- Government Climate Change Aspirations
- Local Pollution
- Aspirations to be Environmentally Friendly
- Environmental impacts ripple through everything the Council does and as such all reports to Cabinet must consider these implications

Legal

- Discrimination law
- Consumer law
- Employment law
- Health & Safety laws
- Changes in regulation and legislation in relation to local government
- Licenses and permits

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COUNCIL MEETING

24 November 2022

CLIMATE EMERGENCY STRATEGY ADOPTION AND CLIMATE UPDATE

Sheena Ramsey, Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to endorse the adoption of the Climate Strategy.
2. The draft Climate Strategy was consulted on and endorsed by the Health and Wellbeing Board. It is proposed that the Climate Strategy is adopted and further endorsement sought from partners and forms the basis for Ward Action Plans.
3. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

4. It is recommended that Council adopt the Climate Strategy.

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TITLE OF REPORT: **Climate Emergency Strategy Adoption and Climate Update**

REPORT OF: **Peter Udall, Strategic Director, Economy, Innovation and Growth**

Purpose of the Report

1. Cabinet is requested to
 - a. Recommend the adoption of the Climate Strategy at Full Council (Appendix 3)
 - b. Approve consultation on Ward Climate Action Plans, (Draft example Appendix 4)
 - c. Approve the More and Better Woods Action Plan (Appendix 5)
 - d. Note the results of the independent environmental Audit (Appendix 6)
 - e. Note the carbon monitoring report summary (Appendix 2)
 - f. Note the ongoing activities that are progressing towards our climate and environmental sustainability targets (Appendix 2).

Background

2. Cabinet agreed to the preparation of a Gateshead wide Climate Strategy in November 2019. A draft strategy was approved for consultation in November 2021 and consultation ran from December 2021 to February 2022.
3. Nearly 70% of respondents said they agreed with the Climate Strategy vision. Nearly 70% said they would be willing to make a personal climate pledge. Over 200 pins were dropped on the interactive map to suggest actions that are needed to take place for climate change or showing us where best practice existed already in Gateshead. These suggestions will feed into the Ward Action Plans. The full consultation report is in appendix 7.

Proposal

Climate Strategy

4. A Gateshead wide Climate Strategy is in appendix 3. The draft Strategy was consulted on and in 2021/22 and endorsed by the Health and Wellbeing Board in April 2022. It is proposed that this Climate Strategy is adopted and promoted for further endorsement from our partners and forms the basis for Ward Action Plans. The Strategy will inform and complement other Council and Borough wide Strategies and provide a strategy for Gateshead's community and business to meet the aim of being carbon neutral by 2030.
5. Officers continue to explore and implement projects that will contribute towards addressing the Climate Emergency while also complementing Thrive objectives and the cost of living crisis, details can be found in Appendix 2.

Ward action plans

6. Appendix 4 provides a draft example for the ward action plans. Each Ward will have an action plan, which will contain locally tailored actions that reflect the opportunities and threats in that locality. The Ward level plans will contain actions that will be delivered by organisations, businesses, schools and residents within the wards as well as actions for the Council. The plans will be informed by the consultation on the Climate Strategy in 2021/22, meetings with Ward Councillors and in consultation with the Neighbourhood Management Team. Further engagement on the plans will occur over the coming months, subject to Ward Councillor approval of the draft to ensure that there is community ownership of the plans. It is considered the ward action plans will be a living document to guide climate action at a local level over coming years.

More and Better woodlands

7. Appendix 5 contains our More and Better Woodlands Action Plan Executive Summary.

The Action Plan sets out an informed woodland management approach for our existing woodland and the basis for the Council's woodland creation for the next 10 years. It helps to address the sequestration of local authority carbon emissions, while providing a resilient landscape that will benefit woodland and other species and deliver added environmental and socio-economic benefits.

The action plan identifies a 'short list of sites' on Council owned land that could be explored further as to their potential for conversion to woodland. Approximately 150 hectares (ha) have been found for further analysis. The Council and its partners will need to work with the North East Community Forest, private landowners and other stakeholders to identify another minimum 100ha in order to meet the 250ha target.

Investors in the Environment Audit

8. Following the Climate Emergency Declaration made by Full Council on 23 May 2019, Cabinet agreed that officers should commence an environmental audit of the Council's activities. This audit was carried out in 2020 and resulted in the Council being awarded a Silver accreditation using the Investors in the Environment assessment framework. The second annual review of this audit has been undertaken by Genex which concluded that the Council was still achieving silver level accreditation. The report will be published on the website and is in Appendix 6.

Carbon Monitoring

9. To align with best practice and get ready for new legislative requirements, the Council procured 'SmartCarbon' for carbon reporting. This tool measures both direct and indirect emissions which allows the Council to more effectively meet its commitments to reducing carbon and assess whether interventions are effective in reducing carbon emissions.
10. Data that is comparable to previous years monitoring demonstrates that the Council is continuing to reduce its carbon emissions, year on year, which has been the case since monitoring began in 2010.

year	19/20	20/21	21/22
Carbon Tonnes	22,265	18,137	17,481

The new monitoring system provides a new baseline, which takes account of more sources of carbon.

The new sources of carbon being monitored are;

- Supply chain emissions (procured good and services)
- Staff commuting
- Working from home (emissions arising from staff during work time)

Recommendations

11. It is recommended that

- (i) Cabinet recommend that Full Council adopt the Climate Strategy
- (ii) Cabinet approve the continued development of the Ward Level Action Plans
- (iii) Approve the More and Better Woods Action Plan

For the following reasons:

- (i) To progress towards the Council's carbon neutrality commitment
- (ii) To show progress towards the Council's commitment to achieving carbon neutrality in Gateshead

CONTACT: Anneliese Hutchinson

extension: 3881

Policy Context

1. Gateshead Council declared a Climate Emergency at Council on 23 May 2019 which outlined the following commitments.

Item 1 - The declaration of a 'Climate Emergency' that requires urgent action.

Item 2 - Make the Council's activities carbon neutral by 2030

Item 3 - Achieve 100% clean energy across the Council's full range of functions by 2030

Item 4 - Ensure that all strategic decisions, budgets and approaches to decision making are in line with a shift to zero carbon by 2030

Item 5 - Support and work with all other relevant agencies towards making the entire area carbon neutral within the same timescale.

Item 6 - Ensure that political and chief officers embed this work in all areas and take responsibility for reducing, as rapidly as possible, the carbon emissions resulting from the Council's activities, ensuring that any recommendations are fully costed.

Item 7 - Work with, influence and inspire partners across the borough to help deliver this goal through all relevant strategies, plans and shared resources by developing a series of meetings, events and partner workshops

Item 8 - Request that the Council and partners take steps to proactively include young people in the process, ensuring that they have a voice in shaping the future.

Item 9 - Call on the UK Government to provide the powers, resources and help with funding to make this possible, and ask local MPs to do likewise.

Background

2. The Council declared a climate Emergency in 2019. The Climate Action Plan setting out how the Council will work towards net zero was published in 2021 and a Council wide Environmental Policy was adopted in 2021. The draft Strategy was consulted upon in 2021/22.

Consultation

3. The Strategy was subject to public consultation December 2021 – February 2022. Nearly 70% of respondents said they agreed with the Climate Strategy vision. Nearly 70% said they would be willing to make a personal climate pledge. Over 200 pins were dropped on the interactive map to suggest actions that are needed to take place for climate change or showing us where best practice existed already in Gateshead. These suggestions will feed into the Ward Action Plans. The full consultation report is in appendix 7.
4. The Leader, Deputy Leader and Cabinet Members for Environment and Transport have consulted on this report.

Alternative Options

5. There are no alternative options.

Implications of Recommended Option

6. Resources:

- a) **Financial Implications** – The Strategic Director, Resources and Digital confirms that there are no financial implications arising directly from this report and the adoption of the Climate Strategy. Implications may arise from subsequent action plans.

- b) **Human Resources Implications** – None

- c) **Property Implications** - None

7. Risk Management Implication - None

8. Equality and Diversity Implications - The Strategy supports equality and diversity

9. Crime and Disorder Implications – None

10. Health Implications - The Strategy has positive health implications.

11. Climate Emergency and Sustainability Implications - The Strategy has strong positive implications for climate and sustainability.

12. Human Rights Implications - None

13. Ward Implications - All

Background Information

Environmental Policy

[Appendix 5. Environmental Policy Feb 2021.pdf \(gateshead.gov.uk\)](#)

Gateshead Council Climate Emergency Action Plan

[3336-MC-Climate emergency Action Plan v22.pdf \(gateshead.gov.uk\)](#)

Carbon monitoring

1. The IIE audit recommended that the Council improve its mechanism for monitoring carbon emissions and other green house gases and that any new carbon monitoring systems should include scope 1, 2 and 3 emissions. The Council have previously monitored only scope 1 and 2 emissions and very limited scope 3, which consist of direct emissions such as energy consumed or business vehicles. Scope 3 emissions are those that are indirect such as procured goods, staff commuting or working at home.
2. The tool that has been procured is 'SmartCarbon' and is used by some other local authorities in the north east as well as other public sector organisations, for example Newcastle upon Tyne Hospitals NHS Foundation Trust. The new tool will ensure that the Council is prepared for additional monitoring requirements going forward.
3. A large proportion of the data required for the tool is data that is already collated and monitored by the Energy Team in the Council, however there are additional monitoring indicators.
4. Data that is comparable to previous years monitoring demonstrates that the Council is continuing to reduce its carbon emissions, year on year, which has been the case since monitoring began in 2010.

year	19/20	20/21	21/22
Carbon Tonnes	22,265	18,137	17,481

5. The new monitoring system provides a new baseline, which takes account of more sources of [scope 3] carbon such as staff commuting. This new base line is **91,667.40 tonnes.**
6. This increased monitoring is best practice and allows the Council to more effectively meet its commitments to reducing carbon, although figures will also be reported for scope 1 and 2 as comparison with current and previous years reporting.
7. One of the Council's biggest sources of carbon emissions is through procured goods and services. The Climate team are working with the procurement team to start effectively monitoring these emissions, through the tool, in addition to working with our local supply chain to support them in reducing their carbon footprint.
8. Other new areas of monitoring for SmartCarbon include, staff commuting and working from home emissions. These additional sources of carbon that are being monitored will allow the Council to assess whether interventions are effective in reducing carbon emissions, such as the Council Travel Plan.

9. There was an increase in carbon emissions in 21/22 associated with petrol consumption from staff business travel. This increase has been attributed to the changes in working practices following Covid, and the progression of new ways of working will consider carbon impact alongside efficiency.

Progress in the last 12 months towards climate change

10. Following the Climate Emergency Declaration made by Full Council on 23 May 2019, Cabinet agreed that officers should commence an environmental audit of the Council's activities. This audit was carried out in 2020 and resulted in the Council being awarded a Silver accreditation using the Investors in the Environment assessment framework. The second annual review of this audit has been undertaken by Genex which concluded that the Council was still achieving silver level accreditation.
11. The Council continues to explore and implement projects that will contribute towards addressing the Climate Emergency while also complementing Thrive objectives. The activities listed below are among those that have been taken forward in recent months across different Council services, with co-benefits for decarbonisation;

Transport

12. Focussing on active and sustainable travel helps the climate, health and well being and focuses on the most cost effective way of travelling.

The Council completed the following schemes and have more underway:

- Beweshill Lane roundabout
 - A195 Lingey Lane cycleway
 - Bensham Road / Charles Street (phase 1 works)
 - Small scale public rights of way improvements
 - Gateshead Quays VMS study
 - Sunderland Road (substantially complete, snagging remains)
13. During the pandemic temporary measures to support social distancing for pedestrians and cyclists in local centres were introduced. These are now removed but bus and active travel measures on Askew Road have been extended for two years and will then be reviewed.
 14. The Council worked with Go North East to see the introduction of electric buses on the 53/54 route and with partners seen the completion of the Clean Bus Technology Funded bus retrofitting to improve emissions on 100 buses.
 15. The North East Joint Transport Committee of which Gateshead is a part has committed to enter into an Enhanced Partnership with the bus operators to improve services and grow patronage. The region has been successful in attracting a potential £163m for investment in public transport and Gateshead is working with partners to submit a revised package to government.

16. The Council are engaging proactively in encouraging travel plans. The Council are developing resources to support businesses in addressing employee travel patterns in their response to climate change. The Council has made improvements to the Council's Travel Plan which are being rolled out and are adapting it to hybrid working. This has included working closely with some services on identifying specific needs.
17. Our work with children schools includes the development of the Be Cool toolkit to help schools encourage active travel. We are delivering Bikeability training across Gateshead and Child Pedestrian Training in six of the region's authorities. The Living Streets walk to school initiative is live in 17 schools.
18. The Council are working with Love to Ride through their initiative and app to get more people cycling to work and for leisure. Last summer the Council worked with Transport North East on GoSmarter, Go Active - a week of cycling and walking activities in Saltwell Park and itineraries/routes for days out on foot/bike. Our popular cycle maps have been updated and are now available online.
19. A programme of active travel supported by an award of £283k from the government Capability Fund is being implemented. This includes both development of a borough wide Local Cycling and Walking Implementation Plan, investigating approaches for school streets and also active travel measures to support schools and businesses.
20. In June 2021 the Department for Transport (DfT) announced 239m 'Active Travel' Capital funding. The funding was to enable local transport authorities to embed walking and cycling as part of the new long-term commuting habits contributing to health, air quality and congestion benefits. In June 2021 Expressions of interests (EOI) were invited for the development of an Active Travel Social Prescribing Pilot. Gateshead were successful with their EOI progressing to the second stage of the bid and were awarded 25k to complete a feasibility study to apply for the pilot. The pilot seeks to understand the relationship between personalised support plans for cycling and walking and increased cycling/walking infrastructure in a local authority to increase physical activity and modal shift. A steering group was set up in June 2021 which included the Council alongside Egberts House, and Newcastle Gateshead CCG.
21. In September it was announced Gateshead were one of 11 areas nationally to be awarded funding as part of the pilot programme. The focus of the work will be in areas where there is high levels of deprivation and poor health indicators. A priority is on promoting walking and cycling for short journeys, contributing to air quality, carbon, and congestion benefits and supports the Council's draft Local Cycling and Walking Infrastructure Plan (LCWIP). The intention is to focus the pilot on two specific areas of Gateshead (Central and East wards) linking to Gateshead's first Local Cycling and Walking Infrastructure Plan. (LCWIP). This would act as a pilot for the rest of the Borough in establishing locally driven, ongoing, evolving plans to improve conditions for cycling and walking.

22. The pilots, aims to evaluate the impact of cycling and walking on an individual's health, such as reduced GP appointments and reliance on medication due to more physical activity. Transport, active travel and health officials will work together towards a whole systems approach to health improvement and tackling health disparities. Taking up cycling is among the most effective health interventions a person can make according to a recent Glasgow University study . The pilot aims to improve physical and mental well-being of individuals referred to the social prescribing pilot, managing existing physical and mental health conditions, and reducing the prevalence of future conditions. This will be supported by developing the transport environment to support efficient and safe travel. The pilots will be delivered between 2022 and 2025 with on-going monitoring and evaluation to support continued learning.
23. The first stage of the work is for the Gateshead steering group to work with the Department of Transport on monitoring and evaluation aspects of the pilot. The first phase of the work includes further consultation with stakeholders and the community building on some of the feasibility work already carried out.

Energy

24. Major capital funding has been secured for a number of energy efficiency, renewable energy and heat network schemes:
- The Council issued £7.4m commercial loan to Gateshead Energy Company, to complete a £14m funding package for installation of a 6MW minewater heating scheme to Gateshead District Energy Scheme, and to fund future connections for housing developments and Gateshead Quays
 - The Coal Authority are supporting the council-owned Gateshead Energy Company and contractors to deliver a mine water heating scheme that will feed into an existing district heating network. Heat from mine water contained in workings 150m beneath Gateshead town centre will be used. A 6MW water source heat pump will recover heat and distribute via the heat network to up to 1,250 new private homes, a care home, Gateshead International Stadium and other Council-owned buildings in Felling. This project has an estimated saving of 72,000 tonnes of CO₂ over 40 years which equates to annual savings of about 1,800 tonnes CO₂ per annum. This scheme is the biggest of its kind in the UK.
 - A £7.5m grant was secured from Public Sector Decarbonisation Scheme (PSDS) to fund 3MW of urban solar parks, and energy network connections to 4 more Council buildings
 - A further £4.5m of PSDS grants were secured to fund energy efficiency measures in up to 13 schools
25. The Council also set out its ambitions for Zero Carbon Heat by 2030, in a strategy approved at Cabinet in June 2021, with ambitions to
- Install a further £240m of heat networks, to connect up to 15,000 Council homes to zero carbon heat networks

- Support the development of Northern Gas Network's Integrel site, as an energy system demonstrator, and to create conditions for Gateshead to become a first UK pilot for hydrogen distribution in the public gas network
26. A new Asset Strategy 2022-2027 has been approved for the Council's social housing stock. The strategy anticipates that, to meet our current requirements on carbon reduction, the HRA will need to invest £265m into insulation measures and new heating technologies.
 27. We anticipate average investment costs of around £16,000 per property and, in some cases, potentially even as much as £37,000 for hard to heat buildings. While the HRA business plan includes some allowances for costs for energy efficiency measures and improvements, it will require support from public funding. It is estimated that just over £40m will need to be secured in additional funding to meet our targets.
 28. We are reviewing the energy efficiency data we hold on our assets and identifying any gaps that we need to address so we can understand the scale and cost of work we will need to deliver to our assets to achieve the national targets on energy efficiency and carbon reduction in social housing.
 29. The second wave of the Government's Social Housing Decarbonation Fund (SHDF) launches in the latter half of 2022. An application will be submitted for Gateshead, and additional schemes developed to ensure we are well placed to bid for future rounds when announced.
 30. The focus initially will be on 'fabric first' energy improvements, installing and improving insulation in homes so that they are better able to retain the heat that they generate. The technology around green energy heating system is still developing and evolving. While we will undertake some limited pilot schemes, we believe that we should, in the short term, continue to monitor how this market develops before committing to a future approach. Collaborations with Council's Energy Services will continue to increase the number of homes that receive sustainable and affordable heating generated by the Council.
 31. The Council and Citizens Advice Gateshead have run a series of energy roadshows recognising the cost of living crisis is a very real concern for our residents. Roadshows advised our residents on how to help save energy and provided free give aways such as blankets, energy saving light bulbs and booklets on how to save energy.

Economy

32. The £1.34m ERDF funded Business Energy Efficiency Support (BEST) programme has supported 40 Gateshead businesses overall with an energy audit, 10 of which have been awarded grant assistance to carry out works to improve efficiencies which are expected to realise 145 tonnes of carbon savings when the programme concluded in June 2022.

33. Between January and March 2022 we commissioned a pilot programme to support SMEs in Gateshead and in the Council's supply chain to manage their wider environmental impact. This will eventually have a positive impact on the Council's scope 3 carbon emissions.

Partner engagement

34. Partnership working is ongoing through numerous energy, economic and transport projects. Engagement with our health partners has commenced and priority actions that can be developed in partnership are being explored. The Council is working with all the Local Authorities within the region to align goals and share knowledge and best practice including being part of the newly formed Net Zero North East England and the North East Community Forest.

InTEGReL

35. Northern Gas Networks, Newcastle University, Northern PowerGrid, Northumbrian Water, Siemens and Three Mobile are founding partners of InTEGReL; an Integrated Transport Electricity Gas Research Laboratory. A unique research and innovation facility, InTEGReL is a space for industry, academia, SMEs and government to collaborate at a dedicated site in Low Thornley, Winlaton Mill.
36. Partners work together to develop, test and demonstrate new strategies and technology that will reduce energy consumption and lower climate emissions by powering homes, workplaces, public buildings and transport with clean, affordable and reliable electricity, gas, water, and communications.

Hydrogen House and HyDeploy Trials

37. Northern Gas Networks received a £250k grant directly from BEIS to accelerate development of domestic hydrogen use in the home. They have built a replica house which will be fitted with hydrogen fed appliances to demonstrate how this low carbon fuel will replace natural gas for heating, hot water and cooking in homes connected to the existing gas network.
38. Gas customers in Winlaton Mill, Gateshead, have been part of the first on a public UK gas network to use blended hydrogen for heating and cooking. NGN anticipates that it will be possible to roll out a hybrid gas supply to homes and businesses in Gateshead by the end of 2023.
39. While the Council hasn't invested any money in the scheme, we had a significant role facilitating planning permission and development of the hydrogen house based on the InTEGReL site at Low Thornley, Winlaton. We're also piloting the UK's first live hydrogen trials in a local housing community (Winlaton).

Human Resources

40. Climate Emergency and how this is the responsibility of all staff and teams within the Council has been included within the induction pack for new starters at the Council. In addition the A and D procedure is being reviewed and how staff are contributing towards our carbon targets will be included within A and Ds. A programme of staff training is being developed.

Ways of Working

41. The Ways of Working group continue to progress towards a Council policy for new ways of working. Any new way of working proposed will have been assessed for its contribution to carbon reduction targets, building upon any savings already made through the increased level of working from home during 2020/2021.

Cabinet report Sustainability Implications assessments

42. A Sustainability Implications Assessment is now required for Cabinet Reports where a negative implication for sustainability has been identified in the report or when an Integrated Impact Assessment has been carried out and identified negative implications.

Woodland

43. The Council has established a working group – Forestry Commission, Woodland Trust and Durham Wildlife Trust and commissioned RDI Associates to produce an Action Plan “More and Better Woodland”. The Action Plan sets out how the Council can improve the management and sustainability of the Councils Woodland approx. 500ha and identify areas for woodland planting of over 0.25ha on Council owned land to deliver its targets – 100,000 trees by 2030 and 17% woodland coverage in Gateshead. The Council is working with adjoining authorities to create the North East Community Forest.
44. The Council, in partnership with Living woods North East planted over 6 ha of woodland at Whitehills in Spring 2022 which including volunteers from the community and the Council. Wherever possible our woodlands will have ‘edible edges’ to help ensure our communities can access to healthy local and free food source which is especially important given the current cost of living crisis.

More and Better Woods Action Plan

45. Woodland creation and management is a key tool in meeting the Council's ambition of Net Zero and affords opportunities to enhance biodiversity and mitigate the impact of Climate Change. It also provides opportunities to help Gateshead adapt to Climate change, both in the rural and urban areas, increasing protection from extreme weather events such as heat and flooding and providing more resilient, connected habitats in the wider landscape. Woodland creation and management offers employment opportunities. As more woodlands are brought into management and created, a growing and skilled workforce will be required. Access to woodland can improve mental and physical wellbeing and improve quality of life. The visual prominence of woodland can create a balance between the built and natural environment and help to soften industrial landscapes, especially in urban areas. They also provide cultural, social, health and wellbeing benefits.
46. Current woodland cover within the borough is approximately 2,200ha (15% of the total land area). The Council owns approximately 900ha of this. There are approximately 870ha of plantation on ancient woodland sites (PAWS) woodland and 190ha of ancient semi natural woodland (ASNW) in the borough making up nearly 50% of the total woodland area. The carbon stored in woodlands in Gateshead is

approximately 185,000 tonnes of carbon. The annual sequestration carbon sequestration in Gateshead Council woodlands is approximately 2,600 tonnes.

47. The Council has set ambitious targets to plant 100,000 trees by 2030 and support a net increase in woodland cover of 2% or 250ha by 2050. If the target of 250 ha of new woodlands were to be realised and the majority of this was new native woodland, then approximately 75,000 tonnes of Carbon would be sequestered over a 55-year timeframe.
48. The Council has prepared with partners a More and Better Woods Action Plan to help deliver the Council's ambitions. This action plan sets out Gateshead Council's vision for More and Better woods based on the five core themes of
- Our woods
 - Carbon woods
 - Wild woods
 - Working woods
 - Living woods.
49. The Action Plan sets out an informed woodland management approach for our existing woodland and the basis for the Council's woodland creation for the next 10 years. It helps to address the sequestration of local authority carbon emissions, while providing a resilient landscape that will benefit woodland and other species and deliver added environmental and socio-economic benefits.
50. The action plan identifies a 'short list of sites' on Council owned land that could be explored further as to their potential for conversion to woodland. Approximately 150ha have been found for further analysis. The Council and its partners will need to work with the North East Community Forest, private landowners and other stakeholders to identify another minimum 100ha in order to meet the 250ha target.
51. The North East Community Forest initiative is a multi-million pound, 30-year project, across Newcastle, Gateshead, North and South Tyneside, Sunderland and County Durham, will see the equivalent of almost 6,000 rugby pitches of new woodlands, hedgerows, orchards and trees planted by 2050. The aim of the initiative is to capture 155,100 more tonnes of carbon dioxide from the atmosphere every year, equivalent to the emissions from 30,000 homes. The initiative is supported by £480,000 from Defra's Nature for Climate Fund (England Community Forests Trees for Climate Fund) and has secured additional funding with £300,734 from the Forestry Commission (Local Authority Treescape Fund) and LA6 match funding, £70,633 from Trees for Cities, and from the Queen's Green Canopy.
52. Consultation has been carried out with all Councillors on areas of Council owned land (over 0.25 hectares) identified as having potential for woodland creation and inviting suggestions for other areas of Council owned land for woodland creation or amenity tree planting. Consultation has also been carried out with our partners Woodland Trust, Durham Wildlife Trust, Forestry Commission and North

East Community Forest

53. A copy of the Action plan Executive Summary is enclosed in Appendix 5.

APPENDIX 3 Climate Strategy

APPENDIX 4 Draft Ward Action Plan template

APPENDIX 5 More and Better Woodland executive summary

APPENDIX 6 IIE Audit report

APPENDIX 7 Climate Consultation Report

Supporting documents;

Climate Strategy and Sustainability Assessment
Integrated Impact Assessment

Climate Strategy

Gateshead 2022

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Foreword

by the Leader of the Council

Gateshead Council has made significant progress in recent years in reducing the carbon emissions from its own activities. Investment in new technologies has helped us reduce reliance on fossil fuels for providing heat and power to our buildings, and improving the efficiency of street lighting and the vehicles we use has also had a significant impact. Since 2010 we have reduced the carbon emissions associated with the Council's activities by 55%. In February 2021 we published a Climate Emergency Action Plan that will deliver on the council's commitment to make its own activities carbon neutral by 2030.



However, the Council's own activities account for only around 2.5% of Gateshead's total emissions. Clearly, achieving a significant reduction in total emissions from Gateshead requires action from everybody – from our communities, from Gateshead businesses and from our partners.

The activities that help reduce carbon emissions also help to address the very real cost of living crisis and poverty facing our communities, challenges to health and wellbeing, the need to improve air quality in some locations, reducing fuel poverty, ensuring access to good quality and affordable food, and supporting Gateshead's economic recovery from the devastating effects of Covid-19. We can help Gateshead Thrive whilst also protecting our planet, saving money and ensuring our future residents can also thrive without the devastating effects of climate change.

This Strategy aims to deliver on our commitment of making the whole of Gateshead carbon neutral by 2030. It sets out how communities, businesses and other agencies can reduce their carbon footprint, and the steps that the Council can take in enabling this. It is vital that we act collectively to deliver change. It is everyone's responsibility to take the action necessary to reduce the negative impact we have on our planet and every small step makes a difference. From residents to businesses, public services to charities to government. Climate Change is happening. Countries and businesses are responding, and Gateshead needs to be part of that movement if it is to succeed in grasping the many opportunities arising from a green economy and thriving neighbourhoods.

We look forward to working with Gateshead residents and business so we can all play our part in the vital action to deliver a zero carbon future.

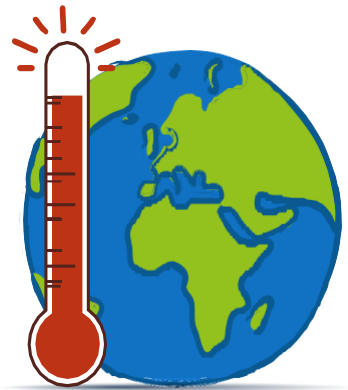
A handwritten signature in black ink, appearing to read 'M. Gannon', written in a cursive style.

The need for change

Earth's climate change has changed throughout history but the current warming trend is of particular significance because the evidence shows it is the result of human activity since the mid-20th century and the speed of change is unprecedented over thousands of years.

The evidence for rapid climate change is compelling:

- The planet's average surface temperature has risen about 1.18 degrees celsius since the late 19th century, a change driven largely by increased carbon dioxide emissions into the atmosphere and other human activity.
- Most of the warming occurred in the past 40 years, with the seven most recent years being the warmest. The years 2016 and 2020 are tied for the warmest year on record.
- The Greenland and Antarctic ice sheets have shrunk. Data from NASA shows Greenland lost an average of 279 billion tons of ice per year between 1993 and 2019, while Antarctica lost about 148 billion tons of ice per year.
- Global sea level rose about 20 centimetres in the last century. The rate in the last two decades is nearly double that of the last century and accelerating year by year.



The Paris Agreement is a legally binding international treaty on climate change. It was adopted by 196 countries at COP 21 in Paris, on 12 December 2015 and entered into force on 4 November 2016. COP26 was held in 2021 with a goal to limit global warming to well below 2, preferably to 1.5 degrees celsius, compared to pre-industrial levels during COP26 The Glasgow Climate Pact and the Paris Rulebook were agreed which included tighter deadlines for updating strategies to reduce emissions.

To achieve this long-term temperature goal, countries need to start reducing greenhouse gas emissions as soon as possible to achieve a climate neutral world by mid-century.

Climate change is happening and it is everyone's responsibility to take action.

Cost of living crisis

Rising costs are affecting us all and making things difficult for many people in Gateshead. There are many ways that tackling climate change can also help with the cost of living, such as making sure our homes are draft free, walking instead of taking the car or making sure no food goes to waste. It is important that we ensure that we maximise opportunities to help people thrive whilst also tackling climate change and to acknowledge that some changes will be unaffordable to many at this current time.

The impact on Gateshead

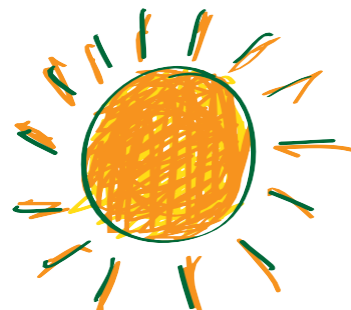
UK winters are projected to become warmer and wetter on average, although cold and/or dry winters will still occur sometimes. Summers are projected to become hotter and are more likely to be drier, although wetter summers are also possible. By 2050, heatwaves like that seen in 2019 are expected to happen every other year.

By 2070 we project:

- Winter will be between 1 and 4.5°C warmer and up to 30% wetter
- Summer will be between 1 and 6°C warmer and up to 60% drier



Heavy rainfall is also more likely. Since 1998, the UK has seen seven of the ten wettest years on record. Winter storms like we saw in 2015 are at least 40% more likely because of climate change.



Climate Change is already impacting on Gateshead with more regular flooding incidents and poor air quality.

If the predicted temperature rise occurs, the frequency, pattern and severity of flooding are all expected to increase and become more damaging. The risk of flooding in the borough will increase given rising sea levels, an increase in extreme rainfall and storm surge events and higher ground water levels.

In November 2018 Defra released a new set of UK Climate Projections (UKCP18): for the North East, sea levels are expected to increase by up to 50cm under the low emissions scenario and up to 90cm under the high emissions scenario by 2100.

Whilst it is not possible to predict or prevent all flooding, the Council's [Strategic Flood Risk Assessment](#) provides a range of flood risk data (river, tidal, surface water, groundwater, mine water, sewer, historic events) which can help to identify parts of the borough which may be vulnerable to flooding in the future and where steps can be taken to reduce the risk and the impact of flooding. The risk of flooding from the River Tyne, River Derwent and River Team is greatest in parts of Dunston, Teams, Team Valley Trading Estate, Lamesley, Blackhall Mill, Lintzford, Derwenthaugh, Blaydon and Swalwell. Surface water flooding also affects hilly areas of the borough such as Kibblesworth, Chopwell, Rowlands Gill, Leam Lane, Sunniside, Clara Vale, the upper Team Valley, High Fell, Felling and Heworth.



ThunderThursday

On Thursday 28th June 2012, 50mm of rain fell across the North East in just two hours, the amount we would normally see for the whole month of June. In addition, 40mm fell in ninety minutes on Sunday 5th August 2012.

As a result of these two storms alone, the following happened:

- Our flood risk management team investigated over 300 reports of flooding, drainage and surface water problems.
 - Detailed investigations were completed in 10 areas where 10 or more properties were flooded.
- More than 250 properties had to be vacated through flooding and storm damage.
- Over 80 locations on Gateshead's roads were closed due to surface water flooding.
 - 75 locations were added to the council's flood register
 - Over 50 flood risk management or drainage improvement schemes were completed following the incidents
 - While each flooding location was different, the level of rainfall was clearly the cause of the flooding.

The summer floods in 2012 demonstrated the risks from over land surface water to both rural and urban communities where existing drainage systems could not cope. Flooding can have a devastating impact: damage to property and critical infrastructure; costs to the economy;; disruption to businesses, the transport network and community life; the health and wellbeing Of Residents.

STORMS

Storm Arwen brought wind gusts of up to 98mph, and was described as one of “the most powerful and damaging winter storms of the latest decade”. This wind gust was the highest recorded in north-east England since 1984. The aftermath was devastating: three people died; thousands of trees were blown over; and more than a million homes lost power as lines were brought down. Scientists say climate emergency will make extreme weather events more likely. It is known that much of Earth's trapped heat goes into the sea – and rising sea temperatures produce more energy for hurricanes and typhoons. Only a few months after Storm Arwen, storm Eunice and Franklin hit in the same week which resulted in 177,000 claims made for damaged homes, businesses and vehicles,

Co-benefits

A co-benefit is an additional or extra benefit we receive when addressing an issue such as climate change. Considering co-benefits allows multiple priorities, such as inequality to be addressed at the same time. An example might be an initiative to increase cycling, with a primary objective of reducing carbon emissions however, cycling will improve health (physical and mental) for residents via increased physical activity and improved air quality in addition to saving money on fuel or bus tickets.

Tackling climate change can help make us healthier, happier and save us money so enable everyone in Gateshead Thrive.

THREATS

- Poor air quality contribute to around **40,000 air pollution-related deaths** per year in the UK.
- Physical inactivity is responsible for **1 in 6 deaths** in the UK and costs the UK £7.4bn annually, including £0.9bn to the NHS alone. Active travel can help promote better health by increasing levels of physical activity
- Poor quality housing costs the NHS **£1.4bn a year**, £857m of which is caused by excess cold.

INEQUALITY

The impacts of climate change are often greatest for groups of people including the elderly and those living on low incomes, increasing inequality. So we need climate action to address inequality, as much as for the good of our environment.

Examples;

- Low-income households are **eight times more likely to live in tidal floodplains** than more affluent households.
- 13.4% of households in England (3.8 million people) live in fuel poverty. Single parent households are most likely (28%) to be fuel poor. However, following the energy crisis and a rise in the energy price cap, charity National Energy Action predicts that the number of households living in fuel poverty could rise to 6.5 million.
- In England, if you are Black, Asian or Minority Ethnic you are **more than twice as likely** (40%) to live in areas most deprived of green space than white people (14%).

Opportunities examples:

Green Economy:

- Low carbon and renewable energy activities generated £43 billion turnover in 2019, directly employing 209,500 people (full-time equivalents).

Health

- If the average dietary intake in the UK complied with the recommendations of the World Health Organisation, a **reduction in greenhouse gas emissions of 17%** could be achieved.
- Planting woodland can include edible edges to help feed local communities with healthy low carbon food.
- Cycling in Tyneside prevents 294 serious long term health conditions each year and saves 7,500 tonnes of greenhouse gas emissions

Inequality

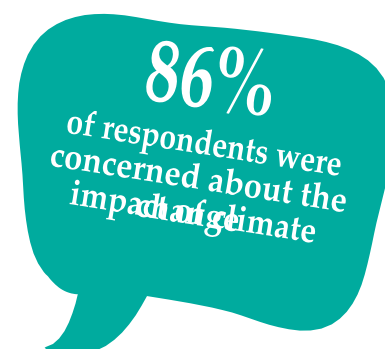
- Diverting electrical equipment from landfill for repairing and testing can allow this to be distributed to those most in need in the community.

Consultation and partnership

In February 2020 the Council hosted a stakeholder workshop at BALTIC, with the aim of beginning a dialogue with our communities, and creating networks between individuals, groups and organisations.

A residents' survey was also carried out between January and May 2020, to gain a better understanding of our communities' attitudes towards the climate emergency, and what action they would be willing to take.

The survey received a strong response, with 942 respondents. 86% were concerned about the impact of climate change, while a large majority (81%) supported the Council taking action on climate change.



When asked who should do more to tackle climate change, the majority (90%) of respondents identified large businesses, followed by national government (87%), and Gateshead Council (82%).

On actions to reduce their own carbon footprint, people indicated they would be willing to reduce the amount of energy they used, would plant or retain trees or shrubs, or would switch to 'green' energy tariffs. However, respondents were more resistant to the suggestion of avoiding air travel, with 35% unwilling to do this.

Draft Climate Strategy consultation 2022 – what people said

Nearly 70% of respondents said they agreed with the climate strategy vision. Nearly 70% said they would be willing to make a personal climate pledge – you can do this here [XX](#)

Over 200 pins were dropped on the interactive map to suggest actions that are needed to take place for climate change or showing us where best practice existed already in Gateshead. These suggestions will feed into the Ward Level Action Plans which will be subject to ongoing community and stakeholder engagement.

Health and Wellbeing Board

The Health and Wellbeing Board, which included many of our key partners that will help deliver the Climate Strategy, endorsed the Climate Strategy in April 2022. Other partners are able to sign up to endorse the strategy and pledge to help deliver it here [XX](#)

Commitments

In response to the climate emergency declared in 2019, we are committed to:

- Making the council's activities carbon neutral by 2030.
- Achieving 100% clean energy across the council's full range of functions by 2030.
- Ensuring that all strategic decisions, budgets and approaches to planning decisions are in line with a shift to zero carbon by 2030.
- Ensuring that political and chief officers embed this work in all areas and take responsibility for reducing, as rapidly as possible, the carbon emissions resulting from the council's activities, ensuring that any recommendations are fully costed.
- Supporting and working with all other relevant agencies towards making the entire area carbon neutral within the same timescale.
- Working with, influencing and inspiring partners across the borough to help deliver this goal through all relevant strategies, plans and shared resources by developing a series of meetings, events and partner workshops.
- The council and its partners taking steps to proactively include young people in the process, ensuring that they have a voice in shaping the future.
- Calling on the UK Government to provide the powers, resources and help with funding to make this possible, and asking local MPs to do likewise.

Your commitments

Delivering the Climate Change Strategy is not just the responsibility of the Council. You can make your personal or organisational pledges here [xx](#)

Business example – pledge to begin monitoring carbon emissions

Organisation example – pledge to embed climate and environmental action into all activities

Individuals – pledge to reduce waste going into the green waste bin by buying less, reusing more, recycling more, composting and wasting less or swapping one regular journey currently completed by car to walk, cycle or use public transport instead

We recognise that not every action will be popular with everyone, but to ensure that we still have a planet that is liveable, some sacrifices will need to be made. Fortunately many changes have additional benefits to saving the planet, like saving money or improving your health which helps encourage change.

What we have achieved so far

Gateshead Council has made significant progress in recent years in reducing the carbon emissions associated with our own activities. Investment in new technologies has helped us reduce reliance on fossil fuels for providing heat and power to our buildings. Improving the efficiency of street lighting and the vehicles we use has also had a significant impact.

Since 2010 we have reduced the carbon emissions associated with the council's activities by 55%. In February 2021 we published a Climate Emergency Action Plan that will deliver on the council's commitment to make its own activities carbon neutral by 2030.

However, the council's own activities account for only around 2.5% of Gateshead's total emissions. Clearly, achieving a significant reduction in total emissions from Gateshead requires action within our communities, from Gateshead businesses and from our partners. This strategy aims to deliver on our commitment of making the whole of Gateshead carbon neutral by 2030. It sets out how communities, businesses and other agencies can reduce their carbon footprint, and the steps that the council can take in facilitating this.

Our Current Position

Gateshead as a borough produces around 5.3 tonnes of CO₂ (tCO₂) per person per year, compared to the national average of 5.4 tCO₂ per head. (source – BEIS Local Authority Greenhouse Gas Emission datasets, to 2019). This has reduced by 36% since records began in 2005.

Emissions are generated roughly as 30% from business + public sector, 30% from people's homes and 40% from transport.

[2019 Local Authority Carbon Dioxide Emissions \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

[UK local authority carbon dioxide emissions estimates 2019 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

What we have done well and what we need to improve

Gateshead Council has made impressive reductions in carbon emissions and has begun to embed climate change into all areas of Council activity. In addition the Council has led and participated in a variety of projects that will benefit the planet as well as the people of Gateshead.

The Council, with partners, has been exemplary in the delivery of low carbon heat and power schemes, including the extensive solar panel installation, District Energy Scheme and innovations around mine water energy.

Another example of success is The Gateshead Community Food Network involving 45-50 local community organisations, charities, businesses and third sector partners to explore and deliver ways to both reduce food waste and make surplus food available to those households and families who need it.

Gateshead's bike donation scheme, implemented during lockdown, has been highly successful this year, redistributing more than 60 unwanted bikes to new homes with our most vulnerable residents.

Other success includes the planting of thousands of trees as part of the North East Community Forest, including those planted at Whitehills in Spring 2022 by volunteers.

The innovative Northumbria Groundwater Flooding Project will improve understanding of groundwater risk through mapping and monitoring, and investigate management solutions (flood warning, engineered solutions and community engagement) to help Gateshead become more resilient.

Find out more about the positive work that the Council and its partners are doing [click here](#)

The Council recognises that to meet its ambitious targets we cannot be complacent and need to continue to innovate, educate and work with communities and partners to deliver carbon reduction throughout Gateshead. Key areas the Council seek to improve include; community engagement on climate issues, monitoring and reporting on climate actions and coordination of Council and stakeholder contributions to climate change.

To address this we will be liaising with the community more, we are developing ward action plans, we have set up a new carbon monitoring tool for our operations and we are liaising with partners, business and stakeholders through our existing partnerships and new set ups. We will continue to report our progress on an annual basis.

Our vision:

By 2030 we will have achieved our commitment to making Gateshead carbon neutral. Organisations will be working together in a combined effort to reduce carbon emissions. Opportunities in the 'green economy' will be realised, with businesses benefitting from sustainable growth.

Our communities will have been supported through this change and will have healthier and more active lifestyles, improved access to nature, cleaner air, warmer homes with lower energy bills and better access to local services, all of which have reduced inequalities across the borough to enable everyone to thrive.

Our vision will be implemented through the Climate Strategy and the measures contained in this strategy will also help deliver outcomes from the Health and Wellbeing Strategy, Thrive, the Economic Strategy, the Local Plan, the Tyne and Wear Transport Plan and other strategies.

What does success look like?

To be carbon neutral – scopes 1 and 2 by 2030

To have a scope 3 carbon neutral target set by 2025

For the climate and environment to be factored into all Council decisions by 2025

For residents to be healthy, happy and thriving, whilst caring for the environment

Adaptation to Climate Change

In addition to reducing our impact on climate change, we need to adapt to the changes that we are already facing and are going to face in the future, from flooding events to wildfires.

Adaptation needs to take place to ensure that our communities are kept safe and our economy is resilient but also that our environment is protected, including animals and plants.

Identifying adaptation needs in our localities is an important first step to planning for adaptation in Gateshead.

To make Climate Change action more digestible, we have split it into themes, and each theme has its own vision:

Transport

- | Walking and cycling will become the natural choices for shorter journeys. We will make improvements to infrastructure to help people make these choices which will also improve health and save money.
- | Public transport will become a more attractive choice by making improvements to the network and working in partnership with stakeholders including the public transport operators to improve ticketing options and information.
- | We'll support the migration to zero emission vehicles through the provision of electric charging infrastructure for vehicles in appropriate locations and will work with public transport operators to support them in making all buses zero emission.
- | We'll work together to address how services and goods can be delivered with zero carbon impact. We'll make

services and facilities more accessible within communities, minimising the need to travel, and the amount of distance travelled (20 minute neighbourhoods).

| Awareness amongst the community of greener, healthier transport will grow and its use will grow.

- | The North East Transport Plan puts climate change at its heart. The Council and partners will implement this objective in its programme of sustainable transport schemes and work with businesses including public transport operators to make sustainable travel more affordable and accessible.

Reduce the number of children travelling to school by car



Energy

| Continue to prioritise reduction in energy use

- for homes, including Council stock investment
- for businesses, with services to support resource efficiency
- for council buildings, through invest-to-save energy saving measures

| To deliver our Zero Carbon Heat Strategy, which will –

- continue to invest in heat networks for council homes and buildings, and their surrounding communities
- support installation of heat pumps where viable

- With partners, support the growth of clean, green hydrogen, like InTEGRel and HyDeploy2, as an alternative heating fuel

| Embrace national policies and infrastructure that aim to decarbonise power supplies by 80% at 2030, and totally by 2040

| For Gateshead to lead by example in the North East's low carbon heat cluster, for clean heat provision and research

Provision of renewable energy projects through the private sector



Economy and consumption and waste

For sustainable businesses to flourish in Gateshead

For consumerism to be mindful of carbon implications with a shift towards a greener economy

| To reduce waste

| For the re-use and re-purpose of materials and consumables to become common place (buy less, re-use, swap, buy second hand, buy local, buy ethical, sharing and borrowing culture)

To manage all waste appropriately within the waste hierarchy (reduce, re-use, recycle) including recycling and energy from waste

| To work towards a doughnut economy – looking after the needs of both society and the planet

To explore options for new technology to help reduce emissions, for example hydrogen fuel or carbon capture and storage, and for the green economy to thrive



Woodland and Nature

Woodland and habitat creation to be maximised and protected

| To leave the environment in a better state than we found it

| For our communities to be able to access and enjoy the countryside and urban

nature using sustainable methods of transport, supporting health and wellbeing

| Plant 100,000 trees by 2030 and work with partners to increase woodland cover from 15% to 17% by 2050



Food

Low carbon, sustainable food to be available to all

- Reduction in food waste from all sources

- Reduction in food miles for residents and business

- Encouragement of a reduced meat diet

To have a thriving, sustainable food network that addresses food poverty, food scarcity and climate change

Increased education in food community food growing



Adaptation to Climate Change and Building flood resilience

To adapt to climate change and build flood resilience

(being prepared, ready to respond, able to cope and recover from a flood event)



- | Support the Lead Local Flood Authority (LLFA) to deliver programme of local flood mitigation schemes and working with key stakeholders such as the Environment Agency and Northumbrian Water, to manage flooding in communities that have been affected by flooding incidents or are at high risk of flooding.

- | Support the Environment Agency with the delivery of Team Valley Flood Alleviation Scheme to reduce flood risk on Team Valley Trading Estate including daylighting culvert, upstream storage, natural flood management, embankment, Surface Water Management, SuDS and a flood warning system.

Ensure today's growth and infrastructure is resilient to tomorrow's climate.

Put in place sustainable drainage systems (SuDS) and flood mitigation measures within major new developments.

Make properties in high risk areas more flood resilient by encouraging communities and businesses to incorporate property protection measures e.g. flood gates, and to prepare flood response plans to better enable premises to be insured.

Consider England's long term water needs to ensure resilient water supplies and improve the water environment taking account of the North Water Resources Management Plan once complete.

I Work with a range of partners through the Tyne, Team, Tyne Estuary and Don river catchment partnerships and the Northumbrian Integrated Drainage Partnership.

- | Sustainable drainage systems (SuDS) incorporated within property, highways and green infrastructure e.g. water butts, rain water gardens, permeable paving, basins, swales and ponds.

- | Create climate resilient places through integrated catchment management: Use nature-based solutions to reduce and slow the flows and achieve multiple environmental benefits such as restoring biodiversity.-

Ensure landowners maintain their flood management assets (e.g. watercourses, culverts, flood defences, drains, SuDS), including Council assets.

- | Prepare for flooding events - appropriate warnings, alerts, evacuation plans and information from multi-agency partners.

- | Build community engagement and prepare local flood response plans

Ensure our communities are safe from the impacts of climate change including energy price rises

Help our businesses be resilient to climate change

For our biodiversity to be resilient to climate change

Strategy for Gateshead

This strategy starts to provide a framework for grass roots action to tackle climate change at the local level, with local actions, collaboration and behaviour change. This strategy is intended to be a 'starter for ten' allowing for a collaborative approach to set goals and actions that the whole community in Gateshead can buy into and implement through Ward Level Action Plans, Gateshead wide actions and other plans, actions and strategies.

Our strategy will be implemented through; sharing best practice, education, collaboration, hard work, commitment, funding, embedding climate into everything we do, behavioural change, taking account of carbon cost in addition to monetary cost, pledges and learning through mistakes.

Gateshead Council pledges to;

Pledge	Delivery mechanism	When
1 – Lead by example by meeting our climate commitments and recognising that this is only 2.5% of Gateshead emissions, so ensuring the Council supports, regulates, lobbies, procures, engages, and educates to further its role and responsibility	Implementing the Council Climate Action Plan and be accountable through annual independent audits	Carbon neutral (scope 1 and 2) by 2030 Annual reporting
2 – Support and enable local businesses and residents to drive Gateshead to be carbon neutral by 2030	Ward Level Action Plans which will be delivered by the Council and partners. Economic Strategy. Procurement Strategy. Transport Strategy. Waste Strategy. Zero Carbon Heat Strategy Neighbourhood Management. Training.	Action Plans to be complete 2023. Ongoing.
3 - Support local businesses and residents to become resilient to climate change	Business support Emergency Planning. Lead Local Flood Authority. In partnership with the Environment Agency and emergency response teams. Local Plan. Adoption of a Climate Adaptation Strategy	Ongoing. 2025
4 – Lobby and influence national and international policy on climate action and environmental protection	Responding to consultations. Declarations. Liaising with our MPs. Working in partnership with government departments. Correspondence with leaders.	Ongoing

5- Ensure that co-benefits are fully exploited, including health, air quality and addressing inequality to enable Gateshead residents to thrive and the environment to flourish	Joint working within and outside the Council. Embedding climate change into other plans and strategies. Social prescribing Energy efficiency Reuse and recycling Mobility hubs	Ongoing
6 - Embed Climate Change into Council and partner strategies taking account of any projected growth where required	Sustainability and climate implications assessments for Cabinet reports. Local Plan. Waste Strategy Transport Strategy	2021 Ongoing
7- Manage land to ensure carbon sequestration opportunities are taken up where possible	Local Plan. Corporate Asset Strategy. Working in partnership with land owners. More and Better Woodlands Action Plan	Ongoing

Governance

The Strategy will be delivered with support from all services in the Council. This will be in partnership with Gateshead businesses and organisations and the whole community, championed by all Ward Councillors.

Climate Change is everyone's business and we have embedded it into everything we do. No one person is responsible and Cabinet representing everything the Council does has taken shared responsibility to reach our goals.

Carbon Budget for Gateshead

This data is provided by Tyndall Centre for Climate Change Research. The table below presents the Gateshead energy CO₂ only budget in the format of the 5-year carbon budget periods in the UK Climate Change Act. To align the 2020 to 2100 carbon budget with the budget periods in the Climate Change Act we have included estimated CO₂ emissions for Gateshead for 2018 and 2019, based on BEIS provisional national emissions data for 2018 and assuming the same year on year reduction rate applied to 2019.

Periodic Carbon Budgets for 2018 for Gateshead.

Period	Budget (Mt Co2)
2018 - 2022	4.4
2023 - 2027	2.2
2028 - 2032	1.1
2033 - 2037	0.5

Percentage reduction of annual emissions for the recommended CO₂-only pathway out to 2050 in relation to 2015

Year	Reduction in annual emissions
2020	23%
2025	62%
2030	81.3%
2035	90.8%
2040	95.4%
2045	97.8%
2050	98.9%

IMPLEMENTATION

Ward Action Plans

Ward Level Action Plans are being drafted and will be consulted on and implemented on an ongoing basis. We want to work with our communities on detailed plans in their area to ensure we have a blueprint for change.

We want to have local action, delivered by local communities in partnership with the Council and other organisations that people can relate to.

We want to tailor actions to each locality, recognising that Gateshead is a diverse borough with differing opportunities and barriers.

Monitoring of Ward Level Action Plans will be ongoing using targets set within the plans.

Examples of actions within the Ward Level Action Plans could include; providing a community fridge, planting a community orchard, improving signage for a cycle route, setting up a repair and re-use workspace or creating a local wetland.

Action plan for Gateshead Council

In addition to Ward Level Action Plans, there will be actions that are overarching which are relevant to more than one ward, and these will also be documented and monitored. It is intended to keep the detailed actions separate to the over-arching Climate Strategy to enable this to be updated and reviewed on a regular basis.

The action plan can include large scale infrastructure projects such as energy generation or heat capturing through to improvements to Keelman's way or a borough wide behaviour change campaign.

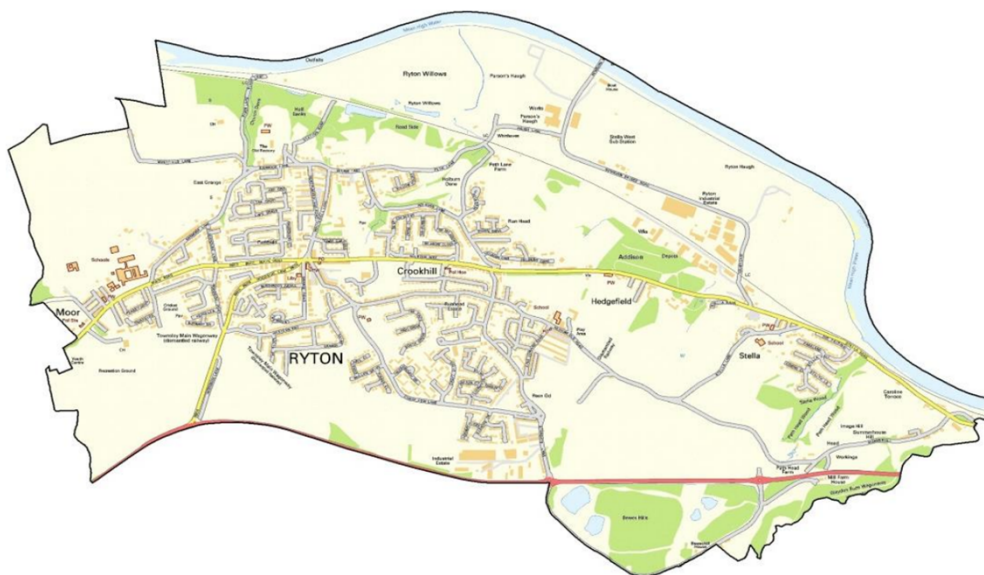
Monitoring of the Action Plan will be ongoing using targets set within the plan.



Draft Word version

Ryton, Crookhill and Stella Climate Action Plan

Ryton, Crookhill and Stella ward is located in the West of Gateshead. The area is largely rural with farms and woodland areas. This area includes Ryton, along with the smaller settlements of Stella, Stargate and Ryton Woodside. 5 schools within ward.



Homes

Housing is of mixed age and tenure with the majority being privately owned.

Owner occupied: 64.9%

Gateshead household company rented: 15.8%

Private landlord rented: 17.7%

Registered social landlord rented: 1.6%

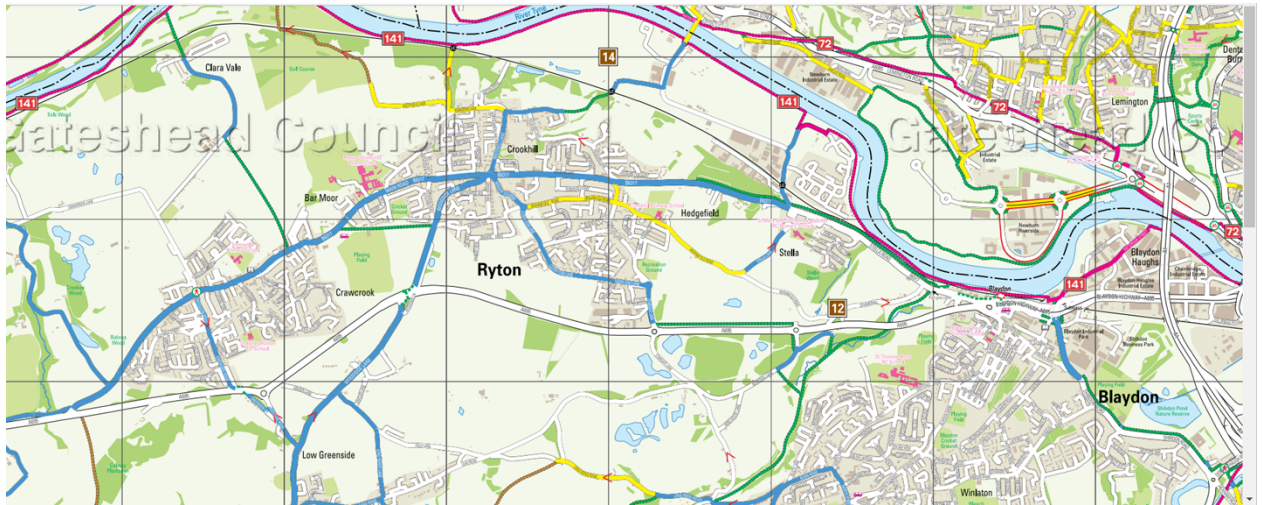
Transport

74% of households own a car, 11% above the Gateshead average. 16% of its people utilise public transport for travel to work, 5% above the Gateshead average.

Public Transport

- Bus 10, 10A and 10B routes travel through Ryton and Crawcrook

Cycle and walking routes



[Cycle-Map-Gateshead-North.pdf](#)

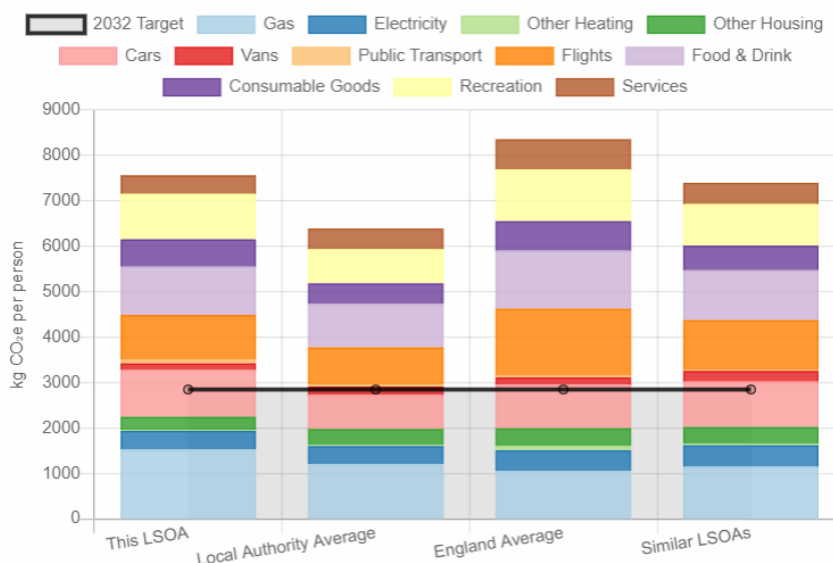
EV/Car club infrastructure

- Lack of public EV chargers within ward

Co2 emissions

CO2 emissions per person closely follow the average for wards of its size, with the place-based carbon calculator measuring the main sources of the ward's emissions to vary greatly across each LSOA. Many LSOA have higher average co2 emissions than the borough average.

The clear area for improvement is in emissions resultant from gas usage. Gas usage represents the second largest source of emissions per person behind consumption of goods and services in the ward and is rated at F by the carbon calculator for most of the ward, placing it in the bottom 15% in the country for similarly sized wards. Cars are also a large and common source of emissions within the ward. With an average rating of D it is only slightly behind the average for the country, but represents the third greatest source of emissions.



Place-based carbon calculator

Baseline

Transport

- Limited public transport to Newcastle and further
- Public transport usage lower than Gateshead average for daily

- Energy

- Emissions per person resultant from gas usage is rated at F for much of the ward, meaning it far exceeds the average for wards of its size.
- Emissions resultant from electricity usage follow the country's average.

Economy and Consumption

- Ryton has a Local Centre
- Recycling centre in Crawcrook

Woodland and Nature

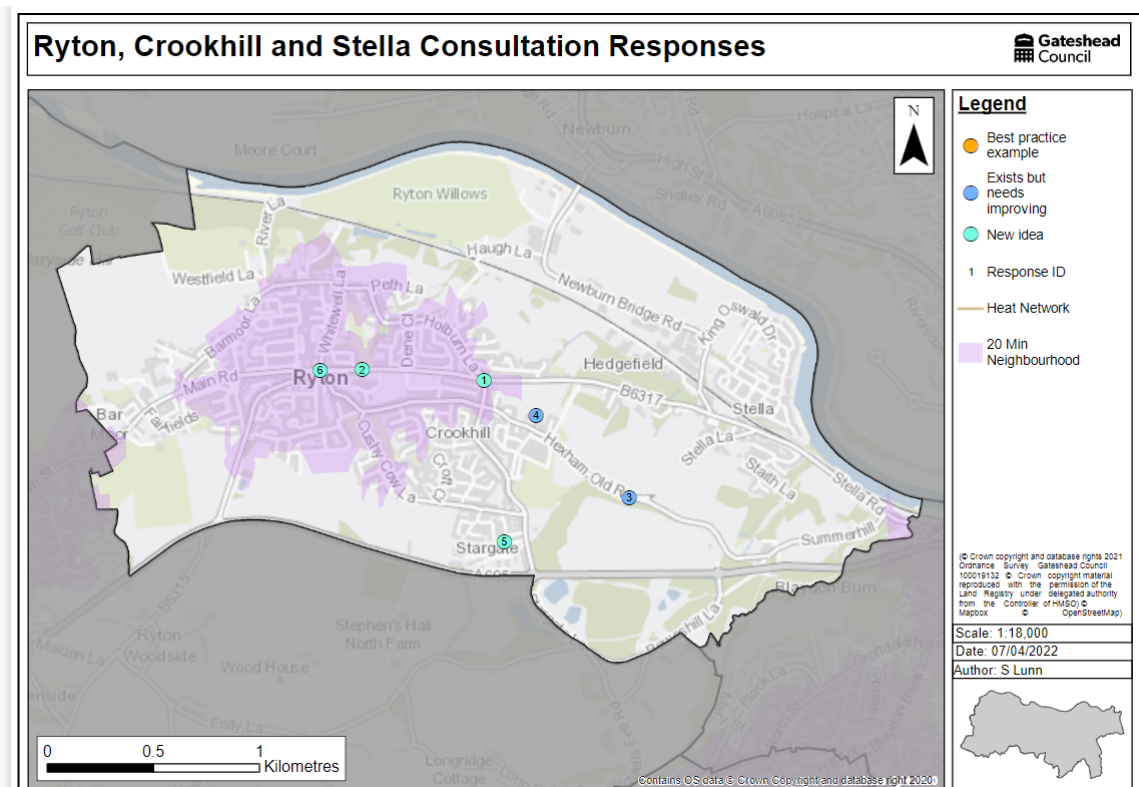
- Clara Vale nature reserve.
- Large amounts of open space

Adaptation

- Stella – Flood risk

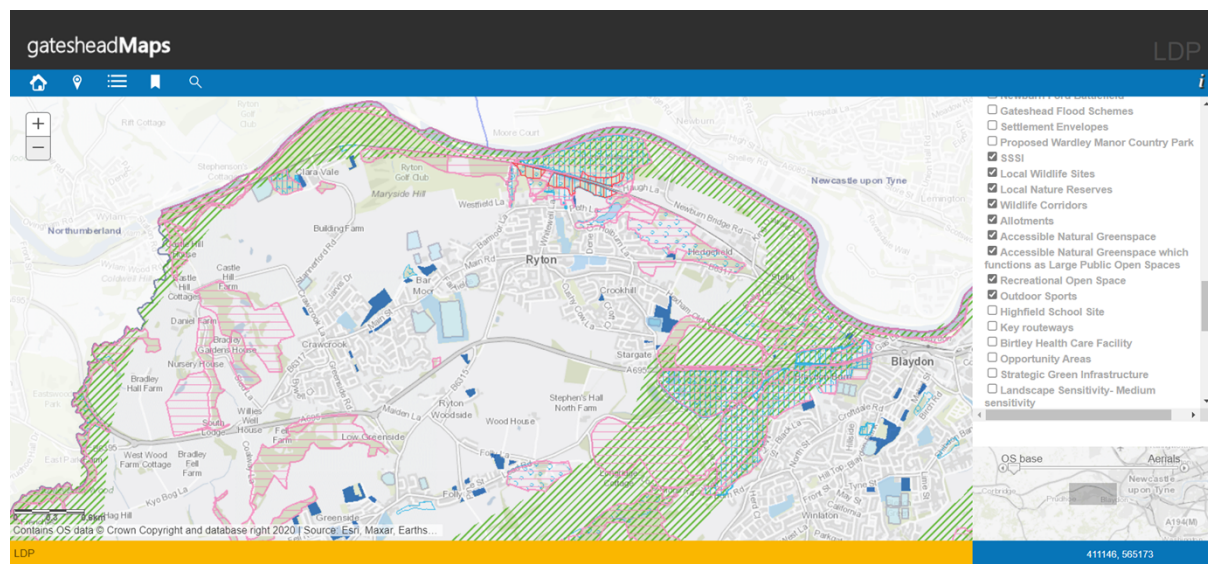
20 minute neighbourhood

Assessments of Local Centres in Gateshead are being carried out to identify locations that could become 20 Minute Neighbourhoods. 20 Minute Neighbourhoods are ones where there is a range of services available within an easy walking and cycling distance from where people live. Ryton Local Centre will be assessed as part of this, an initial map has been produced which shows the 10 minute walking distance into the centre, which is coloured purple on the map below. Once more detailed assessments have been made, this will inform the Ward Action Plans and other delivery mechanisms.



Green Infrastructure

There are varying types of Green Infrastructure in Ryton including allotments, Local Nature Reserves and Recreational Open Space. Green Infrastructure provides opportunities for climate action and will be considered as part of the Ward Action Plan.



Priority Climate Actions for Ryton Crookhill and Stella

Priorities are arising from the data on carbon emissions and from consultation.

- Keelmans way – maintenance and promotion
- Engaging with businesses in industrial estates to provide decarbonisation support and explore collaboration opportunities
- Local energy generation
- Flood adaptation – Stella and Ryton Willows
- Tree planting/orchard creation
- Public transport improvements
- Home energy improvements

Existing Good practice

- Local centre exist within close proximity to a large proportion of residential areas - Increased use of local facilities/shops can be encouraged
- Green infrastructure including tree planting, Ryton Willows, Ryton Park, allotments (summerhill and stargate)

Barriers/Issues

- Relatively high amount of private home ownership – Widespread introduction of household energy efficiency measures will be more difficult.
- Not well connected by public transport
- High Car ownership.
- Flood risk

Opportunities

- Cycle/footpath infrastructure improvements
- Woodland/community garden/orchard creation opportunities

Organisations

These are organisations that have expressed an interest in environmental issue sin the local area. Opportunities to get involved with local organisations can be found on the Our Gateshead website.

[Discover more... | OurGateshead](#)

- Friends of the Park
- Brighten Ryton
- Community Centre Community Hub – Ryton Cross
- Coop

Collaboration between the Council, local organisations, businesses and residents will be required to tackle climate change. It is hoped that these collaborations will emerge from this Ward Action Plan.

Actions

The following table provides a list of potential climate actions in Ryton. Not all these action will be carried out in the short or medium term. Additional Actions will be added as part of the engagement process as well as identifying the responsible body to deliver the actions and funding.

Action	Responsible body	Timeframe	Funding	Cobenefits	priority
Haugh Lane pedestrian route and rail line crossing	GC			Health, Air quality	
Tree/orchard planting – Barmoor Hub/Rugby Club, park, school, farm land	Community	Short		Health	
Keelamns way connection to Clara Vale from Stella	GC, Sustrans	Short		Health, Air Quality	
Traffic Calming Ryton Centre co-op to Ferndale park or crossing	GC			Public Safety, Health	
Flood schemes	Environment Agency. LLFA.			Health	
Nature based solutions				Biodiversity	
School travel modal shift	GC, Schools, community	Short		Public Safety, Health, Air Quality	
Active travel promotion	GC, businesses	Short		Health, Air Quality	
Home improvement schemes	GC, Landlords, Homeowner RSPs			Health, Cost of Living	
Motor vehicle restrictions from Path head to Crookhill Hexham Old road	GC			Public Safety	
Reduce speed limit on A695	GC			Public Safety	
Main Road Ryton – new cycleway	GC, Sustrans			Public Safety, Health, Air Quality	

Once the Action List has been finalised, it will be reviewed and monitored regularly. Additional actions can be added or removed from the list as appropriate.

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More and Better Woods Action Plan

2022

Executive Summary

Foreword

From its river valleys to its parks and streets, Gateshead boasts an extensive and rich diversity of treescapes. The essential role trees and woodland play in regulating the climate and helping to sustain the natural world is surely more apparent now than at any time in our history. And yet despite this, our trees and woodland face mounting pressures that threaten the fundamental role they play in our society.

This action plan comes at a critical time and serves as a commitment by Gateshead Council to take a leading role in the protection, restoration, enhancement and positive management of the borough's existing treescapes, and to place tree planting and woodland creation at the very centre of our activities to tackle the effects of climate change, restore biodiversity, support economic growth and provide an attractive and healthy environment in which everyone can thrive.

***Councillor John McElroy
Lead Cabinet Member for Environment and Transport***

Vision

This action plan sets out the Council's vision for More and Better Woods in Gateshead based on the six core themes of:

- Our Woods
- Carbon Woods
- Wild Woods
- Working Woods
- Living Woods
- More Woods

By 2050 the Council aims to have supported the creation of 250ha of new woodland. By 2025 the Council aims to have brought its existing woodland estate into positive, long-term sustainable management. This will provide the following key outcomes:

- increased carbon sequestration and delivery of climate change mitigation and adaptation measures
- valuable, diverse and resilient ecosystems
- positive contribution to green economy
- new and improved areas for recreation and leisure

This Action Plan forms the basis of the Council's woodland creation strategy for the next 10 years and identifies methods to better manage and utilise the Council's existing woodland resource. This will help in addressing the sequestration of local authority carbon emissions, while providing a resilient landscape that will benefit biodiversity and deliver additional environmental and socio-economic benefits.

Our Woods

This Action Plan identifies the need for and benefits of informed woodland management, and frames priorities for the type and location of new woodland planting that will bring best benefit.

Current woodland cover within the borough is approximately 2,200ha. The Council owns approximately 900ha of this.

A new 'whole estate' Woodland Management Plan will be produced setting out clear aims and objectives for the Council's woodlands, taking into account the following strategic themes:

- Climate change
- Biodiversity
- People

Landscape, the Historic Environment, Soils and Water are cross cutting themes.

Carbon Woods

Woodland creation is a key tool in meeting the Council's ambition of Net Zero.

New woodlands can be planted or created through natural colonisation with the objective of carbon sequestration.

The use of fossil fuels, agricultural intensification and accelerated deforestation has driven climate change.

Rising temperatures, rising sea levels, changes in precipitation and water availability are affecting our environment.

These changes are increasing abiotic and biotic stresses on our ecosystems and habitats, including trees and woodlands.

Creating new woodland to help lock up carbon is a key priority of this Action Plan. This follows the guiding principles of the Council's Climate Emergency Action Plan 2021.

New woodlands should be created to maximise the opportunity to sequester carbon, without compromising the objectives of increasing biodiversity and recreational amenity. Registration on the Woodland Carbon Code allows the sequestration values of new woodlands to be independently verified and valued.

Wild Woods

Gateshead's woodlands are rich in wildlife and support complex communities of plants, fungi, insects and other microorganisms

Ancient woodland is woodland that has persisted for over 400 years. It is the richest and most complex terrestrial habitat in the UK and home to more threatened species than any other.

Plantations on ancient woodland sites (PAWS) are ancient woods that have been felled and replanted with non-native tree species, typically conifers. The restoration of PAWS can deliver significant benefits for people and wildlife; and is considered a conservation priority.

There are approximately 190ha of ancient woodland and 870ha of PAWS in Gateshead. This constitutes over half the total ancient woodland resource in Tyne & Wear.

Woodlands also provide a range of ecosystem services essential to humans:

- climate regulation
- carbon sequestration
- clean air and water
- flood mitigation
- soil protection
- natural pollination
- mental and physical wellbeing

The protection, restoration, enhancement and positive management of Gateshead's existing woodland and the creation of well-designed new woodland is essential in maximising the benefits of woodland for people and wildlife.

Working Woods

The management of existing woodlands and the creation of new woodlands can be done under multi-purpose objectives where productivity can and indeed should be considered.

This can be achieved at different scales, from the large-scale production of timber for construction and other sawn wood products, to the design of new woodlands to include an element of future productivity for local timber markets such as wood-fuel and fencing or more specialist coppice products and non-timber forest products.

Woodland creation and management offers employment opportunities. As more woodlands are brought into management and created, a growing and skilled workforce will be required.

NB Forestry England currently manages approximately 700ha of commercial forestry in Gateshead.

Living Woods

Access to woodland is known to improve mental and physical wellbeing and improve quality of life. The visual prominence of woodland can create a balance between the built and natural environment and help to soften industrial landscapes, especially in urban areas. They also provide cultural and social benefits.

New woodlands should be designed with proximity to people and access in mind. Woodlands that are in close proximity to centres of population provide an opportunity for people to enjoy regular contact with nature and undertake physical activity in quiet, attractive and restful environments.

Woodlands can provide venues for social activity. This can be through their use for education, training and volunteering, local events or just family and friends getting together for exercise or picnics.

This action plan notes the importance of early engagement of local communities in the process of woodland creation and management.

The Historic Environment (HE) is culturally important and existing woodlands are often important places for historic and archaeological features. The creation of new woodland and management of existing woodland must consider the HE and take account of the historical and cultural values of the landscape. Steps should be taken to ensure any historic features, which may be affected by woodland creation and management, are known and evaluated, consulting with and taking advice from local historic environment authorities

More Woods

Woodland currently covers approx. 15% (2,200ha) of the total area of the borough (14,500ha). This compares favourably with the average for England (10%). The Council has committed to supporting a net increase in woodland cover of 2% (250ha) by 2050 in line with the independent Climate Change Committee's recommendation .

This Action Plan identifies a 'short list' of Council owned sites that could be explored further as to their potential to support woodland creation. Approximately 150ha have been identified for further analysis. These sites have the potential to support woodland creation meeting the UKFS themes of biodiversity, climate change, historic environment, landscape, people, soil and water.

The Council and its partners will work with private landowners and other stakeholders to identify another minimum 100ha in order to meet the 250ha target.

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More and Better Woods Action Plan

June 2022

by

RDI Associates

on behalf of

Gateshead Council



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Disclaimer

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Vision

This action plan sets out Gateshead Council's vision for More and Better Woods based on the six core themes of *our woods*, *carbon woods*, *wild woods*, *working woods*, *living woods* and *more woods*.

By 2050 the Council aims to have supported the creation of 250 hectares (>600 acres) of new woodland; and before this time have brought its existing woodland portfolio of 900 hectares (c. 2,224 acres) into positive, sustainable long-term management.

This will provide new and improved areas for recreation and leisure, carbon sequestration, provide valuable, diverse and resilient ecosystems and provide a positive contribution to the green economy.

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1. Introduction

1.2 Background

Gateshead Council is committed to improving the lives of its residents, particularly the most vulnerable, and the role it can play in mitigating the impacts of human activity on the environment, including anthropogenic climate change. To this end the Council has developed this More and Better Woods Action Plan. The Action Plan establishes the Council's approach to supporting the creation of new and management of existing woodland across the borough. Woodland currently accounts for approximately 15% of the land cover within Gateshead or approximately 2,500ha out of 14,410ha. Of this, approximately 900ha is owned by the Council.

1.3 Action Plan purpose

The Action Plan forms the basis of the Council's woodland creation strategy for the next 10 years (from the date of this report) and identifies methods to better manage and utilise the Council's existing woodland resource. It helps address sequestration of the Council's carbon emissions, supports ecological recovery and delivers additional environmental and socio-economic benefits.

1.4 Scope

An informed, evidence led approach has been used to produce the More and Better Woods Action Plan. This is primarily an action plan for land under Gateshead Council ownership; with a focus on woodland creation, whilst providing an account of current woodland provision.

The Action Plan provides an appraisal of the existing Council woodland resource and makes recommendations for the future development of a Forestry Commission approved Woodland Management Plan.

It identifies and measures outputs specific to woodland creation on Council owned land, identifying opportunities and barriers to enabling the Council to realise its ambition of supporting a net increase in woodland cover of 2% (c. 250ha) in the borough from 15% to 17% by 2050.

This Action Plan will identify specific sites for woodland planting. It sets out key site specific and wider contextual factors that will influence the overarching objective of a sustainably managed new woodland resource within the borough. This new woodland resource will have combined carbon sequestration, nature conservation, amenity and economic value.

2. Policy Context

2.1 National Policy

The Action Plan is written against a backdrop of both national and local policy. The 25 Year Environment Plan¹ sets out goals for improving the environment within a generation and leaving it in a better state than it was found in. The Plan sets the target of protecting and improving nature and to increase woodland cover in England to 12% by 2060. Furthermore, the UK government has committed to cut carbon emissions by 78% by 2035. This is based on The Climate Change Committee land use policies for a Net Zero² UK and recommends significantly increasing tree planting by around 30,000ha each year to grow UK forest cover from 13% to at least 17% by 2050 as part of that process.

In the England Trees Action Plan (ETAP) 2021-2024³, the UK Government pledges to turn around nature loss and sets out how biodiversity and climate change will be tackled, how trees and woodlands have a vital role in delivering net zero greenhouse gas emissions by 2050 and achieving the goals of the 25 Year Environment Plan including how the UK will increase tree planting to 30,000ha per year by the end of the Parliament. A significant proportion of the Nature for Climate Fund⁴ will be spent on trees and woodlands in England between 2020 and 2025. The ETAP sets out a vision that England will have at least 12% woodland cover by the mid-century contributing to net zero greenhouse gas emissions. Existing woodlands will be managed for biodiversity and other environmental benefits, along with providing sustainable sources of timber and woody products which can act as effective carbon stores. The plan aims to see current planting trends for majority native broadleaf woodlands continue as these provide additional benefits for nature and people. The plan builds on the ambitions outlined in the 25 Year Environment Plan and focuses on:

Nature recovery – woodlands will form a core part of the Nature Recovery Network⁵, providing important habitats as well as connecting other wildlife rich habitats. This will contribute to the Government's commitment to protect 30% of land by 2030.

Trees and woodlands for climate change mitigation – to drive forward a step change in tree planting to help the UK meet Net Zero ambitions.

Levelling up through a thriving forest economy – to encourage demand for UK grown timber which can reduce carbon footprints especially where timber can be used to replace carbon-intensive materials. Trees and woodland contributing to business opportunities, particularly in neglected parts of the country.

Trees and woodlands for water and soil - to maximise the benefits that tree planting can have, through the principle of the right tree in the right place, on soils and water.

Trees and woodlands for people in town and country – the important role that trees and woodlands play in improving wellbeing and mental health, especially where trees and woodlands are close to where people live, work and play.

¹ <https://www.gov.uk/government/publications/25-year-environment-plan>

² When the amount of carbon dioxide emissions released on an annual basis is zero or negative.

³ <https://www.gov.uk/government/publications/england-trees-action-plan-2021-to-2024>

⁴ <https://www.gov.uk/government/publications/ealrt-23-march-2021-more-on-nature-for-climate-fund>

⁵ <https://www.gov.uk/government/publications/nature-recovery-network>

Heritage and landscape – to encourage greater landscape scale planning which will enhance and transform landscape character and protect and conserve heritage assets.

Trees outside woodlands – continue to protect and enhance trees throughout the environment.

Healthy, resilient trees and woodlands – help trees and woodland adapt to the threats posed by climate change, to enhance their resilience to stresses and reduce risk and encourage greater diversity.

The More and Better Woods Action plan applies these principles to the creation of new and the management of existing woodlands.

2.2 Local Policy

The Climate Emergency

The Climate Change Strategy Document 2010⁶ provides the direction and identified priorities to meet the needs of those who live or work in, or visit, Gateshead. This strategic overview focuses on mitigation, how to reduce carbon emissions; and adaptation, how to adjust to the changing climate and protect communities from the effects of climate change. Since the plan was introduced, measured carbon emissions have reduced by 55%⁷.

Gateshead Council declared a Climate Emergency at its Council meeting on 23 May 2019 and The Climate Emergency Action Plan 2021, Gateshead's response to the global challenge, was adopted. The Council is now committed to:

- Make the Council's activities carbon neutral by 2030
- Achieve 100% clean energy across the Council's full range of functions by 2030
- Ensure that all strategic decisions, budgets and approaches to planning decisions are in line with a shift to zero carbon by 2030
- Support and work with all other relevant agencies towards making the entire area carbon neutral within the same timescale
- Ensure that political and chief officers embed this work in all areas and take responsibility for reducing, as rapidly as possible, the carbon emissions resulting from the Council's activities
- Influence and inspire partners across the borough to help deliver this goal through all relevant strategies, plans and shared resources
- Proactively include young people in the process, ensuring that they have a voice in shaping the future
- Call on the UK Government to provide the powers, resources and help with funding to make this possible.

The Action Plan provides the commitment to protect existing woodland and plant an extra 250ha of woodland by 2050, including a commitment to plant 100,000 trees by 2030.

An outcome from the 'A Climate for Change' event⁸ held in February 2020 was that *'The Council will work with partners to: Produce and deliver a borough wide woodland strategy that ensures 17% woodland cover in Gateshead by 2050 increasing woodland by approx.*

⁶ Climate Change Strategy Document 2010 Gateshead Strategic Partnership

⁷ <https://www.gateshead.gov.uk/article/14171/What-Gateshead-Council-is-doing>

⁸ https://www.gateshead.gov.uk/media/23685/A-Climate-for-Change-Workshop-Harvest/pdf/Appendix_2_A_Climate_for_Change_Workshop_Harvest.pdf?m=637479713615300000

250ha (600 acres) and better management of existing council managed woodlands for biodiversity and public benefit. In the Climate Change survey⁹ conducted at the same time, in response to the question *'To tackle climate change, would you be willing to...?'* over 60% of residents answered 'Yes' to the option to plant or maintain trees, the highest positive response of any option.

North East Community Forest

As a founding member of the new North East Community Forest (NECF)¹⁰, Gateshead is part of a 30-year project that will drive forward the creation of new woodlands across the region. Funding has been committed by six core authorities¹¹ to the NECF and this is being matched by funds from the Trees for Climate Fund¹².

The partnership has a target of planting 475ha of woodland by 2025, with 700ha more by 2030. This target rises by 200ha every five years thereafter, until 1500ha are planted between 2046 and 2050. This would see a total of 6000ha planted under the initiative, which will help towards an overall target of 30% tree canopy cover within the NECF area by 2060, more than double the current national average. The first 18 months of the project will see a Forest Plan produced that will identify where trees and woodlands will be planted and how local communities and stakeholders will be consulted and involved.

The More and Better Woods Action plan will be an important tool for feeding into the NECF Forest Plan, providing specific, targeted woodland creation sites and a strategic overview as to how these can be achieved successfully.

2.3 UK Forestry Standard

The UK Forestry Standard (UKFS)¹³ is the reference standard for sustainable forest management across the UK, and applies to all woodland, regardless of who owns or manages it¹⁴. The standard ensures that international agreements and conventions on areas such as sustainable forest management, climate change, biodiversity and the protection of water resources are applied in the UK.

The UKFS outlines the context for forestry in the UK. It sets out the approach of the UK governments to sustainable forest management by defining requirements and guidelines; and providing a basis for regulation and monitoring - including national and international reporting. The document covers the key elements of sustainable forest management:

- biodiversity
- climate change
- historic environment
- landscape
- people
- soil
- water

⁹ https://www.gateshead.gov.uk/media/24358/Climate-Change-survey-responses-2020/pdf/Appendix_3_Climate_Change_Survey_responses.pdf?m=637479714682370000

¹⁰ <https://www.newcastle.gov.uk/northeastcommunityforest>

¹¹ Newcastle City Council, Gateshead Council, South Tyneside Council, North Tyneside Council, Sunderland City Council, Durham County Council.

¹² <https://www.communityforest-trust.org/cft-current-initiatives/trees-for-climate>

¹³ Forestry Commission (2017). The UK Forestry Standard. Forestry Commission, Edinburgh

¹⁴ The Standard is currently under review with plans to issue a revised version in 2022

The Forestry Commission is the main body responsible for implementing the UKFS in England. This body assesses forestry proposals against the UKFS before giving approval and carries out checks to ensure woodland owners and managers comply with forestry regulations.

The UKFS has been used to inform this Action Plan and it has been developed so that it meets the key elements of sustainable forest management. The 6 key themes of Our Woods, Carbon Woods, Wild Woods, Working Woods, Living Woods and More Woods have been designed to follow the UKFS principles of sustainable forest management.

Landscape Context and Forest Design Principles

The UKFS indicates how landscape context should be considered and forest design principles applied. The guidelines provide additional information on how to comply with the requirements and include a series of factors to be taken into consideration in the creation and management of woodlands. How this might influence the projects aims in Gateshead is described below.

Landscape Context

Gateshead falls within two National Character Areas¹⁵, (14) the Tyne and Wear Lowlands¹⁶ and (16) the Durham Coalfield Pennine Fringe¹⁷. There are 159 National Character Areas (NCAs) in England, each one sharing similar landscape characteristics, following natural lines rather than administrative boundaries. Each NCA has an Area Profile which describes the area and informs future decision making. Woodlands are referred to within the descriptions and commonly feature amongst the opportunities identified.

The Area Profile for the Tyne and Wear Lowlands includes two key characteristics relating to woodland (i) 'Mixed woodland estates and plantations on restored spoil heaps provide woodland cover in some areas, although sparse elsewhere' and (ii) 'Oak or oak/birch broadleaved woodland, a characteristic feature on steep sides of narrow river valleys ...'. It also includes an opportunity (SEO3) to 'Conserve and enhance the network of green infrastructure – broadleaved woodlands characteristic of the Tyne and Wear river valleys, country estates in and around urban settlements and restored coal mining sites – to increase biodiversity, improve water and soil quality, provide tranquillity and recreation and enhance landscape character.' Quoted examples of how this could be achieved include: -

- Conserving the characteristic, semi-natural, broadleaved oak, ash and alder woodland on steep-sided, narrow denes and bluffs overlooking small flood plains
- Creating and extending new woodlands along valley slopes, on country estates and parklands and re-connecting semi-natural woodlands in urban areas
- Planning the location, species composition and design of new woodlands (including native species), to enhance biodiversity and ensure their design is sympathetic to the surrounding landscape character
- Planning for the management and restoration of habitats that can provide valuable wildlife corridors by linking woodlands to hedgerows and species rich grassland.

The Durham Coalfield Pennine Fringe Area Profile refers to woodlands in a number of contexts, including (i) Numerous small plantations of conifers or mixed woodland, as blocks or shelterbelts, on hillsides; in places more extensive conifer woodlands on ridgetops and hillsides (ii) strips of broadleaved woodland following rivers and streams, and conifer

¹⁵ <https://www.gov.uk/government/publications/national-character-area-profiles-data-for-local-decision-making>

¹⁶ <http://publications.naturalengland.org.uk/publication/4683608954503168?category=587130>

¹⁷ <http://publications.naturalengland.org.uk/publication/6333292202688512?category=587130>

plantations on valley sides and (iii) Narrow, steep-sided river valleys sheltering fragments of ancient woodland. An Opportunity (SEO3) to 'Protect, enhance and connect trees and woodland in the area to improve their wildlife value, climate regulation capacity, biomass production and potential for access and recreation' is identified and examples of positive actions provided, for example: -

- Enhancing, expanding and buffering existing semi-natural broadleaved woodland, for the range of ... benefits they can provide
- Creating new woodlands, using native broadleaved species, where they will link existing native woodlands
- Creating buffer strips of woodland along rivers and streams, where appropriate, to support riparian wildlife and reduce soil erosion ...

Also, in respect of Landscape Context, the UKFS refers to 'Landscape and visual sensitivities', 'Historic Context' and 'Designed landscapes'. Whilst much of Gateshead has been significantly modified by industry and human settlement, this does not mean that these factors will not be important in creating new woodlands and managing existing ones. For example, many woodland plantings on early derelict land reclamation schemes and within new settlements paid little respect to landscape sensitivity, with straight sided blocks of single species woodlands. The coppiced woodlands found in steep sided valleys of the River Derwent are reminders of early industrial activity and require particular treatment and management. Similarly, Gibside is a good example of how woodlands are an integral part of designed landscapes.

The assessment of landscape context informs how various forest design principles should be applied in the management of existing woodlands and the creation of new ones to make a positive contribution to the physical environment. These forest design principles include shape, landform, pattern of enclosure, scale, diversity, unity and spirit of place.

The unsympathetic shape of many late 20th century woodland plantings has been referred to above and the management of these woodlands can be adapted to mitigate against this through appropriate felling and replanting. The shape of new woodlands should be designed to reflect a combination of landform and/or patterns of enclosure, as determined by what is dominant in the existing landscape. Gateshead borough generally has relatively hilly landscapes and thus landform will be important, although in some places, such as in the South-East around Kibblesworth a more open landscape with strong patterns of enclosure become more dominant.

Scale within the borough will vary significantly due to its undulating landscape, varying viewpoints and land use patterns. E.g. A felling coupe or new woodland planting that might be appropriate in or adjacent to Chopwell Wood might not be as appropriate in the Tyne Valley.

The number of different elements (species, shape etc.) in a design will dictate its diversity. Woodlands which have greater diversity tend to be more attractive, but in some landscapes, this can become 'fussy' in appearance. This tends to occur when they do not reflect the nature and pattern of the local landscape and thus lack unity with it.

Respecting the local landscape is also relevant to the concept of the spirit of place, which in areas such as those around ex-mining communities or the steep sided Derwent Valley coppice woodlands can offer both significant constraints and opportunities for the creation of new woodlands and the management of existing ones.

3. More Woods, Better Woods

Approximately 15% of Gateshead Borough total land area of 145 km² is woodland, of which the Council owns and manages about 900ha. This compares favourably with the average for the UK (13%), England (10%) and the North East in general (13%)¹⁸. This Action Plan sets out the ambition for a net increase in woodland cover of 2% (c. 250ha) in the borough from 15% to 17% by 2050.

The six 'themes' presented below are broad but reflect the inputs and outputs necessary to inform the Action Plan.

3.1 Theme 1: OUR WOODS (Current Woodland Provision)

This theme explores the current provision of woodland cover in Gateshead. This theme is important to demonstrate Gateshead's current woodland resource, identifying the need for informed woodland management, and framing priorities for the type and location of new woodland planting that will bring the best benefit for this existing resource.

The current woodland cover within the borough is approximately 2,500ha. The Council owns and manages approximately 900ha of this. Whilst much of this is concentrated in key sites such as the Derwent Walk Country Park and Watergate Forest Park, the Council's woodland ownership is widely distributed across the borough (Figure 1).

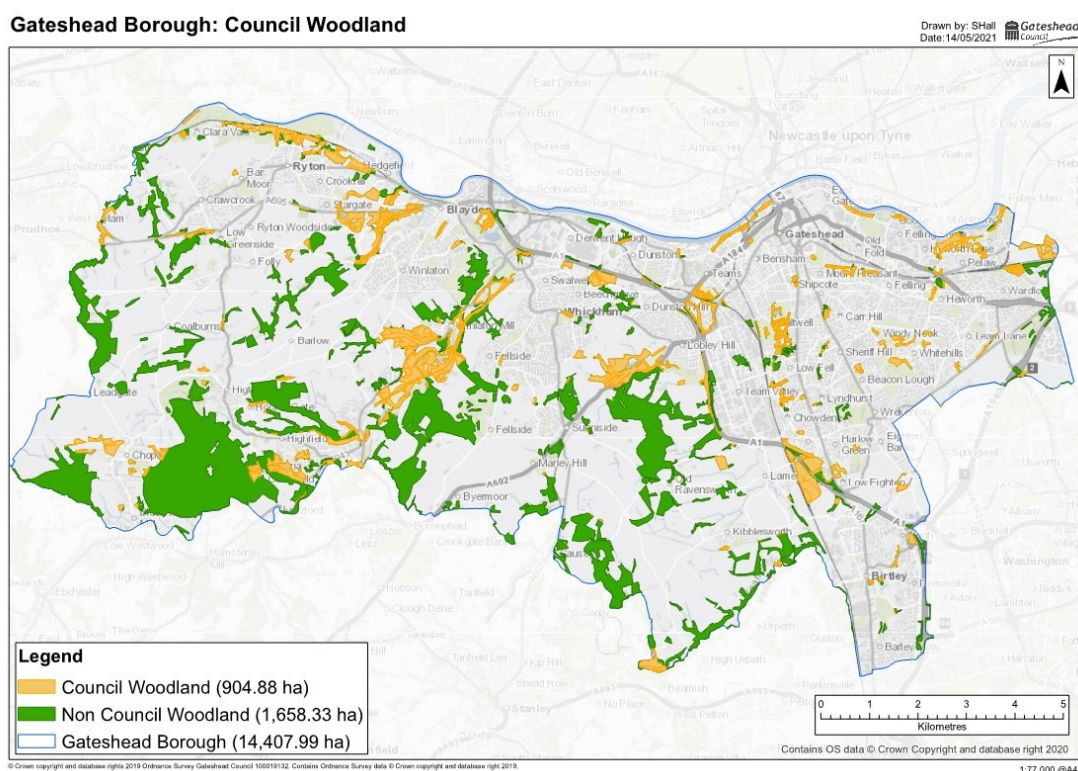


Figure 1. Woodland Cover in Gateshead

¹⁸ <https://www.forestresearch.gov.uk/tools-and-resources/national-forest-inventory>

National Forest Inventory (NFI) data¹⁹ records the woodland in the borough under the categories of broadleaf (66%), conifer (20%), mixed (5%) and 'other' (assumed, felled, low density and young trees) (9%). This compares to the North East average of broadleaf (22%), conifer (52%), mixed 8% and other (18%).

Of the total woodland area in the borough, approximately 1060ha is listed as ancient woodland on the Ancient Woodland Inventory (AWI). Ancient woodland is defined as an area that has been wooded continuously since at least 1600 AD and constitutes some of the rarest and most valuable habitat in the British Isles.

Ancient Woodland includes both ancient semi-natural woodland (ASNW) and plantations on ancient woodland sites (PAWS). ASNW is woodland which is '*composed predominantly of trees and shrubs native to the site that do not obviously originate from planting*', whereas PAWS are '*areas of ancient woodland where the former native tree cover has been felled and replaced by planted trees, predominantly of species not native to the site*'. Gateshead has 190ha ASNW²⁰ and 870ha PAWS²¹ (Figure 2) accounting for nearly 50% of woodlands in the borough compared to an average of 28% in England²². Woodlands identified on the AWI in the borough include Chopwell, Milkwellburn, Guards Wood, Sherburn Green Wood (Spen Burn), Snipes Dene (Gibside), Thornley Woods and Hill Head Wood.

Gateshead Borough: Ancient & PAWS Woodland

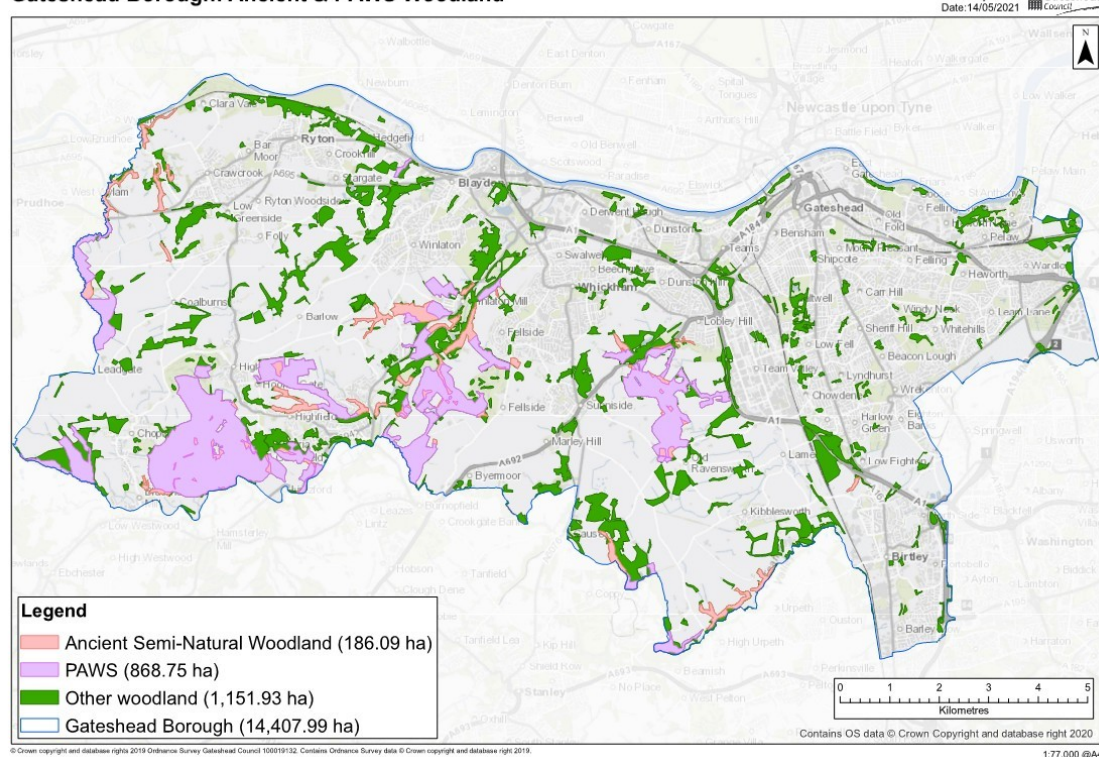


Figure 2. Ancient Woodland in Gateshead

¹⁹ <https://www.forestresearch.gov.uk/tools-and-resources/national-forest-inventory/>

²⁰ ASNW are ancient woodlands that have had continuous woodland cover for some centuries. They are typically more ecologically diverse and will often have historical and cultural importance.

²¹ PAWS are ancient woodland sites where the semi-natural woodland has been replaced with a plantation

²² Habitat Inventory Team, Natural England (2022). Ancient Woodland (England): Boundaries of Ancient Woodland polygons. Natural England, Telford.

The Ancient Woodland Inventory currently captures only woodlands over 2ha. and may therefore be under-recording the area of ancient woodland in Gateshead, in particular areas of small, fragmented woodland. An update of the AWI is currently underway and is both mapping areas down to 0.25ha, and also utilising updated techniques for identifying ancient woodland. Together, this may lead to an increase in the area of ancient woodland recorded in the borough, both ASNW and PAWS. The AWI does not record other long-established woodland and tree landscapes such as wood pasture and parkland, both of which are potentially very valuable habitats and may be present in Gateshead.

A ten-year management plan²³ for the Gateshead Council woodland estate was produced in 2008. The long-term management vision was described as managing the woodlands as a resource for nature conservation and public recreation and as an important feature of the local landscape. The management strategy was to focus on PAWS restoration, improvement of ASNW woodland to favourable condition and restructuring of secondary and planted broadleaved woodlands. Whilst some PAWS restoration was undertaken within Thornley Wood, Washingwell Wood and Ousbrough Wood, implementation of the plan across the wider woodland estate was limited. It is proposed that the next iteration of the woodland management plan follows and builds on the key management strategy of its predecessor, but that greater effort is placed on its delivery.

A new woodland management plan for Gateshead Council woodland should also consider the following strategic objectives which link to the UKFS:

- Biodiversity – to manage the woodlands with biodiversity as the major objective, protect and conserve rare and protected species and introduce management techniques where appropriate such as thinning and regeneration felling, controlling invasive non-native species (INNS), increasing levels of deadwood, coppicing and ride, glade and open space management. Some woodlands may benefit from only occasional minimum intervention, such as tree safety works.
- Climate change – to facilitate adaptation of the woodlands to climate change by diversifying species and age classes and to make them more robust with a healthy growing stock of trees.
- People – to involve local communities in the decision making and management of the woodlands and ensure high quality access and recreational opportunities are provided.

Landscape, the historic environment, soil and water are cross cutting themes that underlie the above overarching strategic objectives.

The new plan should ensure it meets the objectives of the Countryside Stewardship Higher Tier²⁴ woodland management options. This is a key funding source for the improvement of woodlands for biodiversity and can fund targeted operational activities such as thinning, regeneration felling, INNS control, coppicing, increasing deadwood levels and ride and open space management. Appendix 1 provides further details on management planning and Countryside Stewardship and other sources of funding that can support woodland management activity.

Funding from the Woodland Management Planning Grant²⁵ can help to pay for the production of a new woodland management plan.

²³ Gateshead Council Woodland Management Plan 2008

²⁴ <https://www.gov.uk/countryside-stewardship-grants/woodland-improvement-wd2>

²⁵ <https://www.gov.uk/government/collections/countryside-stewardship-get-paid-for-environmental-land-management#woodland-support-grants>

3.2 Theme 2: CARBON WOODS (Woodlands and Climate Change)

Woodland creation is a key tool in meeting the ambition of Net Zero. New woodlands can be planted with the objective of carbon sequestration amongst others. The increased use of fossil fuels over time, compounded by the intensification of agriculture and accelerated deforestation has driven climate change. Rising temperatures, increasing concentrations of CO₂, changes to precipitation, water availability and seasonality are affecting our environment. These changes are increasing abiotic and biotic stresses on our ecosystems and habitats, including trees and woodlands.

Planning new woodlands to be sinks for carbon and to be resilient in the face of a changing climate is a key priority in this Action Plan. This follows the guiding principles that the Council has committed to in the Climate Emergency Action Plan 2021.

Newly created woodlands can be measured against the Woodland Carbon Code (WCC)²⁶ with regards to their ability to sequester carbon. The WCC is the voluntary standard for UK woodland creation projects where claims are made about the carbon dioxide they sequester. Independent validation and verification to this standard provides assurance and clarity about the carbon savings of these sustainably managed woodlands.

The WCC can be used to calculate the carbon sequestered by selected new woodland types which may typically be planted in the borough. These types are defined in Table 1.

Woodland Type	Area (ha)	Duration (years)	Planting Density	Species	Management Regime Applied
New Native Woodland	1	55	2m	Native broadleaves	Thinned
Mixed Woodland	5	100	2m	Majority native broadleaves with some conifer or productive broadleaved species	Thinned
Conifer Plantation	10	40	2m	Mixed conifers	Thinned

Table 1: Woodland type Carbon Code examples

Results from the WCC are presented as Pending Issuance Units (PIUs). This is a promise to deliver a Woodland Carbon Unit (WCUs). A WCU is a tonne of CO₂e²⁷ which has been sequestered in a WCC verified woodland. The WCUs can be independently verified, are guaranteed to be there and can be used by companies to report against UK based emissions or to use in claims of carbon neutrality or Net Zero²⁸ emissions. Table 2 shows the PIUs from the examples provided.

²⁶ <https://woodlandcarboncode.org.uk/>

²⁷ Carbon dioxide equivalent. It is used to describe greenhouse gases in a common unit.

²⁸ Achieving a balance between the carbon emitted into the atmosphere and the carbon removed from it.

Woodland Type	Area (ha)	Duration (years)	Planting Density	Species	Management Regime Applied	PIUs
New Native Woodland	1	55	2m	Native broadleaves	Thinned	298
Mixed Woodland	5	100	2m	Majority native broadleaves with some conifer	Thinned	1550
Conifer Plantation	10	40	2m	Mixed conifers	Thinned	1404

Table 2: Example PIUs

Existing woodland carbon values can be calculated using National Forest Inventory (NFI) data. Based on the NFI 2011 datasets²⁹ in the North East region, the tonnes of carbon stored per ha of broadleaved woodland is 97.59 and the tonnes of carbon stored per ha of coniferous woodland is 76.71. Table 3 shows the estimated total amount of carbon stored in woodlands in Gateshead.

Woodland Type	Area (ha)	Tonnes of carbon per ha	Total carbon stored (t)
Broadleaved	1452	97.59	141,700
Conifer	440	76.71	33,752
Mixed ³⁰	110	87.15	9,586

Table 3: Carbon stored in woodlands in Gateshead

If the target of 250 ha of new woodlands were to be realised and the majority of this was new native woodland based on the example in Table 1 above, then approximately 75,000 t/CO₂e would be sequestered over a 55-year timeframe.

Table 4 shows the annual sequestration of carbon that might occur in the woodlands owned by Gateshead Council. The actual amounts would require significant assessment of various factors (species, tree age, size etc.) on a site-by-site basis, but the methodology adopted, as tested in a report for the National Forest Company³¹, provides an indication of potential gains.

Woodland Type	Area (ha)	Yield class	Annual Increment		
			Cubic metres	'Green' tonnes)	Carbon
Broadleaved	660.56	5	3303	3303	1436
Conifer	199.07	13	2588	2329	1013
Mixed	45.24	9	407	387	168

Table 4: Annual carbon sequestration in Gateshead Council woodlands

²⁹ Carbon in live woodland trees in Britain. NFI Report. 2011. Forestry Commission.

³⁰ Average of broadleaved and conifer.

³¹ Firewood Carbon and Air Quality Review for the National Forest Company. RDI Associates Ltd. (2021). The National Forest Company, Moira.

3.3 Theme 3: WILD WOODS (Woodlands and Environment)

This theme presents the environmental and ecological emergency and demonstrates the importance of woodlands, including ecology, water, soils, clean air and natural flood management.

EU directives (adopted by the UK), provide a range of protection and conservation measures including the Natura 2000 network of protected sites and European Protected Species. There is a duty of care to have regard to the conservation of biodiversity when considering the management of existing and creating new woodlands.

Woodlands have the potential to affect both the immediate woodland site and the ecology of the wider environment, and they should be managed or designed in a way that conserves or enhances biodiversity and opportunities for enhancing biodiversity should be considered at the planning stage.

Whilst there are no international/European designated sites in Gateshead, much of the woodland in the borough is designated as either Site of Special Scientific Interest (SSSI) = 133ha or Local Wildlife Site (LWS) = 1509ha (Figure 3). SSSIs receive statutory protection while LWSs are a non-statutory designation which affords protection through the planning system only. Important non woodland habitats in the borough include rivers and streams, priority grassland, brownfield and wetlands.

Gateshead Borough: Protected woodland

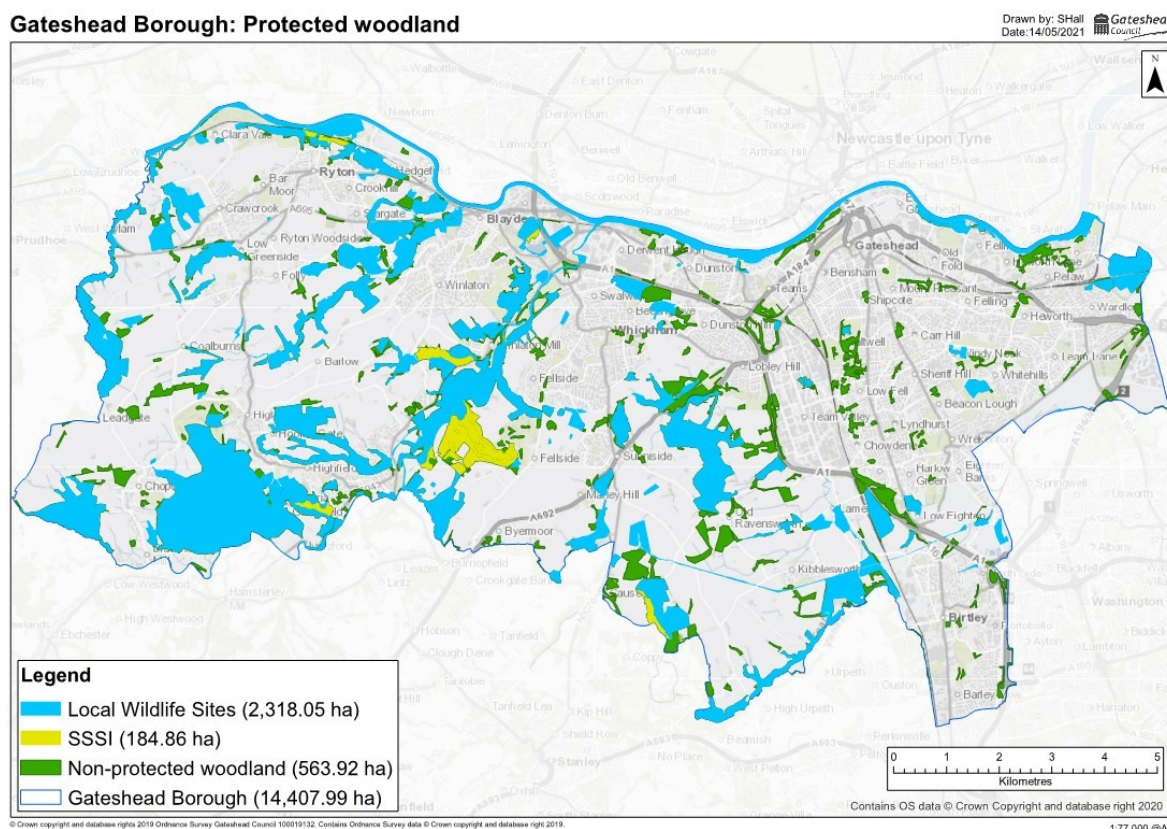


Figure 3. Woodland & Protected Sites in Gateshead

It is essential that the importance of non-woodland sites, habitats and species are understood before identifying sites for woodland creation. Due consideration of the biodiversity impacts of new woodlands should be given within and beyond the woodland boundary. What existing habitats and species will the new woodland be adversely impacting or enhancing? What surrounding habitats and species are there and is there ecological

connectivity? Figure 4 shows the wildlife corridor network in the borough. New woodlands will have an important role to play in addressing the biodiversity crisis through promoting ecological connectivity. Targeting woodland creation within the wildlife corridor network, including new native woodland to link and buffer existing ancient woodland, will contribute to this important goal. Linking this work to the revised Ancient Woodland Inventory will in particular help to join up small and fragmented areas of ancient woodland.

Given their rarity in the British Isles, ancient woodlands in particular are of both great existing importance and future potential. Government set out its policy³² relating to ancient woodland in 2005 (updated May 2022³³) and has recently restated its commitment to this, along with Forestry Commission guidance³⁴. Restoration management, which can include the introduction of appropriate management techniques into ancient semi-natural woodland (ASNW) and the restoration of plantations on ancient woodland sites (PAWS), can protect and improve the range of habitats provided. The Woodland Trust have extensive experience of restoration management and provide extensive guidance and support for woodland owners. The Trust's approach to ancient woodland restoration³⁵ is primarily guided by careful assessment and planning, followed by phased management to halt further decline, recovery of the wider ecosystem, and maximising ecological integrity.

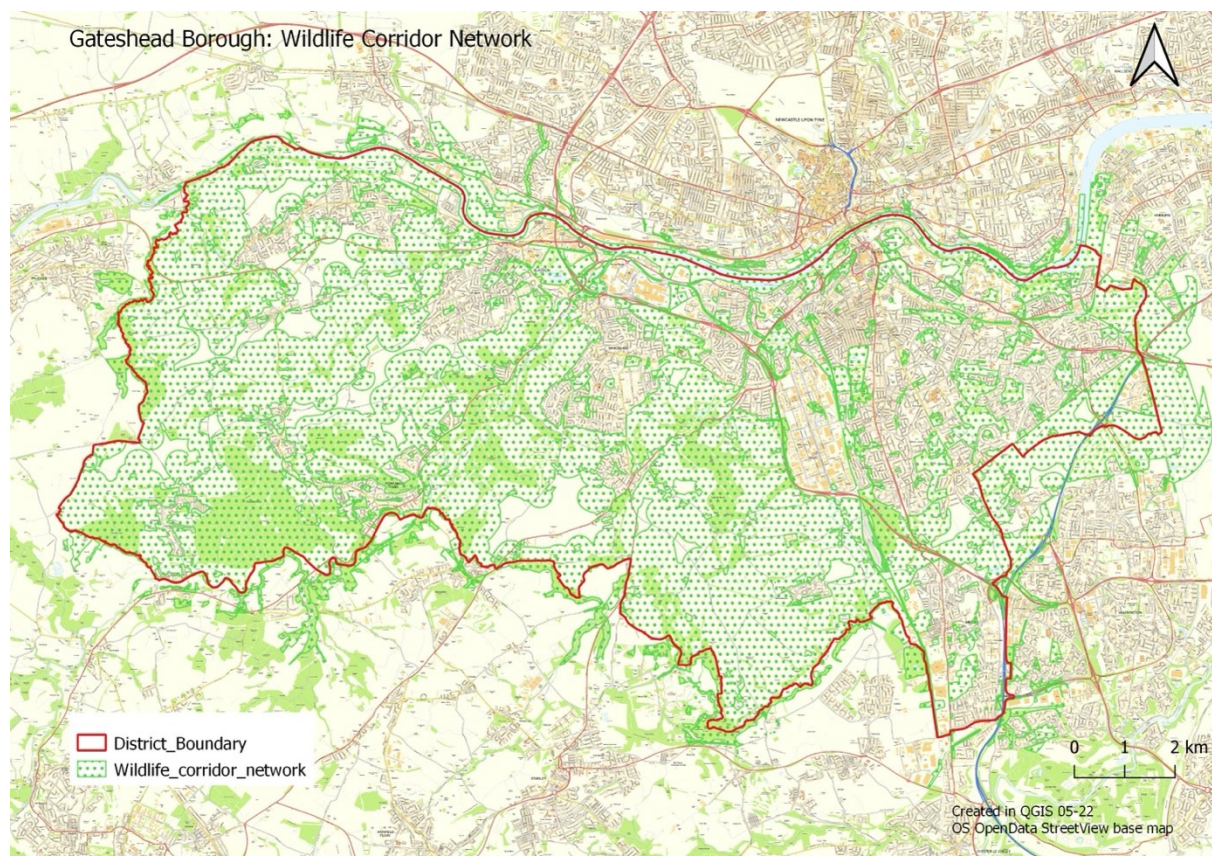


Figure 4. Wildlife Corridors in Gateshead

³² <https://www.gov.uk/government/publications/keepers-of-time-a-statement-of-policy-for-englands-ancient-and-native-woodland>

³³ <https://www.gov.uk/government/publications/keepers-of-time-ancient-and-native-woodland-and-trees-policy-in-england>

³⁴ <https://www.gov.uk/government/publications/managing-ancient-and-native-woodland-in-england>

³⁵ <https://www.woodlandtrust.org.uk/protecting-trees-and-woods/ancient-woodland-restoration/how-we-restore-ancient-woodland/>

Woodlands provide an important range of ecosystem services. These are the many benefits provided to humans by the natural environment and contribute to functioning, healthy and diverse ecosystems. This includes climate regulation, clean air and water, flood mitigation, soil protection, carbon sequestration, natural pollination and mental and physical wellbeing. New woodlands should be designed so that the values from ecosystem services can be maximised wherever possible. Using the UKFS as the guiding principle will help with this process.

New woodlands can play a vital role in reducing flood risk and improving water quality. Figure 5 illustrates the relationship between woodland, water courses and river catchments in the borough. The following link provides flood risk details for Gateshead and identifies current proposed locations for woodland creation on Council land - [Woodland Action Plan - Flood Risk Map \(arcgis.com\)](#)

Gateshead Borough: Woodland, Water Courses & River Catchments

Drawn by: LDavis
Date: 27/09/2022
Gateshead Council

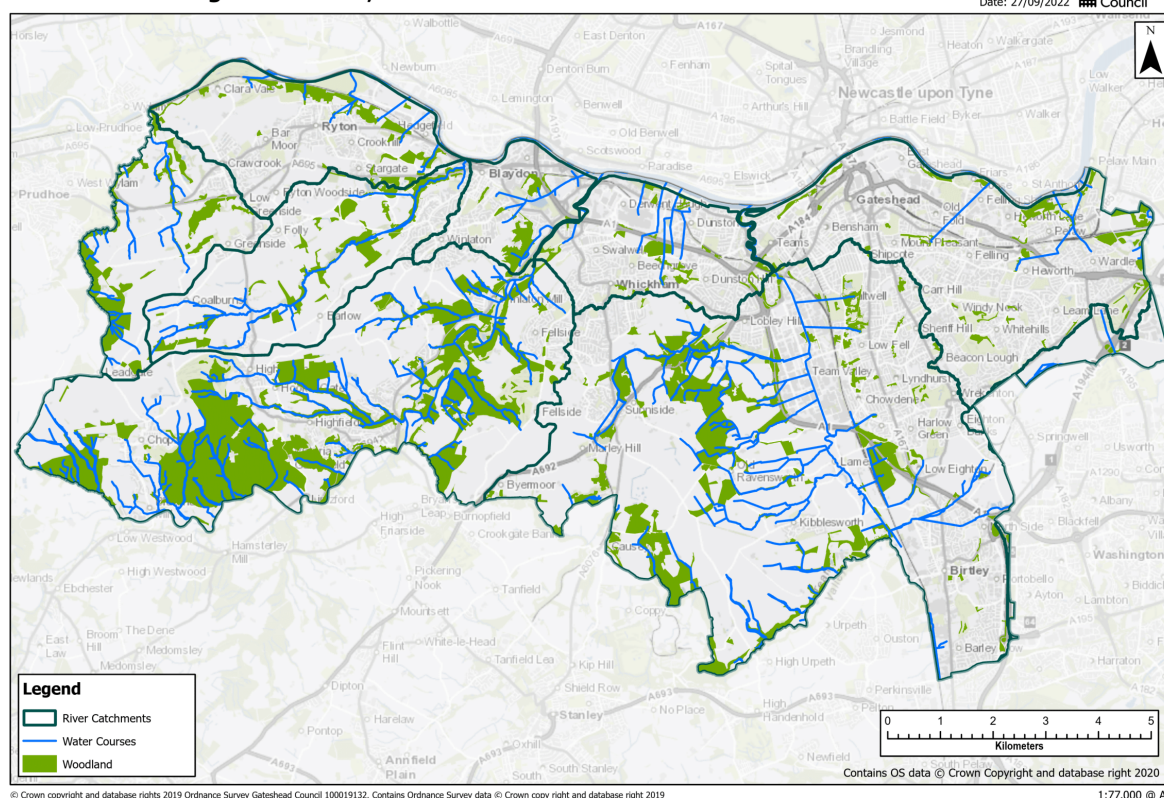


Figure 5. Woodland, Water Courses & River Catchments in Gateshead

3.4 Theme 4: WORKING WOODS (Woodlands and Sustainable Growth)

This theme presents the economic benefits of woodlands and their role in a green economy.

Within Gateshead there are a number of large woodlands which are managed for commercial objectives (amongst others). These include woodlands managed by Forestry England (the land management agency of the Forestry Commission) and private landowners.

Forestry England manage approximately 700ha of woodland in the borough, at Chopwell (375ha), Spen Banks (64ha), Clockburn (18ha), Ravensworth (140ha) and Gibside (136ha).

Chopwell and Spen Banks are owned by the Forestry Commission whereas Clockburn and Ravensworth are leased from private landowners. Gibside is leased from the National Trust. Chopwell, Clockburn, Gibside and Ravensworth are predominantly PAWS and the FE Forest Plans focus on the gradual conversion of the sites over many decades to broadleaf woodland. The forest plans also state that the primary economic objective is to establish economically viable and commercially marketable parcels of timber to maintain future productivity of the forest during the Ancient woodland restoration.

In addition to FE woodlands, there is an additional 240ha of conifer or mixed woodland in the borough, where economic return (either actual or potential) could be a significant objective. Ownership of these woodlands is spread across a number of small estates and individual farms, consisting of larger woodland blocks, smaller plantations and shelter belts.

As with the UK as a whole, most commercial woodlands in the borough are managed through a process of 'clear-fell', although alternative silvicultural practices such as Continuous Cover Forestry (CCF) are becoming more common, in particular in those woodlands managed by FE. Clear-fell consists of the establishment of trees, either by new planting or restocking of a felled site, followed by a cycle of thinning trees to promote overall growth and maximise volume production over a rotation of 40 to 60 years (conifers) or up to 150 years (broadleaves). The remaining trees will then be clear-felled, and replanted. CCF involves regular thinning of the woodlands whilst promoting natural regeneration so that no clear fell takes place, meaning there is continuous woodland cover on the site. Both systems have advantages and disadvantages. Commercially managed woodlands require an element of forest infrastructure which includes roads and rides for the harvesting and extraction of timber, stacking areas for timber awaiting haulage, fences and drains.

The management of existing woodlands and creating new woodlands can be done under multi-purpose objectives where productivity can and indeed should be considered. This can be achieved at different scales, from the production of timber for construction and other sawn wood products through the management of plantation woodlands, to designing new native woodlands to have an element of productivity in the future for say, local timber markets such as woodfuel and fencing or more specialist coppice products and non-timber forest products.

The Clean Growth Strategy³⁶ sets out the governments ambitions to grow national income while cutting greenhouse gas emissions. Along with the 25 Year Environment Plan, it provides the government's commitment to increase the use of timber in construction. Increasing the use of timber in construction will lock away carbon in the long term and provide a stimulus for woodland creation.

Woodland creation and management offers employment opportunities. As more woodlands are brought into management and created, a growing and skilled workforce will be required. The recent Forestry Skills Forum Forest Workforce Research³⁷ indicated that across England, over 1000 additional jobs would need to be created in the forestry sector by 2030 to achieve current government targets. Jobs will be created in planting and maintaining sites, as they will for the management of existing woodlands, and help to ensure that the necessary capacity and skills are in place to manage the woodlands that will be created through the fulfilment of this plan's objectives. Additional jobs will be created in the timber processing sector.

Bringing council woodlands into active management has the potential to support this enhanced employment by stimulating action by private owners. By setting an example of best practice, in particular in the management of habitats of the highest value or potential

³⁶ <https://www.gov.uk/government/publications/clean-growth-strategy>

³⁷ RDI Associates (2021). Forestry Workforce research Final Report. Forestry Skills Forum.

(such as PAWS restoration), it can also provide contractors with experience of working in such woodlands and foster markets for the timber harvested.

Timber markets are currently strong in the UK and this in turn is creating considerable incentive to bring woodlands into management. This combined with the Countryside Stewardship Higher Tier grants for supporting woodland improvement for biodiversity, offers strong financial incentives to manage woodlands for multipurpose benefits.

3.5 Theme 5: LIVING WOODS (Woodlands & People)

This theme presents the socio-economic, and health and wellbeing benefits derived from woodland.

The Indices of Deprivation 2019 (IMD2019) shows that Gateshead is ranked 47th out of 317 local authorities in England where 1 is the most deprived. Around 32,700 or 16% of Gateshead residents live within the most deprived 10% LSOAs³⁸ (lower-layer super output areas) in England.

Of the seven indices of deprivation, Gateshead scored lowest for health and disability, where it ranked 24th. The health and disability domain includes indicators relating to years of potential life lost and mood and anxiety disorders, both factors which can be influenced by the quality of environment and access to green space, including woodlands.

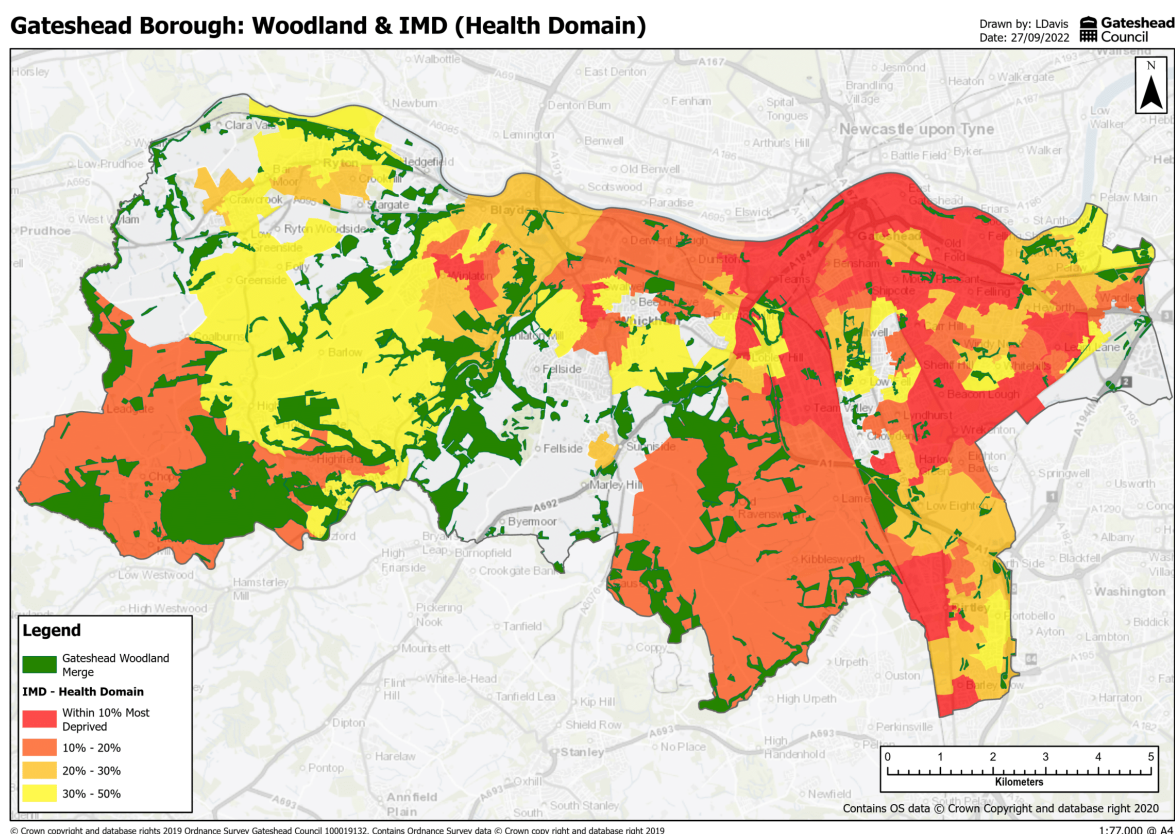


Figure 6: Index of Multiple Deprivation (Health) in Gateshead

³⁸ Small areas designed to be of a similar population size with an average of 1500 residents.

At 77.8 for men, and 81.8 for women, life expectancy is lower than the England averages of 79.8 and 83.4 respectively. Around 22% of people in Gateshead reported that their health limits day to day activities compared to around 18% nationally, and 23.6% of residents said their general health was 'fair', 'bad' or 'very bad', compared to 18.5% across England as a whole³⁹.

Public Access

Access to woodland can improve mental and physical wellbeing and improve quality of life. A 2019 report⁴⁰ by FOREST EUROPE identified five key mechanisms by which forests and woodlands contribute to human health and well-being:

- Reduced exposure to noise and air pollution
- Stress reduction and psychological and physiological restoration
- Strengthening the immune system through contact with nature
- Increased physical activity and reduction in obesity rates
- Better social contacts

Quoted in the 2022 Gateshead Director of Public Health Annual Report⁴¹, Lucy Brenkley, Active Forests Coordinator for Forestry England said '*Throughout 2020, public demand soared for outdoor recreation. Mental Health Foundation research⁴² shows that, during the long months of the pandemic, going for walks outside was one of our top coping strategies, and 45% of us reported being in green spaces has been vital for our mental health. Research has also highlighted the importance of physical activity and engaging with nature in supporting people to maintain their wellbeing during restrictions and the pandemic⁴³.*'

Recent work undertaken by Forest Research indicates that the annual mental health benefits associated with visits to the UK's woodlands, resulting in reduced costs to the NHS and employers, are estimated to be £185m⁴⁴.

Woodlands visual prominence can create a balance between the built and natural environment and help to soften industrial landscapes, especially in urban areas. They also provide cultural and social benefits. Figure 5 shows the network of public rights of way across the borough.

³⁹ ONS (2012). Census 2011

⁴⁰ FOREST EUROPE, Liaison Unit Bratislava, 2019: Human Health and Sustainable Forest Management by, Marušáková L. and Sallmannshoferet M., et al. FOREST EUROPE Study

⁴¹ <https://www.gateshead.gov.uk/article/5519/Annual-Report-from-the-Director-of-Public-Health-for-Gateshead>

⁴² Rowland M, Mental Health Foundation (2020) Blog: Why Nature was the theme for Mental Health Awareness Week 2021.

⁴³ O'Brien, L and Forster, J. (2020) Engagement with nature before and during the Covid-19 restrictions. Quantitative analysis. 2020. Forest Research, Farnham

⁴⁴ <https://www.forestresearch.gov.uk/research/valuing-the-mental-health-benefits-of-forestry-phase-2/>

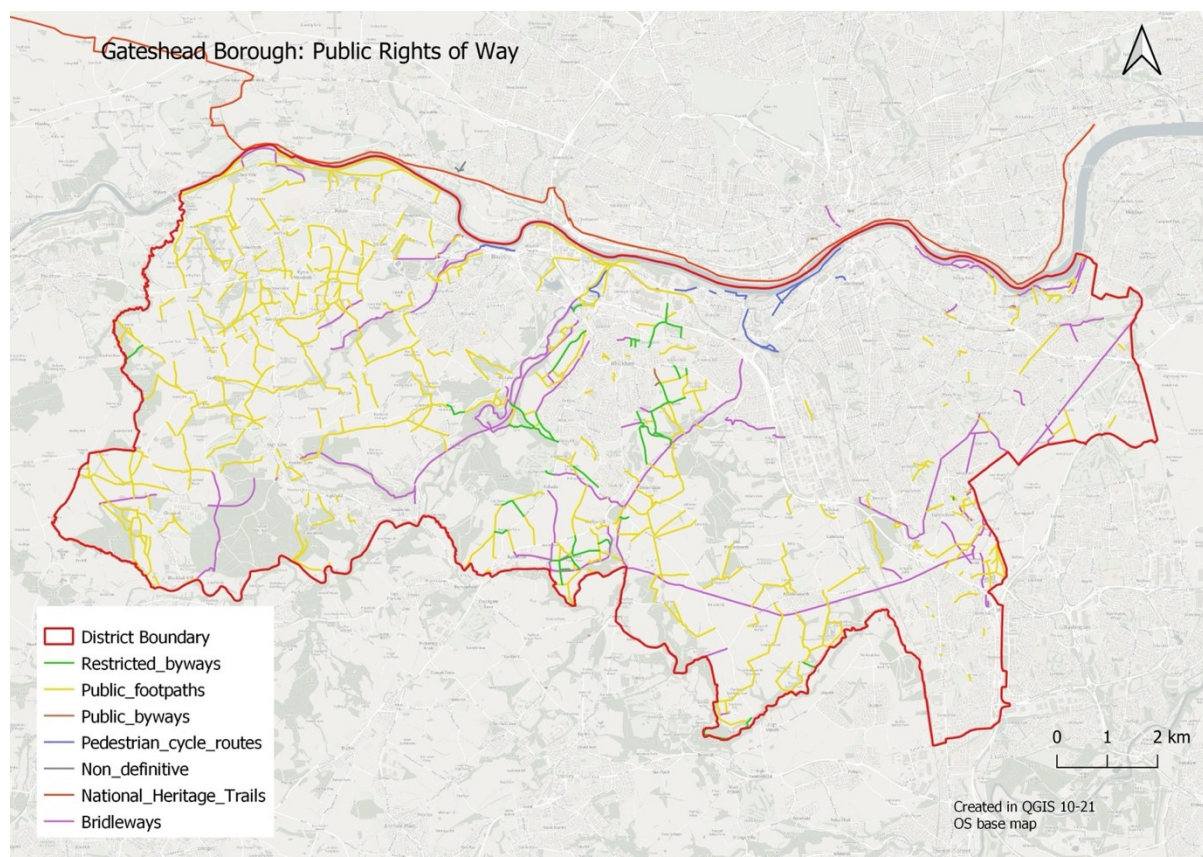


Figure 7. Public Rights of Way in Gateshead

New woodlands should be designed with proximity to people and access in mind. The Woodland Trust policy paper ‘Space for People’⁴⁵ shows that within Gateshead district, some 99% of the population live within 4km of an accessible woodland over 20ha in size. However, only 17% of the population live within 500m of an accessible woodland over 2ha in size, which is more representative of people’s daily lives.

Woodlands in urban⁴⁶ and peri-urban⁴⁷ situations provide an opportunity for people to take regular exercise in quiet and restful environments and enjoy regular contact with nature. This has the known⁴⁸ benefits of relieving stress and depression and physical symptoms such as high blood pressure and obesity.

Woodlands can provide venues for social activity. This can be through their use for education and training, Forest Schools activities, community woodland initiatives, local events or just family and friends getting together for exercise or picnics.

This action plan notes the importance of engaging local communities in the process of woodland creation and management from the outset. Communities should be engaged through consultation for site selection, planning, design and future management requirements.

⁴⁵ Space for People (2017) The Woodland Trust

⁴⁶ https://cdn.forestresearch.gov.uk/2022/02/serg_urban_health_and_forestry.pdf

⁴⁷ https://cdn.forestresearch.gov.uk/2022/02/peri-urban_woods_and_health_report_2012.pdf

⁴⁸ <https://www.forestresearch.gov.uk/tools-and-resources/fthr/biomass-energy-resources/fuel/woodfuel-production-and-supply/woodfuel-production/forestry-for-woodfuel-and-timber/social-benefits-of-woodland/>

The Historic Environment

The Historic Environment (HE) is culturally important and existing woodlands are often important places for historic and archaeological features. The management and creation of new woodland must consider the HE and take account of the historical and cultural values of the landscape. Steps should be taken to ensure any historic features, which may be affected by woodland creation and management, are known and evaluated, consulting with and taking advice from local historic environment authorities.

Tools to help with planning for the HE includes thorough research of HE records, careful design and provision of open space, rides and edges, alternating structure in terms of species groups, spacing and height, provision and management of public access and amenity and long-term operational planning – when, where and how future woodland operations will be conducted. Figure 6 identifies key historic environment features across the borough. Additional site specific HE surveys should be conducted prior to determining their suitability for woodland creation.

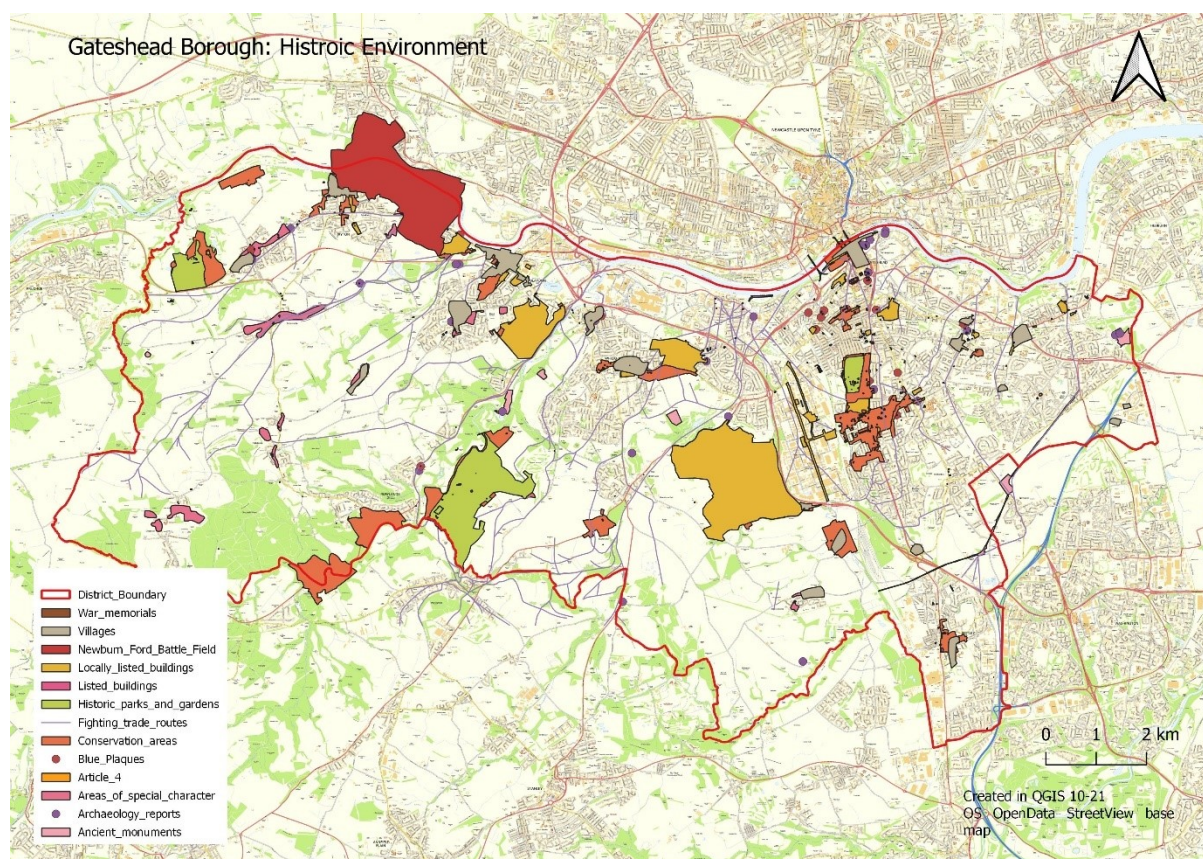


Figure 8. The Historic Environment in Gateshead

3.6 Theme 6: MORE WOODS (Woodland Expansion)

This theme examines the potential for woodland expansion on Gateshead Council land.

The Council has set the ambition of supporting a net increase in woodland cover of 2% (c. 250ha/2.5km² out of a total land area of 14,000ha/140km²) in the borough from 15% to 17% by 2050. This ambition can be compared to the target of increasing England's woodland cover from 10% to 12% by 2050 (2600km²).

Using existing data sets, this action plan identifies a 'long list of sites' that could be explored further as to their potential for conversion to woodland. The long list (Figure 7) can be defined as sites that, from desk-based research, have the potential to support woodland creation meeting the UKFS themes of biodiversity, climate change, historic environment, landscape, people, soil and water. The long list allocates a priority to each site based on the following criteria:

- *High Priority Sites* will be those considered to be highly suitable and deliverable and as such make the short list.
- *Medium Priority Sites* are those that may have additional constraints but could be investigated further if future policy or demand required.
- *Low Priority Sites* are those that would not support tree planting because of a major constraint or several minor constraints.

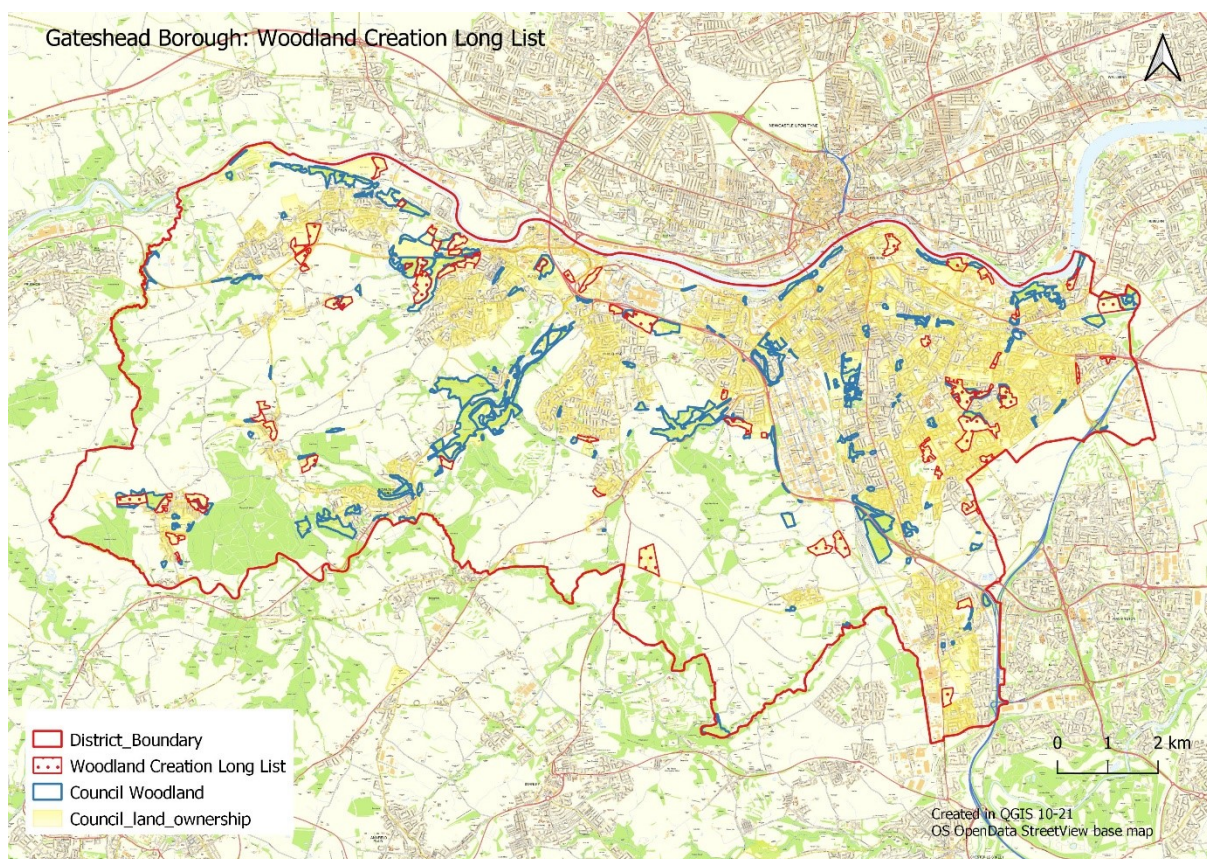


Figure 9. Woodland Expansion in Gateshead (Long List)

Appendix 2 provides a more detailed description of the long list of sites.

4. More Woods - Proposed Woodland Creation Sites

This section presents a short list of sites where woodland creation could be undertaken upon Council land and the evidence upon which this is based.

4.1 Scoring Matrix for Site Selection

A scoring matrix has been developed to help the Council through the site selection, planning and design stages. The matrix draws on the principles of the UKFS and uses readily available data sets that can be interrogated to assess the 'risks' and 'benefits' of creating woodland. The principles of the scoring matrix are:

- Will the proposed site enhance biodiversity and ecological connectivity?
- Has resilience to climate change been considered?
- Does the proposed site have any HE features which need to be considered?
- Will the proposed site enhance the local landscape?
- Will the proposed site improve access to green space and recreational opportunities for people?
- Have the proposals considered impacts on soil?
- Have the proposals considered impacts on the water environment?
- What are the opportunities for carbon sequestration?
- Have all site constraints been duly considered?

Sites are then scored according to the criteria as set out in Table 5.

Score	Description
1	Site does not contribute to objective and may even affect it detrimentally. Woodland creation may not be suitable for the site.
2	Limited contribution to objective. Woodland creation may be suitable if adequate mitigation measures can be introduced.
3	Contributes to the objective. Limited mitigation measures required.
4	Good contribution to the objective. No mitigation measures required.
5	Enhances objective.

Table 5: Site scoring matrix

Sites can score a maximum of 50. The full scoring matrix can be found in Appendix 4.

4.2 Short Listed Sites

Short listed sites can be assessed using the matrix to provide an initial assessment against the UKFS requirements, utilising existing data sources such as MAGIC⁴⁹, FC map browser⁵⁰ and ESC DSS⁵¹ amongst others.

Table 6 provides a short list of sites (high and medium priority) that could be brought forward for more detailed assessment, consultation, planning and design.

⁴⁹ <https://magic.defra.gov.uk/MagicMap.aspx>

⁵⁰ <https://www.forestergis.com/Apps/MapBrowser/>

⁵¹ <https://www.forestresearch.gov.uk/tools-and-resources/fthr/ecological-site-classification/>

Name/location	NGR	Area (ha)	Priority
Bolton's Bungalows	NZ120577	4.68	Medium
East Terrace	NZ120573	0.88	Medium
Off South Road	NZ123584	3.37	Medium
Hooker Gate	NZ146591	5.16	Medium
High Spen Park	NZ137601	5.05	Medium
Ryton Woodside South	NZ145630	1.6	High
Ryton Woodside North	NZ145633	4.34	High
Ryton Rugby Club East	NZ147637	7.99	High
Ryton Rugby Club South	NZ145634	4.67	High
Blaydon Burn West	NZ169626	13.75	Medium
Market Lane East	NZ207623	3.07	Medium
Beggar Wood	NZ231600	7.23	High
Millgreen Cottage	NZ237598	0.97	High
Bill Quay - Riverside Park	NZ297628	3.67	Medium
Leam Lane East (a)	NZ299611	1.35	High
Leam Lane East (b)	NZ299609	0.46	High
Wardely	NZ305613	1.52	High
Felling Cricket Club North	NZ283613	1.39	High
Felling Cricket Club South	NZ283614	0.68	High
Deckham	NZ268616	2.49	High
Whitehills East	NZ283605	9.29	High
Wrekenton	NZ281593	2.73	High
Ravensworth Golf Course	NZ271591	1.75	Medium
Mossheap Recreation Ground	NZ269594	5.9	Medium
Eighton Banks East	NZ277583	5.31	Medium
Barley Mow	NZ273547	6.43	High
Sunniside	NZ204584	1.52	Medium
Gladeley Hill	NZ202595	2.79	High
Priority Totals			
High		55.93	
Medium		54.11	
Total		110.04	

Table 6: Woodland expansion sites (short list)

Figure 10 shows the location of the short-listed sites.

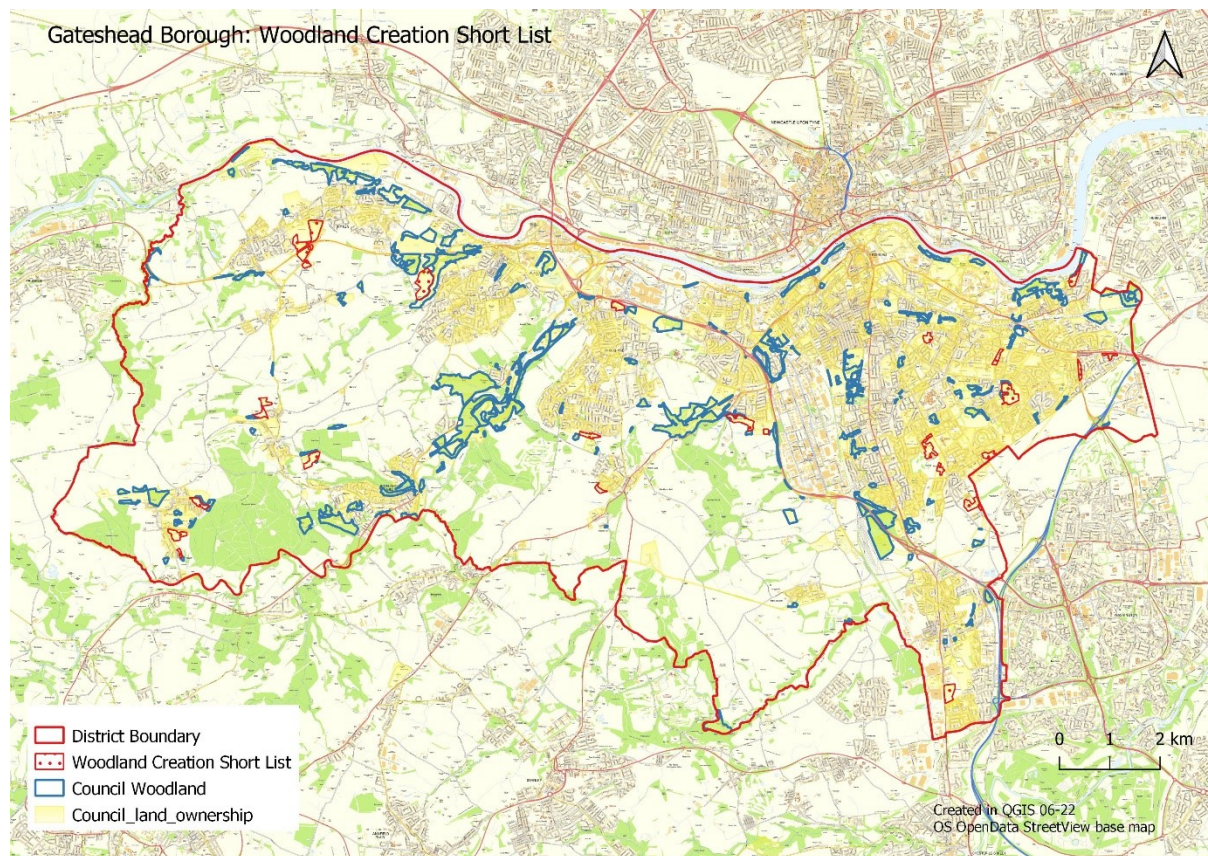


Figure 10. Woodland Expansion in Gateshead (Short List)

The short list identifies 55.93ha in the high priority category and 54.11ha in the medium priority category. This falls 139.96ha short of the overall target of creating 250ha of new woodland in the borough. It would therefore be necessary to work with wider third and private sector partners to achieve this.

Woodland Creation on Non-Council Owned Land

Due to the short fall in available medium and high priority sites for woodland creation on Council owned land, it is necessary to work with private and third sector landowners and their representatives within the borough to help target areas of land that could be suitable for woodland creation. Key partners in achieving this will be the NECF, the Woodland Trust, Durham Wildlife Trust, CLA, NFU and land agents.

It is worth noting that there are large areas of farmland to the central western and central southern areas of the borough, totalling approximately 3500ha. The short fall of 101ha represents approximately 3% of this area. Desk based constraints checks and mapping could determine the extent of available, low risk, land that could be targeted for woodland creation. This could include mapping the Forestry Commission 'Low Risk Areas for Woodland Creation' map layer available on the Map Browser tool⁵². The Council, through its

⁵² <https://www.forestergis.com/Apps/MapBrowser/>

partners at the NECF, could provide facilitation services to landowners to help bring forward projects to help achieve the 250ha target.

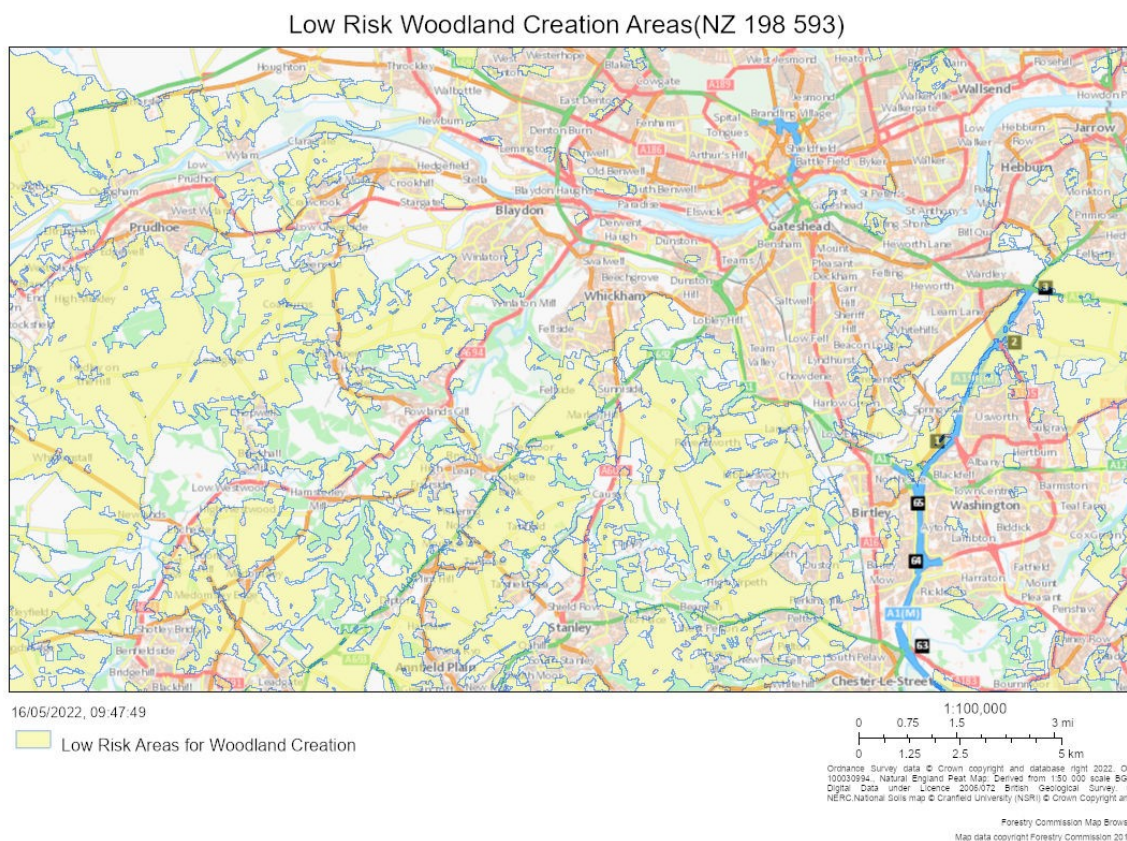


Figure 11: Extract from FC Map Browser - Low-Risk Areas for Woodland Creation

4.3 Investing in More and Better Woods

This section details how much the woodland planting will cost and how it will be paid for.

Woodland Creation Costs

The cost of creating woodland varies greatly depending on the size, location and site constraints. Typically, creating new woodland in urban and peri urban locations is more costly than creating woodland on agricultural land and in more rural areas. Urban and peri urban woodland may have additional constraints around former land use, land values and social related issues. Thus, the costs quoted below, which relate to typical rural planting schemes, may be a significant underestimate of the potential costs for an equivalent size and type of scheme in an urban or peri-urban setting.

Land values may be a major constraint to securing land for tree planting in Gateshead due to the potential development value of the land. Agricultural land prices vary according to the grade of the land in question but average prices for lower grade arable and improved grassland are currently in the region of £18,000/ha and £14,000/ha respectively.

The average prices in Table 7⁵³ show the cost of planting and establishing 1 ha of new native woodland at a planting density of 1600 trees per ha with 20% open ground.

⁵³ Based on current market averages. Prices were obtained through competitive quotation for schemes managed by RDI Associates Ltd.

Item	Unit	Number	£/unit	Total cost	Notes
Planting density	Ha	1600	£3.48	£5,568.00	Lower or higher planting densities will increase or decrease price accordingly
Fencing	Meters	400	£7.75	£3,100.00	Might not be necessary if tubes are used and no threat from livestock incursion
Gates	Each	1	£475.00	£475.00	Might not be necessary if tubes are used and no threat from livestock incursion
Total				£9,143.00	

Table 7: Woodland creation - average cost per ha

Typical ongoing maintenance costs could be between £400 to £700 per ha for the first 3 to 4 years and in the region of £50 to £200 per ha thereafter. These may need to be amended where access and recreational provision is made and additional costly items such as maintenance of surface footpaths, litter bins and more regular grass and vegetation management may be required.

It could cost in the region of £2.3 million if all 250ha of new woodland were to be achieved, with an annual maintenance budget requirement of £137,000 for the first 3 to 4 years and £31,000 thereafter.

Appendix 3 provides more detailed costs based on current averages paid for planting materials, labour rates and maintenance costs.

Funding Options

Woodland Creation Planning Grant and England Woodland Creation Offer

The woodland creation planning grant (WCPG) can be used to help with the initial consultation and design of new woodlands. This is paid for schemes which total over 5ha which can be in several different blocks as long as each block is a minimum area of 0.5ha and a minimum width of 20 meters.

The WCPG process is split into 2 stages. Stage 1 requires a desk-based exercise which identifies constraints and opportunities for the sites. The scoring matrix developed as part of this action plan follows the same principles as stage 1 of the WCPG. If stage 1 is successful, the scheme proceeds to stage 2 where a detailed woodland creation design plan is produced. This plan can be used to access the England Woodland Creation Offer (EWCO) grant and may be useful in securing other forms of funding which are explored further below. The grant pays a flat rate of £1000 for stage 1 and then £150/ha for stage 2 less the £1000 stage 1 payment. For applications under 10ha in size, a minimum payment of £500 is made for stage 2.

EWCO replaced the Countryside Stewardship Woodland Creation and Maintenance grant earlier in 2021. The grant rates have been revised to be more favourable and realistic of actual costs. It also provides a range of supplementary payments and capital options. The maximum grant payable per ha is capped at £8500, excluding capital items and supplements. Table 8 sets out the typical rates that are available from EWCO along with indicative supplementary payments that may reasonably be expected to be available for schemes in the borough.

Item	Unit	Rate
Supply and Plant a Tree	Each	£1.60
Individual tree shelters	Each	£2.00
Sheep netting	Meter	£7.68
Wooden field gate	Each	£487.00
Close to settlements	Ha	£500.00
Recreational access	Ha	£2200.00
Nature recovery	Ha	£2800.00
Nature recovery lower	Ha	£1100.00

Table 8: EWCO standard rates

Other Sources of Funding and Support for Woodland Creation

Trees for Climate⁵⁴

The Trees for Climate programme is led by England's Community Forests and has been funded out of the £640 million Nature for Climate fund. The Community Forest Trust (CFT) provides a central facilitation role and can help partners accessing funding such as the Urban Tree Challenge and Local Authority Treescapes⁵⁵ funds. Trees for Climate offer grants for woodland creation up to a maximum of £17,200/ha⁵⁶. With the creation of the North East Community Forest, Gateshead is well placed to take advantage of this initiative.

The Urban Tree Challenge Fund (UTCf)⁵⁷

The UTCf is a £10 million government fund for tree planting in and around towns and cities in England. The fund is designed to support planting large 'standard' trees over a two year period. Administered by the Forestry Commission, the CFT facilitates the bidding process and the current round for 22/23 is due to close Spring 2022. The fund provides 50% of published costs for planting and establishment with the other 50% being funded via match funding in the form of money or labour. The scheme is designed for parkland and street tree planting projects and can pay in the region of £400 per tree.

Local Authority Treescapes Fund (LATF)⁵⁸

Part of the Nature for Climate Fund, this tree planting initiative aims to increase tree planting and natural regeneration in non-woodland areas.

Woodland Creation Accelerator Fund⁵⁹

A new fund, which at the time of writing is still to be officially launched, it is designed to support local authorities to accelerate tree planting and woodland creation projects. The fund will be competitive and cover the cost of staff or consultants to help with the delivery of planting plans and take advantage of capital grants that are available from now to 2025.

⁵⁴ <https://www.communityforest-trust.org/cft-current-initiatives/trees-for-climate>

⁵⁵ <https://www.gov.uk/guidance/local-authority-treescapes-fund>

⁵⁶ The grant currently pays £688 per standard tree planted. 25 trees equate to 1 ha of planting.

⁵⁷ <https://www.communityforest-trust.org/cft-current-initiatives/the-urban-tree-challenge-fund>

⁵⁸ <https://www.gov.uk/guidance/local-authority-treescapes-fund>

⁵⁹ <https://www.adeptnet.org.uk/woodlandfund>

MOREwoods

The Woodland Trust provide a range of mechanisms to aid tree planting by landowners, including MOREwoods⁶⁰. This scheme can support the creation of woodlands over 0.5ha by providing trees and guards at a subsidised cost. Applicants are also provided with an adviser to design the scheme and ensure the necessary procedures have been followed. Although there is no upper limit, other schemes such as EWCO may provide more beneficial support for landowners.

Woodland Carbon

The UK government has created a woodland carbon guarantee scheme (WCaG)⁶¹ to kick start the nascent woodland carbon market in the UK. The scheme offers landowners the option to sell captured carbon in the form of verified carbon credits (WCUs - see Theme 2 above), to the government for a guaranteed price every 5 or 10 years up to 2055/56. This provides an additional long-term income for the woodland. WCUs are generated through verification under the WCC. Recent auctions on the site have attracted values in the region of £20 per tonne of carbon.

At the time of writing the WCaG is not available to public sector bodies. However, it is worth noting that one ha of new native woodland generating 300 WCUs over a timeframe of 35 years would generate an annual income per ha of around £170 to £200. Carbon prices are likely to rise in the future and there are private carbon finance providers, such as Forest Carbon⁶², so it is well worth considering entering newly created woodlands into the WCC from the outset so the option to generate income from carbon is there.

Timber Income

Income can be derived from the sale of timber arising from thinning and clear-felling processes. On average, woodlands are thinned (see Section 3.4) every 5 – 10 years, from approximately age 20 onwards, depending on species and yield class. Clear felling takes place at the end of an economic rotation, although for most woodlands managed by the Council this is unlikely to be an appropriate silvicultural treatment. Instead, woodlands could be managed through an appropriate continuous cover forestry method, whereby tree cover is maintained but by means of selective thinning, replacement trees are encouraged through natural regeneration.

Particular treatment may be required for PAWS restoration (see Section 3.1), whereby conifers or non-native broadleaves are removed in order to enable planting or natural regeneration of site native species. Whilst clear felling is rarely the appropriate prescription in these circumstances, it is possible that existing trees will be removed before their normal economic rotation, bringing forward the income from timber.

The net income to the landowner from timber sales will depend on (a) timber prices at the time of felling and (b) the cost of felling and extraction. As described in Section 3.4, timber prices are historically high at present, but fluctuations will occur over the lifetime of woodlands being created and managed as an outcome of this plan. Timber is a global commodity and prices fluctuate according to economic cycles, currency exchange rates (the UK imports in excess of 70% of its timber and is the world's second largest importer of timber, after China) and market demand (construction, biomass etc.). As biomass (firewood for domestic consumption and woodfuel for heat and electricity generation) has become an

⁶⁰ <https://www.woodlandtrust.org.uk/plant-trees/trees-for-landowners-and-farmers/morewoods/>

⁶¹ <https://www.gov.uk/guidance/woodland-carbon-guarantee>

⁶² <https://www.forestcarbon.co.uk/>

increasingly important market for timber in the UK, so the price of fossil fuels (oil and gas) has influenced timber prices overall.

Figure 11⁶³ shows price indices for standing sales (where the timber is sold standing, before felling) and sawlogs.

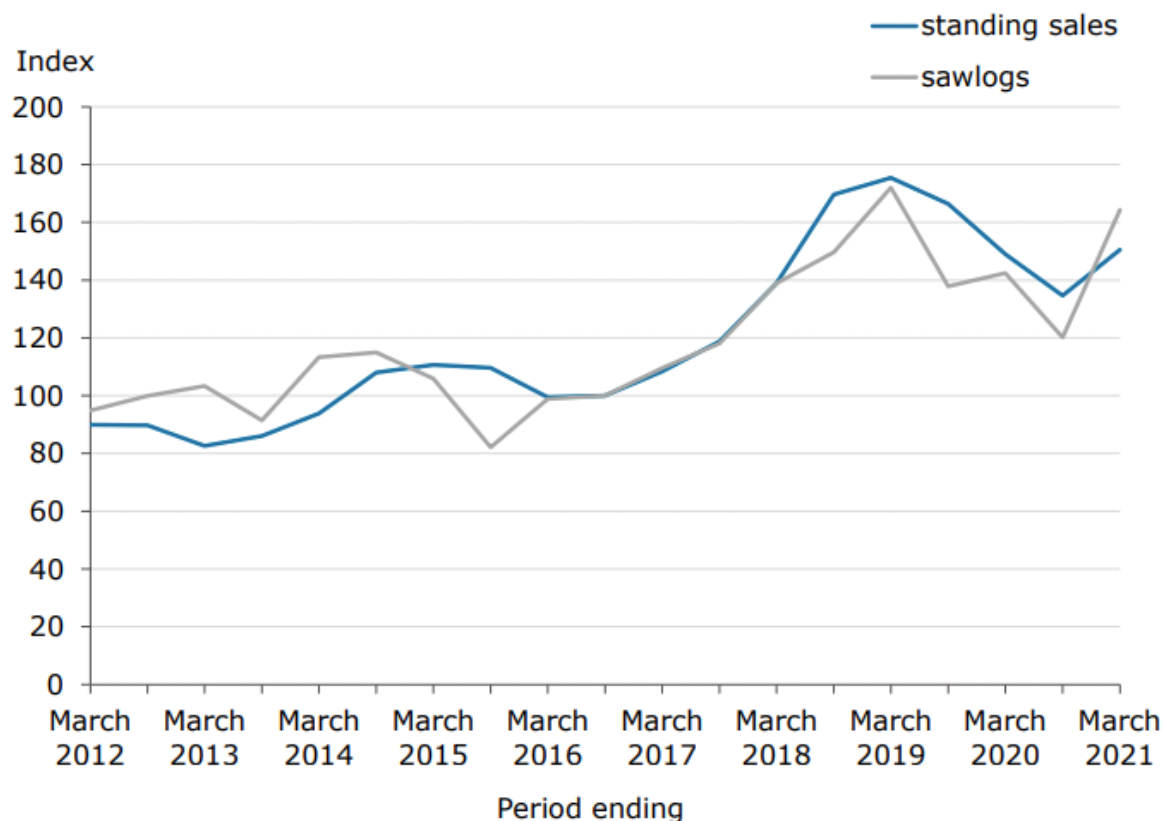


Figure 12: Coniferous Standing Sales and Sawlog Price Indices for Great Britain, 2012 - 2021

The cost of felling and extraction is less impacted by external factors and will largely depend on the site (area, accessibility, constraints etc), timber volume and tree size (dictating whether mechanical or manual harvesting is possible), distance to processor and, of particular relevance to many woodlands in urban areas, the ability or otherwise to leave equipment and machinery on site overnight.

Notwithstanding the comments above regarding price variations, Table 8 indicates the potential income from timber harvesting. These prices are for the net return to the owner i.e. after all costs for felling, extraction and haulage to processor have been taken account of.

Felling type	tonnes/ha	£/tonne	£/ha total
Conifer – thin	30	£25	£750
Conifer – clearfell	350	£25	£8,750
Broadleaf – thin	20	£20	£400
Broadleaf - fell	250	£20	£5,000

Table 9: Potential income from timber for various felling types

⁶³ Forestry Statistics 2021. Forest Research, Edinburgh.

5. Plan Implementation

This section sets out the timeframe, key milestones and outputs for the implementation of this action plan.

Woodland Creation

There is often long lead in times for creating new woodlands as the planning, design and funding stages can take some time. Even on less complicated sites it is not untypical that a scheme may take 12 to 18 months from site selection to planting. A risk register for sites should be developed that includes key and peripheral risks. Such risks are identified as 'other constraints' in appendix 4.

All considerations, constraints and risks must be fully understood before a site is put forward for woodland creation and key to success will be early community and stakeholder engagement. Following the steps in the WCPG and scoring matrix will allow sites to be considered for their initial suitability followed by community and stakeholder engagement. Once sites are fully appraised and feedback from stakeholders received, and the decision taken to bring them forward for woodland creation, they should then be registered to the Council's Single Business Identification (SBI) number on the Rural Payments Agency (RPA) system. This will allow access to WCPG and EWCO. This registration process may take up to 6 months, particularly if there are multiple parcels to register. Once registered, the WCPG should be applied for, and the planning process started. Up to a year should be allowed for this process to reach a conclusion, particularly if many sites are included. This process does not apply to schemes funded through the NECF Trees for Climate programme.

Woodland Management

Long-time scales are often the case with getting woodland management plans approved and CS grants applied for. CS is due for replacement by 2024 by the Environmental Land Management Scheme (ELMS). Whilst it is anticipated that support for woodland management activity will remain broadly similar under the new scheme, the details have not yet been confirmed and thus the following information relates to current support mechanisms only.

At the same time as registering land parcels for woodland creation, existing woodland field parcels should be registered to allow access to Woodland Management Planning Grant (WMPG – see appendix 1 for more details) and CS Higher Tier. This registration process may take up to 6 months, particularly if there are multiple parcels to register. Once registered, the WMPG should be applied for, and the planning process started. Allow 9 to 12 months for this process to reach a conclusion, particularly if many sites are included.

The timeline for woodland management can be longer than that for woodland creation as an approved woodland management plan is required in order to be able to access CS Higher Tier and the application window for CS is restricted to February each year. With the management planning and approvals process taking the best part of 12 months, this would mean the next CS application window that could be achieved is February 2023 with the funding agreement starting in January 2024.

These timeframes will also be subject to the authority's decision-making processes.

Key milestones with their outputs and timelines are presented in the following sections.

5.1 Woodland Creation Action Plan Timeline

Table 10 presents the proposed timeline for woodland creation on Council land.

Year			2022	2023				2024				25	26	27	28	29
Quarter			4	1	2	3	4	1	2	3	4					
Milestone		Outputs														
1	Detailed analysis of woodland creation site short list	Short list analysis to determine suitability for woodland creation														
2	Community engagement and stakeholder consultation for short listed sites	Local communities and stakeholders engaged in planning process														
3	Firm up sites selected and register field parcels with the RPA	Sites selected for woodland creation and land registered with the RPA to allow access to funding schemes														
4	Apply for Woodland Creation Planning Grant	WCPG applied for														
5	Complete Woodland Creation Planning stages 1 and 2	Woodland Creation Planning stages 1 and 2 completed and woodland creation design plans produced														
6	Carry out second round of community engagement and stakeholder consultations	Local communities and stakeholders engaged in design planning process														
7	Apply for EWCO and or other sources of funding	EWCO and or other sources of funding applied for and secured														
8	Register on the WCC	Schemes registered on the WCC														
9	Select planting contractors	Contractors selected to plant sites														
10	Plant and maintain sites	Sites planted and maintenance schedule commenced														

Table 10: Woodland creation timeline

5.2 Woodland Management Action Plan Timeline

Table 11 presents the proposed timeline for the management of Council owned woodlands.

Year			2022	2023					2024				25	26	27	28	29
Quarter			4	1	2	3	4	1	2	3	4						
Stage		Outputs															
1	Register existing woodland field parcels with the RPA	Woodland field parcels registered with the RPA to allow access to grants															
2	Apply for Woodland Management Planning Grant	Woodland management planning grant applied for															
3	Community engagement and stakeholder consultation for short listed sites	Local communities and stakeholders engaged in planning process															
4	Write woodland management plan	Woodland management plan produced															
5	Apply for CS Higher Tier woodland improvement grants	CS Higher Tier agreement															
6	Implement rolling programme of woodland management in line with CS Higher Tier agreement	Woodland management activity															

Table 11: Woodland management timeline

5.3 Priority Action Timeline

	Years	Actions - Woodland Creation	Actions - Woodland Management
Short Term Actions	1 to 3	Detailed analysis of woodland creation short listed sites	Register woodland parcels with RPA
		Register field parcels with RPA	Apply for Woodland Management Planning Grant
		Apply for Woodland Creation Planning Grant or equivalent	Write woodland management plan
		Complete WCPG stages 1 and 2 and apply for capital grants	Apply for CS Higher Tier Funding
		Register sites on WCC	Start CS Higher Work Programme
		Tender for planting contracts	
		Site preparation and planting	
Medium Term Actions	4 to 6	Continued site preparation and planting	Continue CS Higher Tier Work Programme
		Maintenance of sites	Monitor and measure success of management interventions
Long Term Actions	7 to 10	Monitor and measure success of management interventions	Review 10 year management plan
		Continued maintenance of sites	Extend/renew CS Higher Tier agreement or successor ELMs scheme
		Consider early thinning, coppicing or pruning interventions	

Table 12: Priority action timeline

6. Conclusion

This action plan sets out Gateshead Council's vision for More and Better woods based on the six core themes of *our woods*, *carbon woods*, *wild woods*, *working woods*, *living woods* and *more woods*. Each theme sets out the framework under which new woodlands will be created and exiting woodlands managed.

By 2050 the Council aims to create 250ha of new woodland and bring into positive, sustainable long-term management their exiting woodland portfolio. This will provide new areas for recreation and leisure, sequester carbon, provide valuable, diverse and resilient ecosystems and provide a positive contribution to the green economy.

Site analysis using a scoring matrix based on the UKFS requirements has been used to identify potentially suitable sites to take forward for more detailed assessment, consultation, planning and design, and through to planting and maintenance. Partners, such as the NECF and the Forestry Commission, can provide support for this process through facilitation and access to funding.

Not all of the 250ha target for new woodland can be met on Council owned land and it will be necessary to engage with other public sector and private landowners to achieve it. This can be facilitated through constraints analysis and mapping of available land and working with partners such as the NECF, Woodland Trust and Wildlife Trust to help engage with landowners.

Brining the Councils 900ha of existing woodlands under a single, co-ordinated long term management plan will allow access to the funding opportunities which can pay for improvement activities that will benefit the woodlands for biodiversity and in turn provide other important ecosystem services such as climate regulation, clean air and water, flood mitigation, soil protection, carbon sequestration, natural pollination, public access and recreation and help them to be more resilient in the face of climate change.

Appendices

1. Woodland Management Planning and Countryside Stewardship
2. Long list of sites
3. Woodland creation costs
4. Scoring matrix
5. Consultee register
6. Glossary

Appendix 1 - Woodland Management Planning and Countryside Stewardship

The overall objectives of this are as follows: -

1. Production of a long-term woodland management plan including application of woodland management planning grant and felling licences.
2. Application for a 5-year Countryside Stewardship Higher Tier Woodland Management Support programme and ongoing support as required.

Stage 1 - land registration

Register the woodland parcels under the Rural Land Registry (RLR) to a single business identification (SBI) such as Gateshead Council if it doesn't already exist.

Requirements - completion of a Rural Payments Agency (RPA) RLE1 form and maps which identify all woodland parcels that will be included in the management plan.

Stage 2 - woodland management plan

Once the woodland parcels have been registered, the Council can apply for the Countryside Stewardship (CS) grant for Woodland Management Planning. For woodland areas 3 to 50 ha, the grant is paid at a flat rate of £1000 and over 50ha the rate is £20/ha. If all 900ha of woodlands were to be brought under a single plan this could attract £18,000 of woodland management planning grant.

The management planning process will involve producing a 10-year Forestry Commission (FC) approved woodland management plan to manage the woodland according to the management objectives and in line with the UK Forestry Standard. A 10-year Felling Licence is also secured. The plan covers all the main environmental, social and economic aspects of woodland management and can be used to leverage the Countryside Stewardship Higher Tier grants for woodland management (a management plan is a requirement to access these). The plan will be produced with a series of supporting maps covering compartment boundaries, biodiversity and other constraints and a felling programme.

Stage 3 - Countryside Stewardship Higher Tier Grant Application

The Countryside Stewardship Higher Tier (CS) woodland improvement grants can pay £100 per hectare of woodland for a five-year period for an agreed prescription of work. This will include options for thinning, regeneration felling, coppicing, ride mowing, invasive species control, increasing deadwood levels and creating and maintaining open space. There is also support for capital items such as fencing and scrub/rhododendron control (list not exhaustive). An approved management plan is a prerequisite to be able to apply for this grant.

The requirements to successfully draw down the grant are that you produce reports in years 3 and 5 which provide evidence of the work you have done. This will include:

- Photographic record of work done
- Records of any materials bought such as trees, tubes, stakes.
- Records of contractors employed to do thinning and felling work
- Record of staff activity and time spent on managing the agreement

The application process starts in February each year when the application window opens and is competitive. Not all woodlands will score sufficiently to meet minimum scoring criteria based on biodiversity and other values of the woodlands. If all 900ha of Council owned were to be brought under an agreement, this would attract £90,000 of revenue funding. Additional capital funding can also be sought for one off project such as fencing, installation of woody leaky dams and scrub or rhododendron control. Agreements usually start 1st January following the application window opening.

Other Sources of funding for woodland management activity

Woods into Management Forestry Innovation Fund

Most of our woodlands have been managed in the past to provide timber and fuel. This management has shaped and maintained the habitats that support the plants and animals enjoyed and valued by society today. Presently around 41% of our woodlands are not actively managed and this can have a negative impact on the biodiversity they contain.

The Woods into Management (WiM) Forestry Innovation Funds are being launched as part of the Government's Nature for Climate Fund. The WiM Forestry Innovation Funds aim to restore vulnerable woodland habitats and help woodlands adapt to a changing climate and recover from the impacts of pests and diseases. Three funding streams are being launched:

- Routes to market for ash timber Innovation Fund
- Temporary infrastructure Innovation Fund
- Regional woodland restoration Innovation Fund

Routes to market for ash timber Innovation Fund

Ash dieback is expected to cause many millions of our ash trees to die over the next 10-20 years. Using wood from infected trees in wood products and energy generation projects could help owners offset the cost of managing ash dieback. This fund will open to organisations including woodland management companies, conservation organisations, timber processors and forestry agents to support the development of new business models that will develop new supply chains for ash timber and help restore woodlands damaged by ash dieback.

Temporary infrastructure Innovation Fund

To carry out habitat improvement operations including the felling and extraction of trees, suitable access is required. This fund is aimed at woodland management companies, contractors and owners with multiple blocks of woodland. Applicants can bid for funds to develop business models that will use temporary infrastructure including (but not limited to) aluminium or rubber roading, logshutes and 'Bailey' type bridges to access neglected or degraded woodlands.

Regional woodland restoration Innovation Funds

The threats faced by our woodlands and the biodiversity they support are numerous and varied. They include a lack of adaptation to climate change, diseases such as ash dieback and *Phytophthora ramorum*, insect pests, over grazing by deer and ring barking by grey squirrels. In addition, in many parts of the country there are opportunities to restore conifer and hardwood plantations on ancient woodland sites and to improve the condition of woodlands SSSI. The intensity and impact of each of these threats varies across the country. Forestry Commission [Forestry and Woodland Advisory Committees](#) are scoping projects most likely to deliver the greatest improvement in woodland habitat condition. Once completed these projects will be put out to competitive tender.

Appendix 2 - Woodland Creation Long List

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
1	Newhouse Farm	NZ111584	9.33	Farmland, adjacent to GBC woodland.	ANGS	Likely permanent semi-improved grassland.	Chopwell Meadows / leased to DWT	Low	N
2	Allotments (adjacent) Chopwell	NZ118584	4.96	Grassed open space, adjacent to allotments, adjacent to GBC woodland. Adjacent to dwellings	ANGS	Grassed open space.	Close to dwellings and allocated for housing	Low	N

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
3	Bolton's Bungalows	NZ120577	4.68	Grassed open space, adjacent to allotments, adjacent to GBC woodland. Adjacent to dwellings	LPOS	Grassed open space.	Likely areas of priority grassland developed over made ground (colliery waste) / impact on long distance views incl. from adjacent housing / likely limited potential only / requires further investigation. Close to dwellings.	Medium	Y

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
4	East Terrace	NZ120573	0.88	Farmland, adjacent to GBC woodland to south (Tongue Burns Plantation). Adjacent to dwellings	Tongue Burns is an ASNW	Likely permanent semi-improved grassland.	Site appears to be currently let for grazing / survey required to determine ecological value of grassland. Close to dwellings.	Medium	Y
5	Off South Road	NZ123584	3.37	Grassed open space, adjacent to GBC woodland. Adjacent to dwellings, play area	LPOS	Grassed open space.	Relocate fixed play and goal posts / provide suitable buffer to housing / easement for culverted watercourse. Close to dwellings.	Medium	Y
6	West Meadows	NZ124585	6.57	Grassed open space, adjacent to GBC woodland. Adjacent to dwellings.	ANGS	Grassed open space.	Designated LWS / priority grassland / subject to s106. Close to dwellings.	Low	N

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
7	Hooker Gate	NZ146591	5.16	Grassed open space, adjacent to GBC woodland. Adjacent to disused school?	Adjacent to PAWS site - Spen Banks and ASNW Betty Plantation	Grassed open space.	Former school ear-marked for residential / potential opportunities for woodland creation on former sports pitches subject to Sport England approval	Medium	Y

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
8	Glossop Street High Spen	NZ139599	4.58	Grassed open space. Adjacent to playing field and dwellings.	TBC	Grassed open space	Main body of grassland offers significant opportunity for enhancement (BNG) / impacts on residential properties to east / some localised opportunities for woodland planting / significant scope for hedgerow creation to boundaries	Medium	Y
9	High Spen Park	NZ137601	5.05	Grassed open space. Adjacent to playing field and dwellings.	ANGS (part of)	Grassed open space	Currently let for grazing / assessment of grassland required to determine ecological value. Close to dwellings.	Medium	Y

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
10	South of Derwent Walk Country Park	NZ174592	3.61	Grass/scrub land with water bodies. Adjacent to sewage works?	ANGS. Adjacent to ASNW	Grass/scrub with water bodies	LWS / priority grassland & wetland / recently subject to HLF	Low	N
11	Folly (west side)	NZ153624	4.45	Grassed open space. Adjacent to GBC woodland	ANGS	Grassed open space	LWS / priority grassland / s106	Low	N
12	Folly (east side)	NZ153624	3.72	Grassed open space. Adjacent to GBC woodland	ANGS	Grassed open space	LWS / priority grassland / s107	Low	N
13	Ryton Woodside South	NZ145630	1.6	Grassed open space. Could be farmed?	TBC	Grassed open space - pasture?	Appears to be currently let for grazing & agriculture	High	Y
14	Ryton Woodside North	NZ145633	4.34	Agricultural land - grass. Adjacent to dwellings and allotments	Agricultural land - grass	Agricultural land - grass	Appears to be currently let for agriculture	High	Y
15	Ryton Rugby Club East	NZ147637	7.99	Agricultural land - arable. Adjacent to rugby playing fields.	Agricultural land - arable	Agricultural land - arable	Agri. Tenancy	High	Y
16	Ryton Rugby Club South	NZ145634	4.67	Agricultural land - arable. Adjacent to rugby playing fields.	Agricultural land - arable	Agricultural land - arable	Agri. Tenancy	High	Y

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
17	Parson's Haugh	NZ161650	6.8	Grassed open space - part of Ryton Willows LNR	LNR/LWS/ANGS. Within Newburn Battlefield Area	Adjacent to SSSI/LNR.	Main body of the site adjacent the river ear-marked for wetland creation / limited potential for creation of < 1ha of wet woodland to south adjoining SSSI	Medium	Y
18	Hedgefield	NZ165643	1.45	Grassed open space - adjacent to GBC woodlands. Overhead powerline	LWS/ANGS. Within Newburn Battlefield Area.	Adjacent to SSSI/LNR.	LWS / priority grassland / leased to DWT	Low	N
19	Stella adjacent to School	NZ170638	1.98	Grassed/scrub open space - adjacent to GBC woodlands.	LWS Within Newburn Battlefield Area.	Agricultural land - grass	LWS / priority grassland	Low	N
20	Stella Wood South	NZ171635	2.5	Grassed open space - adjacent to GBC woodlands.	LWS/ANGS Within Newburn Battlefield Area.	Adjacent to Path head Wood PAWS. Agricultural land - grass	LWS / priority grassland	Low	N

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
21	Path Head Wood East	NZ176635	6.25	Grassed open space - adjacent to GBC woodlands.	LWS/ANGS Within Newburn Battlefield Area.	Adjacent to Path head Wood PAWS. Agricultural land - grass	LWS / priority grassland	Low	N
22	Summer Hill Sand Pit	NZ175634	2.27	Grassed open space - adjacent to GBC woodlands.	Part ANG	Adjacent to Path head Wood PAWS. Agricultural land - grass	Leased to Woodland Trust for woodland creation 2019	High	Y
23	Blaydon Burn East	NZ178632	6.02	Grassed/scrub open space - adjacent to GBC woodlands. Adjacent to dwellings	Part LNR/LWS/ANGS	Agricultural land - grass and scrub	LWS / priority grassland	Low	N
24	Blaydon Burn Central	NZ173630	4.12	Grassed/scrub open space - adjacent to GBC woodlands. Adjacent to dwellings	Part LNR/LWS/ANGS	Agricultural land - grass	LWS / priority grassland	Low	N
25	Bewes Hill East	NZ168631	4.34	Grassed/scrub open space - adjacent to GBC woodlands. Under overhead powerlines	LNR/LWS/ANGS	Scrub	LWS / priority grassland & wetland	Low	N

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
26	Bewes Hill West	NZ166631	1.06	Grassed/scrub open space - adjacent to GBC woodlands.	LNR/LWS/ANGS	Scrub/open space within existing woodland	LWS / priority grassland	Low	N
27	Blaydon Burn West	NZ169626	13.75	Farmland with hedgerows adjacent to GBC woodland	LNR/LWS/ANGS	Likely permanent semi-improved grassland.	LWS / assessment of grassland to determine botanical value / site used by wintering flock of curlew	Medium	Y
28	Shibdon Pond Nature Reserve	NZ192631	2.69	Grassed/scrub open space - within Shibdon Pond NR	LNR/LWS/ANGS	Scrub/open space within existing woodland. Adjacent to SSSI	LWS / priority grassland / leased to DWT	Low	N
29	Derwenthaugh Industrial Estate South	NZ198629	2.6	Grassed/scrub open space	LWS/ANGS	Scrub/open space within existing woodland. Adjacent to SSSI	LWS / wetland creation / leased to DWT	Low	N
30	Riverside Way	NZ202629	5.94	Grassed/scrub open space	Adjacent to R Derwent (LWS)	Scrub/open space.	Extant planning permission for extension to existing garage	Low	N

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
31	Market Lane East	NZ207623	3.07	Grassed/scrub open space	None - TBC	Scrub/open space. Adjacent to river.	Currently let for grazing? / botanical assessment of grassland required	Medium	Y
32	Cross Lane Meadows Nature Reserve	NZ213620	14.62	Grassed/meadows with hedgerows adjacent to GBC woodland.	LNR/LWS/ANGS	Likely wildflower rich meadows	LWS / priority grassland / leased to DWT	Low	N
33	Land adjacent to Watergate Forest Park car park	NZ229606	1.83	Grassed area - former nursery site?	None - TBC	Former nursery site?	Allocated for housing	Low	N
34	Beggar Wood	NZ231600	7.23	Grassed/scrub open space, adjacent to GBC woodland. Recreation Ground?	LPOS Adjacent to ASNW and Conservation Area	Scrub/open space.	C.1ha already identified for woodland creation 2021 / soft marketing being undertaken for commercial operation of driving range and pitch and putt	High	Y

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
35	Millgreen Cottage	NZ237598	0.97	Grassed/scrub open space, adjacent to GBC woodland. Recreation Ground?	LPOS Adjacent to Conservation Area	Scrub/open space.	Land currently held by Sport & Rec.	High	Y
36	East Gateshead - derelict land adjacent to Gateshead College	NZ261635	8.07	Derelict land, scrub and grass.	Development land TBC	Scrub/open space	Baltic Quarter Development Site	Low	N
37	Friars Goose	NZ275632	7.39	Grassed/scrub open space, adjacent to GBC woodland. Public Park?	LWS/ANGS. Adjacent to river	Scrub/open space	LWS/ priority grassland / s016	Low	N
38	Felling Shore	NZ280630	4.4	Derelict land, scrub and grass.	LWS/ANGS. Public park? Development land? TBC. Adjacent to river.	Scrub/open space	Subject to planning application for industrial use	Low	N
39	Heworth Lane	NZ286622	1.44	Grassed/scrub open space, adjacent to GBC woodland.	ANGS	Scrub/open space	Northumbrian Water mains sewer / recent works with site restored to priority grassland	Low	N

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
40	Bill Quay - Riverside Park	NZ297628	3.67	Grassed/scrub open space, adjacent to GBC woodland. Public Park?	LWS/ANGS. Adjacent to river.	Scrub/open space	Impacts of views of river / assessment of grasslands needed	Medium	Y
41	Monkton Fell	NZ303624	11.91	Grassed open space, adjacent to GBC woodland.	LWS/ANGS. Adjacent to LNR.	Grassed open space	LWS / priority grassland / skylark	Low	N
42	Leam Lane East a	NZ299611	1.35	Grassed open space. Adjacent to dwellings	LPOS	Grassed open space	Parkland planting approach. Close to dwellings.	High	Y
43	Leam Lane East b	NZ299609	0.46	Grassed open space. Adjacent to dwellings	SPOS	Grassed open space	Parkland planting approach. Close to dwellings.	High	Y
44	Wardely	NZ305613	1.52	Grassed open space/public park? Adjacent to dwellings and western bypass	LPOS	Grassed open space	Parkland planting approach. Close to dwellings and western bypass.	High	Y

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
45	Felling Cricket Club North	NZ283613	1.39	Grassed open space/public park? Adjacent to dwellings and cricket ground	LPOS	Grassed open space	Parkland planting approach. Close to dwellings.	High	Y
46	Felling Cricket Club South	NZ283614	0.68	Grassed open space/public park? Adjacent to dwellings.	LPOS	Grassed open space	Parkland planting approach. Close to dwellings.	High	Y
47	Deckham	NZ268616	2.49	Grassed open space/public park? Adjacent to dwellings.	LPOS	Grassed open space	Parkland planting approach. Close to dwellings.	High	Y
48	Whitehills East	NZ283605	9.29	Grassed open space/public park? Adjacent to dwellings.	LPOS	Grassed open space	Identified for tree planting as part of proposed Whitehills Carbon Park. Close to dwellings.	High	Y
49	Whitehills West	NZ277606	17.34	Grassed/scrub open space/public park? Adjacent to dwellings.	LNR/ANGS/LPOS	Grassed open space	Windy Nook Nature Park / priority grassland / s106. Close to dwellings.	Low	N

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
50	Whitehills South	NZ278601	24.82	Grassed/scrub open space/public park? Adjacent to dwellings.	LWS/ANGS/LPOS	Grassed open space	Identified for tree planting as part of proposed Whitehills Carbon Park. Close to dwellings.	High	Y
51	Wrekenton	NZ281593	2.73	Grassed/scrub open space/public park? Adjacent to dwellings.	LPOS	Grassed open space	Parkland planting approach. Close to dwellings.	High	Y
52	Ravensworth Golf Course	NZ271591	1.75	Grassed/scrub open space/public park? Adjacent to golf course	ANGS/LPOS	Grassed open space	Assessment of grassland required / potential parkland planting approach	Medium	Y
53	Mossheap Recreation Ground	NZ269594	5.9	Grassed/scrub open space/public park? Adjacent to dwellings.	ANGS/LPOS	Grassed open space	Assessment of grassland required / potential parkland planting approach. Close to dwellings	Medium	Y

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
54	Eighton Banks East	NZ277583	5.31	Grassed/scrub open space/public park? Adjacent to dwellings.	ANGS	Grassed open space	Part of site leased for grazing / public park to northwest poss. parkland planting approach. Close to dwellings	Medium	Y
55	North Side	NZ277565	3.79	Grassed/scrub open space/public park? Adjacent to dwellings.	TBC	Grassed open space	Allocated for housing.	Low	N
56	Barley Mow	NZ273547	6.43	Grassed/scrub open space/public park? Adjacent to dwellings.	ANGS	Grassed open space	Some whip planting previously delivered / scope for further tree planting. Close to dwellings	High	Y
57	Lamesley East	NZ252576	9.55	Grassland/wet land area.	LWS	Grassland.	LWS / priority grassland & wetland / leased to DWT	Low	N
58	Lamesley West	NZ248575	8.67	Grassland/wet land area.	LWS/ANGS	Grassland.	LWS / priority grassland & wetland / leased to DWT	Low	N

Site number	Name/location	NGR	Area (ha)	Description	Designations	Biodiversity	Comments	Priority - low, medium, high	Add to shortlist Y/N
59	Andrews House	NZ214573	16.33	Grassland/wet land area.	LWS/ANGS	Grassland.	LWS / priority heathland & wetland / leased to DWT	Low	N
60	Sunniside	NZ204584	1.52	Grassed/scrub open space/public park? Adjacent to dwellings.	LPOS	Grassland.	Poss. parkland planting approach / assessment of grassland required. Close to dwellings	Medium	Y
61	Gladeley Hill	NZ202595	2.79	Grassed/scrub open space/public park? Adjacent to dwellings.	LWS/ANGS/LPOS	Grassland.	Overhead powerlines / potential mix of whip and parkland planting	High	Y
		Priority totals							
		High	83.02						
		Medium	65.49						
		Low	176.93						
		Total	325.44						

Appendix 3 - Woodland Creation Costs

Item	Unit	£/unit
Tree supply - bare rooted whip 40-60cm	Each	£0.38
Tree tube	Each	£1.15
Tree stake	Each	£0.70
Planting cost per tree (labour for hand screefing ⁶⁴ and planting)	Each	£1.10
Pre planting herbicide per tree	Each	£0.15
Total per tree	Each	£3.48
Annual maintenance		
Summer herbicide (spot spray)	Each	£0.15
Beat up - replace losses (10%)	Each	£1.35
Strim/cut open areas and rides	Ha	£1,000.00
Fencing		
Livestock fencing	Meter	£7.75
Field gates	Each	£475.00

Breakdown of maintenance costs

Phase/Item	Unit	No	£/unit	Total	Description
Years 1 - 5					
Summer herbicide	Each	1600	£0.15	£240.00	Spot spray application to the base of each tree
Beat up - replace losses (10%)	Each	160	£1.35	£216.00	Allow for up to 10% losses for the first 2 growing seasons
Manage open areas and rides	Ha	0.2	£1,000.00	£200.00	Mowing and strimming of rides and open areas
Sub-total				£656.00	
Years 3 - 5					
Summer herbicide	Each	1600	£0.15	£240.00	Spot spray application to the base of each tree
Strim/cut open areas and rides	Ha	0.2	£1,000.00	£200.00	Mowing and strimming of rides and open areas
Sub-total				£440.00	
Ongoing					
Strim/cut open areas and rides	Ha	0.2	£1,000.00	£200.00	Mowing and strimming of rides and open areas
Tube removal at year 8 to 10	Each	1600	£1.00	£1,600.00	Remove and recycle tubes

⁶⁴ Turning the turf over to create a bare soil planting patch for each tree. If this method is selected, then pre planting herbicide may not be required.

Appendix 4 - Woodland Creation Scoring

UKFS compliance	
To measure potential new woodland creation sites against the UKFS requirements	To be completed for each site as part of preliminary planning/scoping exercise.

Site name	Example site 1
Address	Gateshead
NGR	NZ 123 456
Brief scheme details	Creation of 1 ha of new native woodland planted at high density to maximise carbon sequestration potential

High Level assessment	FC Low Risk Areas for Woodland Creation	FC Map Browser tool - 'Targeting and Scoring'	https://www.forestergis.com/Apps/MapBrowser/
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UKFS requirement	Data sets	Features present	Research links
Biodiversity	MAGIC	Priority habitats	https://magic.defra.gov.uk/
		Priority species	https://magic.defra.gov.uk/
		SSSI	https://magic.defra.gov.uk/
		NNR	https://magic.defra.gov.uk/
		LNR	https://magic.defra.gov.uk/
		Bird reserves/areas of importance for birds	https://magic.defra.gov.uk/
		Proximity to AWS and or priority woodland habitat	https://magic.defra.gov.uk/

-	-	International designations - SPAs, SACs	https://magic.defra.gov.uk/
	Environmental Records Information Centre North East	Biodiversity records, species lists	https://www.ericnortheast.org.uk/
		SINC/SLINC	https://www.ericnortheast.org.uk/
		Local Wildlife Site	https://www.ericnortheast.org.uk/
		Local/regional geological importance	https://www.ericnortheast.org.uk/
Climate change	ESC DSS	Climate resilience, species selection and site suitability	https://www.forestresearch.gov.uk/tools-and-resources/fthr/ecological-site-classification-decision-support-system-esc-dss/
	WCC	Woodland carbon	https://www.woodlandcarboncode.org.uk/
			-
Historic Environment	MAGIC	Statutory designations - WHs, SAMs, listed buildings, conservation areas, registered park and garden, battlefields	https://magic.defra.gov.uk/
		HLC - Historic Landscape Characterisation	https://magic.defra.gov.uk/
	ADS - Archaeology Data Service	HLC	https://archaeologydataservice.ac.uk/archives/view/HLC/
	Historic England National Heritage List	As above	https://historicengland.org.uk/listing/the-list/
	Local Authority	HER - all known non-designated heritage assets	Local Authority search
	Local Authority	TPOs	https://www.gateshead.gov.uk/article/5371/Protected-trees
Landscape	MAGIC	Statutory Landscape designations e.g. AONBs. NPs	https://magic.defra.gov.uk/
		Non-statutory Landscape designations e.g. Heritage Coasts	https://magic.defra.gov.uk/
	Local Authority (link to HER)	Area of Landscape Value or locally designated landscape	
	Landscape analysis and assessment	FC design techniques best practice guidance	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/689922/Design_techniques_for_forest_management_planning.pdf

		NCA profiles - 10, 16, 14, 15	https://www.gov.uk/government/publications/national-character-area-profiles-data-for-local-decision-making/national-character-area-profiles
People	MAGIC	PROWs	https://magic.defra.gov.uk/
		Common Land	https://magic.defra.gov.uk/
		CROW access rights	https://magic.defra.gov.uk/
	Stakeholders	Neighbours/local residents	
		Ward/Parish Councils	
Soil	MAGIC	Soil map	https://magic.defra.gov.uk/
		Agricultural Land Classification	https://magic.defra.gov.uk/
	UK Soils Observatory	Soil map	http://mapapps2.bgs.ac.uk/ukso/home.html
	Soilscapes	Soil map	http://www.landis.org.uk/soilscapes/
Water	Environment Agency catchment data explorer	Identification and condition of water bodies- Northumbria River Basin District	https://environment.data.gov.uk/catchment-planning/RiverBasinDistrict/3
	Gov.uk	Local flood risk	https://flood-warning-information.service.gov.uk/long-term-flood-risk
		Background to flood risk management	https://www.gov.uk/guidance/flood-risk-management-information-for-flood-risk-management-authorities-asset-owners-and-local-authorities
	FC Map browser	Water availability	https://www.forestergis.com/Apps/MapBrowser/
		Water acidification	https://www.forestergis.com/Apps/MapBrowser/
	Local Authority	Public or private water supplies or abstraction points	Local Authority search
Current land management	Existing LA records	Does the site have any existing land management agreements on it e.g. ES, CSS, WGS	Local Authority search
	Site visit/survey	What is the existing land use cover - arable, grass, brownfield etc.?	Local Authority search
Other Constraints and Risks	Site visit/survey	Access	Assess and locate best access points

		Utilities/services	Assess and locate utilities and services (OHPL, culverts, pipes etc..)
		Neighbouring land use	Assess neighbouring land use types - residential, industrial, agricultural etc..
		Pests and diseases	Assess prevalence of any pests and diseases in or adjacent to site e.g. signs of mammal damage, tree diseases
		INNS and 'garden escapes'	Assess prevalence of INNS in or adjacent to site - balsam, knotweed, grey squirrels, likelihood of plants escaping from adjacent gardens etc..
		Land grab/encroachment	Assess likelihood of land encroachment from adjacent land uses
		Anti-social behaviour and vandalism	Assess likelihood of anti-social behaviour

Scoring Matrix	
To score potential new woodland creation sites against the UKFS requirements	To be completed for each site as part of preliminary planning/scoping exercise.

Score	Description
1	Site does not contribute to objective and may even affect it detrimentally. Woodland creation may not be suitable for the site.
2	Limited contribution to objective. Woodland creation may be suitable if adequate mitigation measures can be introduced
3	Contributes to the objective. Limited mitigation measures required.
4	Good contribution to the objective. No mitigation measures required.
5	Enhances objective.

Site name	Example site 1
Address	Gateshead
NGR	NGR NZ 123 456
Brief scheme details	Creation of 1 ha of new native woodland planted at high density to maximise carbon sequestration potential

Item	Description	Mitigation measures	Score 1 to 5 (max 50)
UKFS compliance - biodiversity	Will the proposed planting site provide biodiversity gain?	E.g. the proposal is to convert permanent improved grassland that has low species diversity to woodland where an overall biodiversity gain will be achieved.	4
UKFS compliance - climate change	Has resilience to climate change been considered?	E.g. ESC DSS reports show wide range of species will suit the site given 2050 and 2080 scenarios	4
UKFS compliance - historic environment	Does the proposed planting site have any HE features which need to be considered in the final design?	E.g. ridge and furrow known to be present on part of the site. Maintain as open ground and or plant at lower density or avoid planting site	2
UKFS compliance - landscape	Will the proposed planting site enhance the local landscape	E.g. No landscape designation present on the site. Site is adjacent to main road, housing development and industrial area and not prominent in the landscape.	4
UKFS compliance - people	Will the proposals involve local people through consultation and stakeholder engagement	E.g. Ward councillors and residents consulted and supportive of proposal. Would like to see designated access points and path maintained and the site kept litter free and safe.	4
	Will the proposed planting site have public access and recreation provision	E.g. yes, full public access with designated paths designed in throughout the site	5
UKFS compliance - soil	Have the proposals considered soil impacts	E.g. yes - low ground impact preparation techniques to limit soil disturbance - hand screening only	4
UKFS compliance - water	Have the proposals considered water impacts	E.g. yes - water availability will not be a problem. Known local water quality issues are related to phosphates (agriculture related) and woodland creation will help to improve this in the long term	4
Carbon	Will the proposed planting site sequester carbon in line with the WCC to an acceptable level?	E.g. yes - predicted 300 WCUs per ha.	3
Site constraints and risks	Have all site constraints and risks been duly considered?	E.g. yes - low voltage overhead power line intersects site. Maintain 10 meter planting buffer and plant shrubs and low growing species adjacent.	3
		Total	37

Appendix 5 - Consultee Register

- Durham Wildlife Trust – Mark Dinning
- Environment Agency – Robert Carr
- Forestry Commission – Jim Smith
- Gateshead Council
 - Peter Shield
 - Neil Wilkinson
- Tyne Catchment Partnership – Jack Bloomer
- Woodland Trust – Sian Atkinson

Appendix 6 - Glossary

Ancient Semi Natural Woodland	ASNW
Community Forest Trust	CFT
Countryside Stewardship	CS
Department of the Environment Food and Rural Affairs	DEFRA
Ecological Site Classification Decision Support System	ESC DSS
England Trees Action Plan	ETAP
England Woodland Creation Offer	EWCO
Forestry Commission	FC
Historic Environment	HE
Indices of Deprivation 2019	IMD2019
Invasive Non-Native Species	INNS
Lower layer super output areas	LSOAs
National Character Areas	NCA
National Forest Inventory	NFI
North East Community Forest	NECF
Pending Issuance Unit	PIU
Plantation on Ancient Woodland Site	PAWS
Rural Payments Agency	RPA
Single Business Identification Number	SBI
Site of Special Scientific Interest	SSSI
UN Climate Change Conference of the Parties 26	COP26

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ACCREDITATION REPORT

Gateshead Council

July 2022



Executive Summary

The Investors in the Environment (iE) accreditation consists of organisations working toward high-level criteria and targets, followed by an official auditing process. The objective of this report is to identify how **Gateshead Council** is performing against agreed targets and environmental performance.

By qualifying for the accreditation, **Gateshead Council** are demonstrating their organisation's commitment to minimising its environmental impact and helping to set the standard for the environment.

Investors in the Environment is pleased to announce that **Gateshead Council** has achieved the **Silver level** accreditation with a score of **70%**.



Highlights

The team at Gateshead Council have maintained a good EMS and have excelled at developing innovative carbon saving energy projects. Overall, Gateshead Council is expected to progress to Green level next year. One of the main reasons for reissuing Silver accreditation during this audit is the Council is embedding systems developed for the EMS and is developing new ways of working due to the Covid 19 pandemic. There is further work to be done to show the impact of activities underway and those planned. The implementation of the SmartCarbon Platform for monitoring and reporting the councils carbon footprint is a positive move and although has affected figures for this year, it is using best practice methods and is commended. The integration of the new software, the re-baselining of the council data and the addition of monitoring indicators has led to an increased carbon footprint figure. However, if compared to previous data monitoring techniques the carbon footprint continues to reduce. The figures using the new software platform should show a decrease for 2022/23. Highlights include:

- Use of the SmartCarbon platform to capture and present the Councils carbon footprint using Greenhouse Gas Protocol methodology
- Carbon footprint recording and reporting methodology is robust and easy to understand. A move to increase the reporting boundaries to include more Scope 3 is to be commended

Electricity Buildings



Electricity Street Lights



Gas



Petrol



Gas Oil



- Excellent communications and engagement across the Council with the implementation of mandatory climate reality training for all staff and an array of environmental projects and initiatives to raise awareness.
- Ground-breaking energy projects to decrease the use of fossil fuels, including:
 - 6MW Mine Water Heat Pump, the largest in the UK
 - Solar Farm
 - Extension of heat networks
 - LED Streetlighting
- Borough wide renewable heat studies – in its Zero Carbon Heat Strategy, the Council has identified 5 more potential heat networks covering over 10,000 Council homes, and associate community buildings, to displace a further 120 GWH/yr. of gas use if developed.
- Excellent use of a Climate Champion network in all service areas
- A commitment to a 17% tree coverage of the borough by 2050, with a role out of tree planting activities and support of the North East Community Forest
- Implementation of Ward action plans that will sit under the Climate Strategy, with community and local actions integrated

About the audit

The Investors in the Environment annual audit consists of an assessment of five key areas of an organisations Environmental Management System (EMS). These areas include:

- Environmental Policy
- Resource management, monitoring and analysis
- Progress against targets
- Action Planning including social / environmental projects
- Communication

The scope of this audit includes a review of the EMS of the organisation's main operations, and suggestions have been made regarding future opportunities and risk to the organisation's environmental practices. Gateshead Council has a good EMS, tailored to the specific target areas of the council and available resources. Excellent analysis and understanding of the opportunities continue to be a strength of the green champion and the work shown in evidence in the EMS.

The audit included examination of documentation evidence and interview with key personnel on **6 July 2022, 11th July and 9 September 2022.**

See Appendix A for detail on audit scoring criteria and scores.

Evidence submitted included:

- Climate Emergency Action Plan – Audit Review 2022
- SmartCarbon Report
- Gateshead Council Climate Strategy
- Gateshead Council Carbon Reduction Forum
- Highway Asset Management Plan
- Cabinet Report Climate Update April 22
- Interviews and pre-audit review with Council Sustainability Team, Waste Team and Highways Team.

Suggested Steps for Improvement

EMS



- The Council's environmental policy states that the Council will be net zero by 2030 with no mention of the Council's target of 100% green energy by 2030. This is not in line with the targets set as part of the climate emergency and those set out in the Council's Climate Strategy. It is important that the policy sets the direction for the organisation and makes it clear to all stakeholders the targets set, and the actions required to achieve them. A review of the environmental policy is required in the short term.
- It is good practice to state in your environmental policy that you are committed to adhere to and exceed all relevant environmental legislation and regulation. This should be included in the reviewed environmental policy
- There is no clearly identified person or department with direct responsibility for the implementation of the policy. Although the council's approach is that all stakeholders within the council must take appropriate action across all areas of council activity, we recommend considering a named individual with overall responsibility
- The policy is not easily available or accessible to the general public on the council website
- Regular reviews of policies will ensure the Council takes account of any changes in legislation or other factors
- There is little opportunity after a staff induction for staff to be reminded of the Council's environmental policy. Further work is required with HR.
- Overall, results from last year's audits were acted upon and implemented across all service areas. More work is required on setting SMART targets for each service area that will allow the Council to meet its carbon targets
- Look to develop targets and clear action plans for each resource, as well as service areas, and project how they will meet the Council's longer term targets. A focus on each resource can help identify reductions opportunities and high use areas that require more attention

- Develop operational procedures, such as alert systems, to ensure data collected is regularly reviewed and any anomalies are investigated
- Ensure that all the data the Council is collecting has the capacity to be acted on and managed
- The Council does not currently have a resource document detailing resources being measured, measurement techniques or frequency. This would also offer an opportunity to identify all resources used by the council and whether they are being effectively managed. This can also lead to the identification of environmental impacts within the organisation and how they can be minimised
- There is currently no action plan around resources. The action plans are all department/service focused. There are many benefits to having action plans around each resource specifically and would be a recommendation of this audit. There is an action plan for each service area with actions, timescales and responsible members of staff.
- Consider monitoring resources for individual buildings. This will be a great way to demonstrate the effectiveness of any interventions and investments
- It is recommended and is a requirement for Green accreditation that meters are read on a monthly basis. Unless there is adequate reason not to
- Consider tackling waste inputs through procurement by identifying items of high waste potential and engaging staff and suppliers on eliminating some waste streams and reducing others

ENERGY

- Continue the roll out of energy projects that reduce the use of fossil fuels and increase efficiencies.
- Continue to identify funding opportunities to invest in energy efficiency and renewables projects
- The street lighting replacement has been a success and continues to show reductions in electricity consumption, due to the LED roll out.
- The adoption of the SmartCarbon platform is to be commended and will give the council a fuller picture of their carbon footprint going forward using best practice Green House Gas protocols. It will also enable supply chain organisations to feed in their data so that scope 3 data is easier to analyse and incorporate in to the council footprint. It does, however, make comparison with previous years data difficult, this will be rectified in future years when all data is gathered using the same methodology.
- Although electricity and gas appear to have shown an increase, this is due to the new data gathering and reporting methodology change through SmartCarbon, more comparable data will be available during 2022/23.



- Particular attention should be paid to the petrol use, this has increased by significantly during 2021/22. This will have a marked effect on the council's carbon budget going forward. The reasons given for this increase is the return to 'normal' services post covid and more employees returning to the office and commencing business travel. It's imperative for the council to meet its carbon reduction targets that it looks to address business travel options and increase the use of sustainable travel options and the uptake of electric vehicles.
- Ensure that any new white goods purchased have the highest energy rating and engagement procurement leads to ensure purchases include energy efficiency as a priority
- Encourage staff to adopt energy conscious behaviours – such as not overfilling the kettle, which is a notoriously energy intensive behaviour that may happen thousands of times a year, turning off unused appliances and lights, taking stairs rather than lifts and using manual rather than automatic-open doors where buildings have them

WASTE



- The council has no formal waste management systems in place for council produced waste. The Joint Municipal Waste Strategy covers the management of waste across households within the borough. There are recycling facilities installed at the Civic Centre, but no measurements take place to measure the effectiveness or use.
- Conduct annual waste audits to establish baselines for the amounts and composition of waste within the Council. Use findings to focus on the waste hierarchy by eliminating waste, reducing, recycling and as a last resort disposal. Without this waste data it will be difficult to measure the effectiveness of any initiatives employed
- A compositional analysis of the Council's waste will offer an opportunity to focus attention on specific areas, such as food packaging, single use drinks containers, overuse of paper, food waste etc
- Consider which green products may be selected to make quick wins and celebrate these changes. Link findings with purchasing decisions to eliminate items with high waste potential.
- Although waste in terms of impact on carbon is small, it has a very visible presence amongst staff and can be used as a communication tool.

TRANSPORT



- The council does not currently have a formal travel policy or plan. Covid has changed the way of working significantly and has delayed work across this area. A staff survey is planned that will formalise the new way of working across the authority. A council travel policy should be produced to set a clear message to all stakeholders of how the council expects employees to review their travel choices using the travel hierarchy
- There are many initiatives in the pipeline that will help drive up sustainable travel choices. Including: Increase Cycle Lockers, upgrade of shower facilities, working with public transport providers to offer travel discounts that meet the needs of new working patterns, Dr Bike offering free bike servicing to staff, travel passed for members and staff, pool car provision and looking to extend this to other sites to increase take up. By feeding these initiatives into a formal travel plan and implementing effective monitoring systems it will allow the council to establish which initiatives are effective. This is an important element of the councils EMS, given that petrol use has increased significantly in a 12-month period.
- Plans are in place for the programme to extend from just business travel to staff commuting and Highways maintenance. The Council is reviewing all travel impacts across the board. This is a welcome addition and will help to feed in to the Scope 3 data and should be part of the formal travel plan
- Consider engaging staff 'travel champions' to ensure the facilities available are fit for purpose, access points are safe, and further understand how to encourage uptake of active or low carbon transport options.

MATERIAL AND PURCHASING



- Look to include paper (no of reams) in the resources measured for the next audit.
- Be sure to communicate what you've changed and why – staff appreciate seeing progress, even for small swaps! Other green group members should be engaged on communicating 'small' swaps, which across the purchasing of a local authority can have a big impact.
- This area will become more important to the EMS as the council extends its carbon footprint to include more Scope 3 emissions and supply chain data. The council has started this process and is looking to add further scope 3 in the future. Thought should be given now to how this data will be collected and the influence the council can have on reducing supply chain emissions.

BIODIVERSITY, GREEN SPACE AND WELLBEING



- Continue with the tree planting and increasing biodiversity on Council owned property projects. Perhaps integrate these initiatives with staff volunteering projects, tree planting days etc.
- Carry out biodiversity action plans on council owned land and park land to ensure increased biodiversity is achieved. Consider engagement with local

stakeholders and voluntary groups to support wider involvement in the community.

- Consider carrying out a wellbeing project in the new year, perhaps integrating mindfulness practice with outdoor green spaces, where possible. This should be focused on staff participation, in particular.

WATER



- High water users across the council's portfolio should be identified and engaged. Focus on public places with large toilet blocks and leisure centres are key priority areas.
- Look to increase the frequency of meter readings where possible and have systems and checks in place to identify any leakages as soon as possible.

COMMUNICATION AND STAFF ENGAGEMENT



- Make use of the iiE communication resources, including the social media graphics that will help communicate Silver achievement.
- Apply for an iiE Award 2022 to showcase the councils' achievements particularly in the energy projects, such as the Mine Water project
- Look at ways to demonstrate the effectiveness of the staff training and awareness raising activities, how has it made a difference?
- Consider ways of increasing communication to the Councils supply chain on how they have a role to play in help the Council to meet its carbon ambitions
- Encourage staff to calculate their own carbon footprint to raise awareness about what they can do at home. Try using a non-technical calculator such as WWF's calculator <https://footprint.wwf.org.uk/> and ask the team to share their results and ideas
- Collate case studies from each service to showcase what they have done to reduce Carbon and environmental impacts
- Consider in greater depth how the carbon agenda and sustainability work the Council is undertaking is linking with the Thrive programme to have greater impact for both.

CARBON FOOTPRINT



- Review the carbon targets set by the council and align all policies and communications to state the same targets.
- The new carbon reporting techniques and methodologies will affect the carbon data in the short term. These should be addressed next year. However, close monitoring of carbon data and projections will be key to meeting the councils carbon targets.
- Continue to integrate scope 3 measurements in the carbon footprinting exercise
- Look at the impact Gateshead Council's supply chain has on the council's scope 3 footprint, (Newcastle NHS Trust have calculated that their supply chain is approx. 60% of their footprint). Identify partners along the council's value chain that contribute potentially significant amounts of GHGs. What influence can the council have in reducing the environmental impacts of these organisations?
- Look further at the carbon implications of working from home and hybrid working, these working practices are often more carbon intensive.



APPENDIX A

AUDIT SCORING

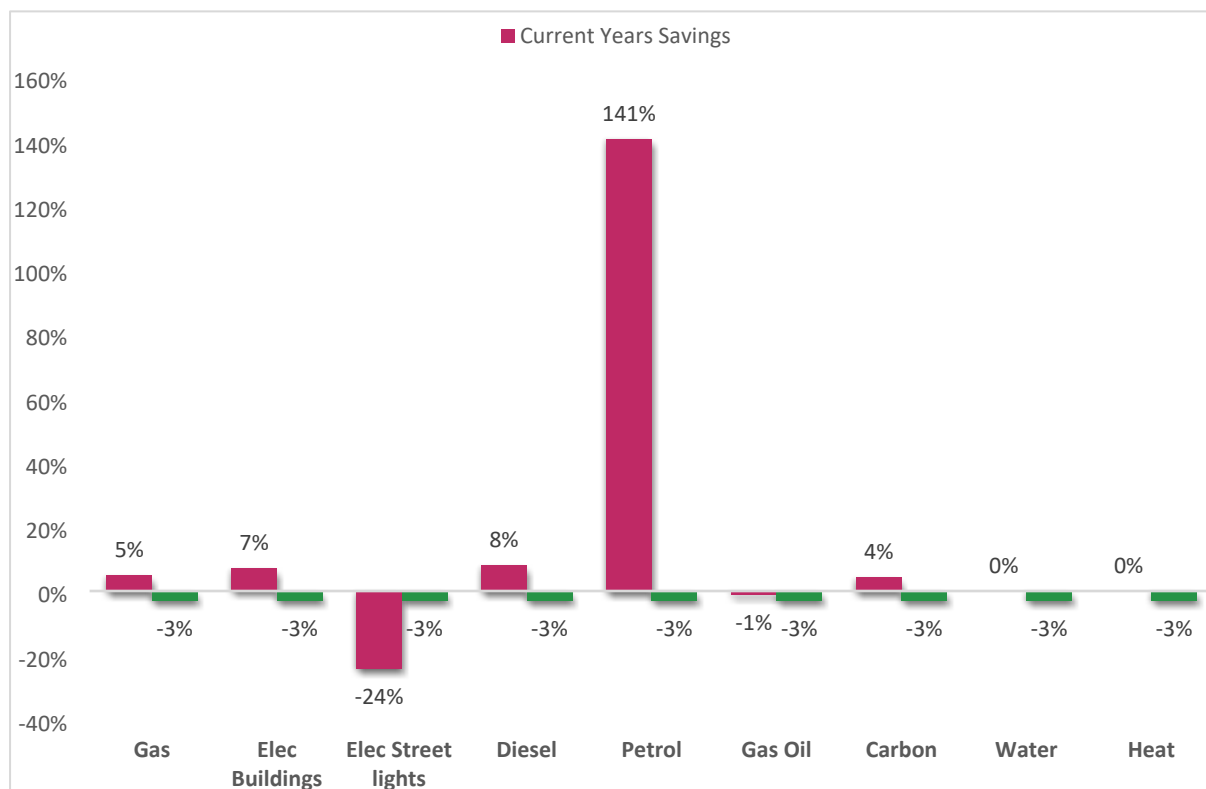
The business audit sheet includes detail on all areas with commentary on why they were scored as they were. Each section of the iiE Audit Sheet is scored as follows. See audit sheet for full scoring information.

Fail	0 Points: A failing score means that this criterion has not been met nor is any progress demonstrated.
Action Needed	1 point: Action is needed to improve and should be considered in alignment with the auditor's comments and an appropriate timeline. These will be discussed during quarterly support calls to help improve.
Pass / Compliant	2 points: The criteria have been met, though there may also be suggestions to improve.
Outstanding	3 points: This criterion has been exceeded as measured against the basic iiE criteria and may demonstrate a significant improvement since the previous year or may highlight best practice.

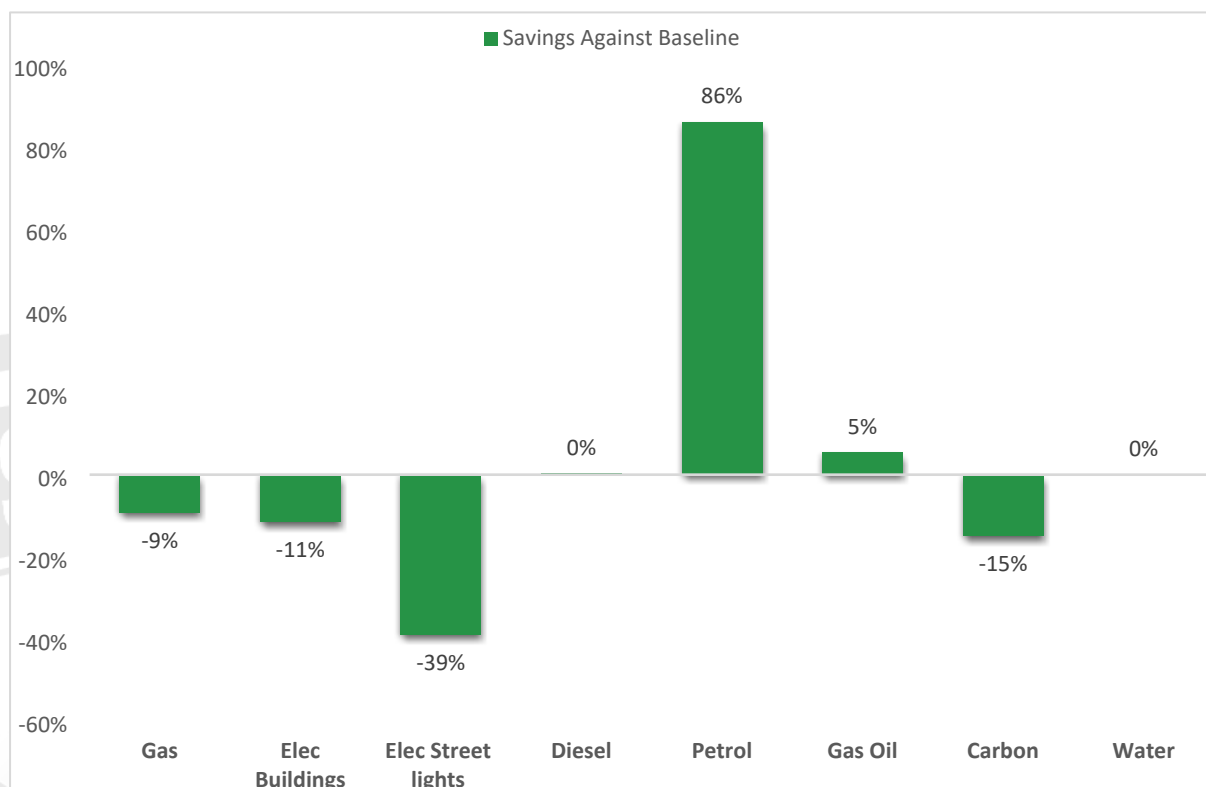
Results

Summary Results			
Section	Score	Available Score	Percentage
Section 1 - Environmental Policy	14	21	67%
Section 2a - Measuring Resource Use	9	14	64%
Section 3 – Targets	14	21	67%
Section 4a - Action Plan	29	39	74%
Section 5 - Communication	5	6	83%
Total	71	101	70%

Year on year performance



Baseline Year Performance



INVESTORS
IN THE
ENVIRONMENT



The Steadings

Glebe Farm

Woodside

Tyne and Wear

NE40 4SY

TEL: 07815 754931

Email: jo@genee.org.uk

Website: www.genee.org.uk

Climate Strategy Consultation Report

Gateshead Council declared a Climate Emergency in 2019. As part of this, the Council made a commitment to reach net zero carbon as a borough by 2030.

To set out how the Council will tackle climate change, officers prepared a Climate Strategy. The strategy sets out aspirations around seven key themes: transport, energy, economy and consumption, woodland and nature, food, building flood resistance, and adaptation to climate change, to enable the borough to reach net zero carbon by 2030.

Consultation on the Climate Strategy ran from December 2021 to February 2022.

203 respondents submitted comments on the consultation, which are summarised below.

In addition to the survey questionnaire, we asked responders to drop pins onto an interactive map of Gateshead. Pins were dropped to show where best practice already existed, or existed but needs improving and also where a new intervention could be implemented to help climate change. 180 pins were dropped on the map. The maps for each ward and a table of comments made can be found in Appendix 1.

Q1. To what extent do you agree or disagree with the climate strategy vision?

200 respondents answered this question.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	83	41.50%
Tend to agree	52	26%
Tend to disagree	31	15.50%
Strongly disagree	34	17%

179 respondents gave more information in response to the follow up question:

Please tell us why you have answered that way

These responses fell into a number of categories, with many responses falling into more than one category.

General	Number of Comments	Our Response
Broadly supportive of vision	102	Thank you for your comments.
Concerned that the Strategy is not deliverable	16	Thank you for your comments. The Council is committed to taking action to tackle climate change and reach net zero as a borough by 2030. The Climate Strategy will be supported by Ward Level Action Plans for each ward around the Borough, which will set out

		more detailed actions that can be taken at the local level.
Consumption	8	Thank you for your comments. The Council recognises that consumption is an issue and is committed to working with businesses to reduce packaging, and to reuse or repair items where possible.
Partnerships and the need to work with existing organisations and businesses	7	Thank you for your comments. The Council is committed to working with partner organisations including businesses, community groups, places of worship, and schools, to support and link decarbonisation efforts around the borough. Relevant partner organisations for each ward will be set out in Ward Level Action Plans, which are being developed alongside the Strategy and will support the delivery of its objectives.
Timescale too short	9	Thank you for your comments. The Council's target to reach net zero carbon as a borough by 2030 is ambitious: however, this reflects the urgency of the situation and gives clear priority to actions which will reduce Gateshead's carbon emissions in decision making, both within the Council and in the borough as a whole.
Timescale too long	1	Thank you for your comments. The Council recognises the need to take action to tackle climate change urgently, however targets and actions need to be realistic and achievable to have the greatest impact. The net zero carbon by 2030 target seeks to reflect the need for urgent action to be taken whilst allowing the borough time to adjust to and plan for the coming changes.
Need more detail	5	Thank you for your comments. The Climate Strategy is intended as a high-level document, and will be supported by more detailed Ward Level Action Plans (WLAPs). The WLAPs will highlight examples of good practice within each ward, and set out local priorities for reducing carbon emissions.
Economic Concerns	8	Thank you for your comments. The Council recognise that the UK is going through a cost of living crisis, and that people are concerned about climate change efforts adding further financial pressure. The Climate Strategy seeks to reduce costs for the borough's residents, businesses and organisations wherever possible.

		<p>Many actions which are good for the planet are also good for people's finances, such as walking and cycling more, growing your own food, or repairing rather than replacing items.</p> <p>Developing the green economy also offers new opportunities for economic growth and job creation.</p>
<p>Air Quality</p> <p>Concerned that road closures will displace the problem to neighbouring areas</p>	7	<p>Thank you for your comments. Air quality and climate change issues are related issues, with many measures that reduce air pollution also reducing carbon emissions. However, the Climate Strategy does not include measures specifically aimed at improving air quality as the focus of the document is on reducing carbon emissions. The Council is committed to tackling air quality issues in the Borough through other work. We have two existing Air Quality Management Areas, covering the Town Centre and Portobello. Work is also being progressed on a Clean Air Zone around the Tyne Bridge. More information on air quality issues in the borough and how these are being tackled is available here.</p> <p>Gateshead Council has committed to retain the transformative changes made to road layouts and management at the north end of Gateshead town centre.</p> <p>The aim of the changes was to:</p> <ul style="list-style-type: none"> • reduce through traffic and the feeling of separation between the town centre and the quays / bridges area • improve cycling and walking links between Gateshead, Newcastle and the Quays • prepare for the introduction of a Clean Air Zone • Reduce delays to buses accessing the Tyne Bridge. <p>The new layouts will be retained for an extended period, with a review to be carried out after two years.</p> <p>We recognise that as the Council has implemented changes to the road network over the last 18 months, especially in the area close to the Tyne Bridge, this has had an impact on traffic circulation.</p>

		To help us prioritise public transport, walking and cycling, we have asked motorists to sometimes take different routes than previously, and we have now made adjustments to help traffic flow more easily on those routes.
Climate Sceptic	4	Thank you for your comments. The IPCC is clear that climate change is occurring, and that it is man made. This can be seen in the increasing number of extreme weather events such as heatwaves and flooding. The Council is committed to taking action to tackle climate change, and to reach net zero carbon as a borough by 2030.

Transport	Number of Comments	Our Response
Electric Vehicles and Chargepoints	5	<p>Thank you for your comments. The Council is supportive of the transition to electric vehicles, and more information on EV chargepoints in the borough is available on our website.</p> <p>However, electric vehicles are not a perfect solution to reducing carbon emissions from transport. EVs are currently more expensive than petrol or diesel cars, and the manufacturing process for an EV is more carbon intensive. It is important that a range of interventions are used alongside the switch to EVs to help minimise transport emissions.</p> <p>The government has made changes to Building Regulations, to require chargepoints to be provided at new homes and buildings from 2022, and where an existing building is subject to major renovation.</p>
Opposed to Electric Vehicles	1	Thank you for your comments. The government has confirmed that no new petrol or diesel cars or vans will be sold in the UK by 2030. Electric Vehicles generate no new emissions from being run: emissions from energy generation will reduce over time as the energy sector phases out fossil fuels.

		<p>The Council recognises that electric vehicles are not a perfect solution to reducing carbon emissions from transport. EVs are currently more expensive than petrol or diesel cars, and the manufacturing process for an EV is more carbon intensive. It is important that a range of interventions are used alongside the switch to EVs to help minimise transport emissions.</p>
Road Closures and Askew Road	7	<p>Thank you for your comments. Gateshead Council has committed to retain the transformative changes made to road layouts and management at the north end of Gateshead town centre.</p> <p>The aim of the changes was to:</p> <ul style="list-style-type: none"> • reduce through traffic and the feeling of separation between the town centre and the quays / bridges area • improve cycling and walking links between Gateshead, Newcastle and the Quays • prepare for the introduction of a Clean Air Zone • Reduce delays to buses accessing the Tyne Bridge. <p>The new layouts will be retained for an extended period, with a review to be carried out after two years.</p> <p>We recognise that as the Council has implemented changes to the road network over the last 18 months, especially in the area close to the Tyne Bridge, this has had an impact on traffic circulation.</p> <p>To help us prioritise public transport, walking and cycling, we have asked motorists to sometimes take different routes than previously, and we have now made adjustments to help traffic flow more easily on those routes.</p>
Modal shift: More should be done to create modal shift towards green transport, including EVs, public transport, and active travel	6	<p>Thank you for your comments. Changing how we get around will be an important part of reducing carbon emissions, and will also have health and financial benefits. The Climate Strategy and Ward Level Action Plans set out a number of interventions which will encourage modal shift, including improvements to cycling facilities.</p>

		<p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p> <p>The Bus Service Improvement Plan (BSIP) for the North East was submitted to Government last year, outlining an £804M package of region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and helping existing bus users to travel more frequently.</p> <p>In response to the Plan, Government recently announced an indicative allocation of £163.5m for the North East. A draft Enhanced Partnership Scheme and Plan, expanding on how the Partners intend to use this funding to deliver on the ambitions of the BSIP, will be agreed through North East Joint Transport Committee and submitted to DfT by the end of June. Consultation will follow.</p> <p>This is a significant allocation for the North East and will potentially fund significant improvements to bus services, fares, passenger experience, bus priority, Park & Ride and bus infrastructure.</p>
Active travel	6	<p>Thank you for your comments. Active travel has great potential to reduce carbon emissions, and improve people's mental and physical health. The Council will encourage and enable people in the borough to walk and cycle more through</p>

		<p>the Transport section of the Climate Strategy and Ward Action Plans, as well as other ongoing work.</p> <p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p>
Public transport	9	<p>Thank you for your comments. The Council recognises the role that public transport has to play in reducing the borough's carbon emissions, and will work with operators to improve ticketing options and information.</p> <p>The Bus Service Improvement Plan (BSIP) for the North East was submitted to Government last year, outlining an £804M package of region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and helping existing bus users to travel more frequently.</p> <p>In response to the Plan, Government recently announced an indicative allocation of £163.5m for the North East. A draft Enhanced Partnership Scheme and Plan, expanding on how the Partners intend to use this funding to deliver on the ambitions of the BSIP, will be agreed through North East Joint Transport Committee and submitted to DfT by the end of June. Consultation will follow.</p> <p>This is a significant allocation for the North East and will potentially fund significant</p>

		improvements to bus services, fares, passenger experience, bus priority, Park & Ride and bus infrastructure.
Supportive of cycling/cycle lanes	3	<p>Thank you for your comments. Cycling is a cheap, healthy, and environmentally friendly way to travel. The Council is working to improve facilities for cycling in the borough, and to encourage more people to travel by bike, through its Cycling Strategy. We also offer maps of existing and proposed cycle routes in the borough.</p> <p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p>
Opposed to cycle lanes	6	Thank you for your comments. Whilst we acknowledge that cycling alone won't solve the climate emergency, increasing the number of trips taken by bike will help cut carbon emissions.
Car use and speed limits	10	<p>Thank you for your comments. Whilst lowering speed limits may help improve road safety, ultimately reducing overall car use will have the greatest impact in terms of lowering carbon emissions.</p> <p>The Council is working to make walking, cycling, and public transport easier and more accessible, so that more people feel able to leave the car at home.</p>

Interventions	Number of Comments	Our Response
Diet: need to reduce overall meat consumption	2	Thank you for your comments. The Climate Strategy includes encouragement of a reduced meat diet

		as an action in reducing emissions from food.
Insulation: existing houses should be insulated to the highest possible standards, and new homes should be built with insulation	4	<p>Thank you for your comments. The government is introducing higher energy efficiency standards for new buildings, including housing, through Building Regulations Part L from 15 June 2022.</p> <p>Gateshead has a long history of investing in energy efficiency measures for the social housing stock. The Council started enveloping and insulating non-traditional housing stock in the 1990s and have continued a programme of insulating homes both internally and externally. During decent homes improvements we worked with Warm Up North to install loft and cavity insulation to thousands of Council homes across the borough. We have also funded energy improvements using Council funding, the Greendeal and ECO funding streams. We are continuing to plan works to further enhance the thermal performance of our homes in line with the Net Carbon Zero agenda and the Councils declaration of a climate emergency.</p> <p>The Council works with suppliers and manufacturers to ensure that the boilers that are installed in our properties are the most reliable and energy efficient. The vast majority of our homes have double glazed windows and we are working to replace the small number of single glazed windows that are predominantly found in flats. The average SAP rating of the Council stock is Band C and we are already looking at how we improve this position further and prepare for a Net Zero future. Hundreds of homes have been connected to the District Energy Scheme and we are exploring ways to build on this and introduce other new forms of green energy to support the efficiency and long term sustainability of our homes. The Council continues to invest significantly in its housing stock, as well as bidding for funding to deliver transformational energy efficiency</p>

		improvements. This investment will ensure sustainable Council homes are efficient, affordable and fit for the future.
Heating: alternative options such as geothermal heating should be used where possible	8	<p>Thank you for your comments. The Council welcomes use of alternative heat sources where appropriate, with geothermal heating already in use in the borough through the District Energy Scheme.</p> <p>Hydrogen is also being explored as an alternative heat source in the borough: Northern Gas Networks have previously run a pilot hydrogen heating scheme in Winlaton, and two homes powered by hydrogen have been built in Low Thornley.</p>
Development	5	<p>Thank you for your comments. The government is introducing higher energy efficiency standards for new buildings, including housing, through Building Regulations Part L from 15 June 2022.</p> <p>Policy CS1 (Spatial Strategy for Sustainable Growth) of the Local Plan sets out that the majority of development should be focussed in existing built up areas. The Council also maintains a Brownfield Register of previously developed sites that are suitable for development. The Register is updated annually, and can be viewed on our website.</p>
Trees and green spaces	9	<p>Thank you for your comments. As part of the Council's response to the climate emergency and biodiversity crisis, the Council has committed to planting 100,000 trees by 2030 and increasing woodland cover in the borough from the current figure of 15% to 17% by 2050.</p> <p>The Council is working to develop a Local Nature Recovery Strategy, and a Biodiversity SPD, alongside Sunderland City Council and South Tyneside Council. These documents will set out requirement for where biodiversity might be improved, including water and wetland habitats.</p>

Renewables	5	<p>Thank you for your comments. Renewable energy generation has a key part to play in decarbonising the Borough.</p> <p>The Council would be supportive of community-led renewables projects, where appropriately located.</p> <p>Local Plan policy MSGP28 (Renewable and Low Carbon Energy) is broadly supportive of renewable energy development, where it would not cause unacceptable harm to other recognised interests. Renewable energy development would be considered in green belt on its own merit.</p> <p>Current national policy restricts development of onshore wind. Should this change it will be reflected through a future Local Plan review. Work to update the Council's evidence base on wind turbine development in Gateshead is currently being undertaken.</p>
Recycling	2	<p>Thank you for your comments.</p> <p>Increasing reuse and recycling of existing materials will help limit waste going to landfill and reduce emissions from creating new products from scratch. The Economy and Consumption and Waste section of the Climate Strategy sets out a number of actions that can reduce waste, including buying less, re-using items, swapping things that are no longer needed but that could be used by someone else, buying second hand, buying local, buying ethical, and fostering a sharing and borrowing culture.</p>
Litter and packaging	7	<p>Thank you for your comments. The Council is working to improve the boroughs environment, including through street cleaning and litter picking.</p> <p>There are a number of community and volunteer groups who organise litter picking, who will be highlighted in the Ward Level Action Plans.</p> <p>Prevention of littering in the first place is important. National legislation is being introduced to reduce packaging, including from takeaways.</p> <p>Improvements to the public realm in other ways can also deter littering by increasing people's sense of pride in</p>

		their local area. People who do drop litter should take responsibility for this, and littering carries a fixed penalty charge of £80.
New technology	1	Thank you for your comments. The Council acknowledges the importance that embracing new technology will have for reducing carbon emissions, for example using alternative fuel for transport. However, the potential for carbon capture and storage technology to be developed should not preclude other actions from being taken in the meantime to reduce emissions.

Q2. Please think about where climate change is already being tackled in Gateshead. What could be replicated or scaled up?

This question was answered by 177 respondents. These responses fell into a number of categories, with many responses falling into more than one category.

General	Number of Comments	Our Response
Need to prioritise actions which will lead to the greatest reduction of carbon emissions	3	Thank you for your comments. The Climate Strategy includes interventions across a range of emissions sources, with the aim of delivering a large cumulative impact in terms of working towards net zero carbon.
The Council needs to do more to take a lead in decarbonising the Borough	8	Thank you for your comments. The Climate Strategy sets out how the Council will work with partners around the borough to reduce emissions overall. Whilst the Strategy and Ward Level Action Plans will help guide interventions, working together is essential to tackling climate change.
Education and awareness: More needs to be done to raise the profile of climate change and make people aware of what they can do to help	8	Thank you for your comments. The Council is working to raise awareness of climate issues, including through work on the Climate Strategy and through liaising with Councillors and schools. The Ward Level Action Plans will highlight opportunities to make a difference in each ward, empowering local residents, businesses, and organisations to get involved in tackling climate change.
Partnerships and the need to work with existing organisations and businesses	6	Thank you for your comments. The Council recognises the importance of working with partners to tackle climate change, including community groups, businesses, and individuals. The Ward Level Action Plans will highlight organisations which are making a difference in their communities, and whose work is helping to reduce emissions. This will enable better co-ordination of resources and activity around the borough, as well as highlighting success stories.
Not aware of any existing interventions	11	Thank you for your comments. The Climate Strategy and Ward Level Action Plans together will highlight what is already happening, and identify opportunities to make further progress in reducing greenhouse gas emissions.

Consumption and repairing or reusing items	4	<p>Thank you for your comments. Reducing overall consumption would help to reduce emissions, as well as save people money. However, sustainable economic growth should be supported, and it would not be proportionate for the Council to attempt to limit consumption.</p> <p>Promoting reuse and repair of items is a priority for the Council, with initiatives such as MakerPlace at Gateshead Central Library allowing people to use tools such as soldering irons and sewing machines.</p>
Financial concerns that cost of interventions will outweigh benefits	1	<p>Thank you for your comments. The Climate Strategy work will be carried out alongside other priorities for the Council, such as the Thrive agenda. Many actions which are good for the planet are also good for people's finances, such as walking and cycling more, or growing your own food. Developing the green economy also offers new opportunities for economic growth and job creation.</p>
Best practice should be encouraged and scaled up where possible	5	<p>Thank you for your comments. Best practice examples should be celebrated, and the Council is working to identify these around the borough. The Ward Level Action Plans will highlight organisations which are making a difference in their communities, and whose work is helping to reduce emissions. This will enable better co-ordination of resources and activity around the borough, as well as highlighting success stories.</p>
Need more organisation of different initiatives around the borough	1	<p>Thank you for your comments. The Council recognises the importance of linking up existing initiatives around the borough. The Ward Level Action Plans will highlight organisations which are making a difference in their communities, and whose work is helping to reduce emissions. This will enable better co-ordination of resources and activity around the borough, as well as highlighting success stories.</p>
Support for sustainable businesses should be provided	4	<p>Thank you for your comments. The Council welcomes sustainable businesses in Gateshead and will highlight their work through the Ward Level Action Plans. The Climate Strategy sets out that services to support resource efficiency will be provided to businesses, and that</p>

		businesses will be helped to become more resilient to climate change.
Penalties should be introduced for businesses who use excess packaging	1	<p>Thank you for your comments. The Producer Responsibility Obligations (Packaging Waste) Regulations require businesses to register with the National Packaging Waste Database, report how much packaging they handle each year, and recycle a given percentage of packaging based on this figure. The Council encourages businesses to reduce use of packaging, and to use recyclable packaging where possible.</p>
Condition of Council buildings: Council houses should be provided with showers rather than baths and quality insulation	1	<p>Thank you for your comments. Gateshead has a long history of investing in energy efficiency measures for the social housing stock. The Council started enveloping and insulating non-traditional housing stock in the 1990s and have continued a programme of insulating homes both internally and externally. During decent homes improvements we worked with Warm Up North to install loft and cavity insulation to thousands of Council homes across the borough. We have also funded energy improvements using Council funding, the Greendeal and ECO funding streams. We are continuing to plan works to further enhance the thermal performance of our homes in line with the Net Carbon Zero agenda and the Councils declaration of a climate emergency.</p> <p>The Council works with suppliers and manufacturers to ensure that the boilers that are installed in our properties are the most reliable and energy efficient. The vast majority of our homes have double glazed windows and we are working to replace the small number of single glazed windows that are predominantly found in flats. The average SAP rating of the Council stock is Band C and we are already looking at how we improve this position further and prepare for a Net Zero future. Hundreds of homes have been connected to the District Energy Scheme and we are exploring ways to build on this and introduce other new forms of green energy to support the efficiency and long term sustainability of our homes. The Council continues to invest</p>

		significantly in its housing stock, as well as bidding for funding to deliver transformational energy efficiency improvements. This investment will ensure sustainable Council homes are efficient, affordable and fit for the future.
Climate Sceptic	7	Thank you for your comments. The IPCC is clear that climate change is occurring, and that it is man made. This can be seen in the increasing number of extreme weather events such as heatwaves and flooding. The Council is committed to taking action to tackle climate change, and to reach net zero carbon as a borough by 2030.

Transport	Number of Comments	Our Response
Congestion around the town centre is contributing to emissions, and should be addressed	6	<p>Thank you for your comments. Gateshead Council has committed to retain the transformative changes made to road layouts and management at the north end of Gateshead town centre.</p> <p>The aim of the changes was to:</p> <ul style="list-style-type: none"> • reduce through traffic and the feeling of separation between the town centre and the quays / bridges area • improve cycling and walking links between Gateshead, Newcastle and the Quays • prepare for the introduction of a Clean Air Zone • Reduce delays to buses accessing the Tyne Bridge. <p>The new layouts will be retained for an extended period, with a review to be carried out after two years.</p> <p>We recognise that as the Council has implemented changes to the road network over the last 18 months, especially in the area close to the Tyne Bridge, this has had an impact on traffic circulation.</p> <p>To help us prioritise public transport, walking and cycling, we have asked motorists to sometimes take different routes than previously, and we have now</p>

		made adjustments to help traffic flow more easily on those routes.
Measures should be taken to discourage car use, such as reducing speed limits from 30mph to 20mph	5	<p>Thank you for your comments. Whilst lowering speed limits may help improve road safety, ultimately reducing overall car use will have the greatest impact in terms of lowering carbon emissions.</p> <p>The Council is working to make walking, cycling, and public transport easier and more accessible, so that more people feel able to leave the car at home.</p>
Public transport should be cheaper and more reliable, with more routes and services, to encourage people to use it	24	<p>Thank you for your comments. Whilst public transport is outside of the Council's control, we recognise that a quality public transport service is needed to help people see public transport as a realistic alternative to driving. The Council will liaise with operators to encourage provision of services where they are needed, and improvements to existing services.</p> <p>The Bus Service Improvement Plan (BSIP) for the North East was submitted to Government last year, outlining an £804M package of region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and helping existing bus users to travel more frequently.</p> <p>In response to the Plan, Government recently announced an indicative allocation of £163.5m for the North East. A draft Enhanced Partnership Scheme and Plan, expanding on how the Partners intend to use this funding to deliver on the ambitions of the BSIP, will be agreed through North East Joint Transport Committee and submitted to DfT by the end of June. Consultation will follow.</p> <p>This is a significant allocation for the North East and will potentially fund significant improvements to bus services, fares, passenger experience, bus priority, Park & Ride and bus infrastructure.</p>
Electric vehicles and chargepoints – more chargepoints should be	25	Thank you for your comments. The Council is supportive of the transition to electric vehicles, and more information on EV

provided to enable people to use electric vehicles		<p>chargepoints in the borough is available on our website.</p> <p>However, electric vehicles are not a perfect solution to reducing carbon emissions from transport. EVs are currently more expensive than petrol or diesel cars, and the manufacturing process for an EV is more carbon intensive. It is important that a range of interventions are used alongside the switch to EVs to help minimise transport emissions.</p> <p>The government has made changes to Building Regulations, to require chargepoints to be provided at new homes and buildings from 2022, and where an existing building is subject to major renovation.</p>
More roads should be closed to private cars to discourage car use	1	<p>Thank you for your comments.</p> <p>The Council is working to make walking, cycling, and public transport easier and more accessible, so that more people feel able to leave the car at home. We will take a balanced approach in working to deliver this objective.</p>
Anti road closures	5	<p>Thank you for your comments. Gateshead Council has committed to retain the transformative changes made to road layouts and management at the north end of Gateshead town centre.</p> <p>The aim of the changes was to:</p> <ul style="list-style-type: none"> • reduce through traffic and the feeling of separation between the town centre and the quays / bridges area • improve cycling and walking links between Gateshead, Newcastle and the Quays • prepare for the introduction of a Clean Air Zone • Reduce delays to buses accessing the Tyne Bridge. <p>The new layouts will be retained for an extended period, with a review to be carried out after two years.</p> <p>We recognise that as the Council has implemented changes to the road network</p>

		<p>over the last 18 months, especially in the area close to the Tyne Bridge, this has had an impact on traffic circulation.</p> <p>To help us prioritise public transport, walking and cycling, we have asked motorists to sometimes take different routes than previously, and we have now made adjustments to help traffic flow more easily on those routes.</p>
School run: parents should be encouraged to walk their children to school	3	<p>Thank you for your comments. The Council is aware that increased traffic around school drop off and pick up times is an issue, and will continue to work in partnership with schools and parents to encourage walking, cycling, or scooting to school where possible.</p>
More should be done to create modal shift towards green transport, including EVs, public transport, and active travel	9	<p>Thank you for your comments. Changing how we get around will be an important part of reducing carbon emissions, and will also have health and financial benefits. The Climate Strategy and Ward Level Action Plans set out a number of interventions which will encourage modal shift, including improvements to cycling facilities.</p> <p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p> <p>The Bus Service Improvement Plan (BSIP) for the North East was submitted to Government last year, outlining an £804M package of region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and</p>

		<p>helping existing bus users to travel more frequently.</p> <p>In response to the Plan, Government recently announced an indicative allocation of £163.5m for the North East. A draft Enhanced Partnership Scheme and Plan, expanding on how the Partners intend to use this funding to deliver on the ambitions of the BSIP, will be agreed through North East Joint Transport Committee and submitted to DfT by the end of June. Consultation will follow.</p> <p>This is a significant allocation for the North East and will potentially fund significant improvements to bus services, fares, passenger experience, bus priority, Park & Ride and bus infrastructure.</p>
Cycling should be encouraged, e.g. through increased cycle lanes, cycle clubs, and improvements to existing bike lanes	20	<p>Thank you for your comments. Cycling is a cheap, healthy, and environmentally friendly way to travel. The Council is working to improve facilities for cycling in the borough, and to encourage more people to travel by bike, through its Cycling Strategy. We also offer maps of existing and proposed cycle routes in the borough.</p> <p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p>
Shared car use	3	<p>Thank you for your comments. Provision of car clubs, and car leasing and car sharing schemes could help reduce the number of cars on the road, and prompt people to consider if they really need to make their</p>

		journey by car. The Council would be supportive of such initiatives within the borough.
A Park & Ride scheme should be introduced to reduce through traffic	2	<p>Thank you for your comments. The Bus Service Improvement Plan (BSIP) for the North East was submitted to Government last year, outlining an £804M package of region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and helping existing bus users to travel more frequently.</p> <p>In response to the Plan, Government recently announced an indicative allocation of £163.5m for the North East. A draft Enhanced Partnership Scheme and Plan, expanding on how the Partners intend to use this funding to deliver on the ambitions of the BSIP, will be agreed through North East Joint Transport Committee and submitted to DfT by the end of June. Consultation will follow.</p> <p>This is a significant allocation for the North East and will potentially fund significant improvements to bus services, fares, passenger experience, bus priority, Park & Ride and bus infrastructure.</p>
Tolls and/or congestion charging	1	Thank you for your comments. Work is being progressed on a Clean Air Zone around the Tyne Bridge, which will help to improve air quality in the area by charging the most polluting vehicles to travel through it. Additional charges on motorists, in the form of tolls or a congestion charge, would not be appropriate at this stage.

Interventions	Number of Comments	Our Response
Hydrogen should be used as a fuel source, and hydrogen filling stations provided for vehicles	3	Thank you for your comments. The Council would consider proposals for hydrogen, including filling stations, if submitted. Northern Gas Networks have previously run a pilot hydrogen heating scheme in Winlaton, and two homes powered by hydrogen have been built in Low Thornley.

Drinking water should be provided in public spaces to enable use of reusable bottles	1	Thank you for your comments. The Council is exploring the feasibility of providing water fountains in public spaces.
Blue infrastructure (water, riverbanks, and saltmarshes) should be improved to help carbon sequestration	1	Thank you for your comments. Proposals to improve blue infrastructure would be welcomed. The Council is working to develop a Local Nature Recovery Strategy, and a Biodiversity SPD, alongside Sunderland City Council and South Tyneside Council. These documents will set out requirement for where biodiversity might be improved, including water and wetland habitats.
Renewables	23	<p>Thank you for your comments. Renewable energy generation has a key part to play in decarbonising the Borough.</p> <p>The Council would be supportive of community-led renewables projects, where appropriately located.</p> <p>Local Plan policy MSGP28 (Renewable and Low Carbon Energy) is broadly supportive of renewable energy development, where it would not cause unacceptable harm to other recognised interests. Renewable energy development would be considered in green belt on its own merit.</p> <p>Current national policy restricts development of onshore wind. Should this change it will be reflected through a future Local Plan review. Work to update the Council's evidence base on wind turbine development in Gateshead is currently being undertaken.</p>
Heating – alternative options such as geothermal heating should be used where possible	14	<p>Thank you for your comments. The Council welcomes use of alternative heat sources where appropriate, with geothermal heating already in use in the borough through the District Energy Scheme.</p> <p>Hydrogen is also being explored as an alternative heat source in the borough: Northern Gas Networks have previously run a pilot hydrogen heating scheme in Winlaton, and two homes powered by hydrogen have been built in Low Thornley.</p>
Trees and green space: dead or felled trees should be replaced,	28	Thank you for your comments. As part of the Council's response to the climate

more trees should be planted, and natural areas for biodiversity should be created		<p>emergency and biodiversity crisis, the Council has committed to planting 100,000 trees by 2030 and increasing woodland cover in the borough from the current figure of 15% to 17% by 2050.</p> <p>The Council is working to develop a Local Nature Recovery Strategy, and a Biodiversity SPD, alongside Sunderland City Council and South Tyneside Council. These documents will set out requirement for where biodiversity might be improved, including water and wetland habitats.</p>
Biodiversity: some areas should be rewilded, and habitats improved or created to support biodiversity	3	<p>Thank you for your comments. The Council is working to develop a Local Nature Recovery Strategy, and a Biodiversity SPD, alongside Sunderland City Council and South Tyneside Council. These documents will set out requirement for where biodiversity might be improved, including water and wetland habitats. Appropriate proposals for rewilding or habitat creation would be welcomed.</p>
Development should be done to high energy efficiency standards, and should be sustainably located, ideally on brownfield land	12	<p>Thank you for your comments. The government is introducing higher energy efficiency standards for new buildings, including housing, through Building Regulations Part L from 15 June 2022.</p> <p>Policy CS1 (Spatial Strategy for Sustainable Growth) of the Local Plan sets out that the majority of development should be focussed in existing built up areas. The Council also maintains a Brownfield Register of previously developed sites that are suitable for development. The Register is updated annually, and can be viewed on our website.</p>
Insulation: existing houses should be insulated to the highest possible standards, and new homes should be built with insulation	5	<p>Thank you for your comments. The government is introducing higher energy efficiency standards for new buildings, including housing, through Building Regulations Part L from 15 June 2022.</p>
Recycling: more recycling facilities should be provided, and a wider range of materials recycled	22	<p>Thank you for your comments. Increasing reuse and recycling of existing materials will help limit waste going to landfill and reduce emissions from creating new products from scratch.</p>

		<p>The Economy and Consumption and Waste section of the Climate Strategy sets out a number of actions that can reduce waste, including buying less, re-using items, swapping things that are no longer needed but that could be used by someone else, buying second hand, buying local, buying ethical, and fostering a sharing and borrowing culture.</p>
Ways of working – working from home or hybrid working should be encouraged to reduce emissions from commuting	5	<p>Thank you for your comments. The Council will maintain hybrid working moving forward.</p>
Diet: people should be encouraged to eat less meat, or to adopt a plant based diet	3	<p>Thank you for your comments. The Climate Strategy includes encouragement of a reduced meat diet as an action in reducing emissions from food.</p>
Allotments: more allotments should be provided to enable people to grow their own food	12	<p>Thank you for your comments. Due to an increasing interest in food growing the numbers of residents applying for allotments exceeds the supply of available sites.</p> <p>As a result, working with the various allotment associations in the Borough, we've reviewed the allocation and management of allotments. The Allotment Review has resulted in a new Allotment Strategy which aims to:</p> <ul style="list-style-type: none"> • reduce overall waiting lists • introduce a consistent proactive approach to management • introduce minimum standards for quality of fencing / structures • provide guidance regarding roles, responsibilities and expectations • encourage directly managed allotments to form allotment associations <p>Our aim is to reduce the waiting list by encouraging plot-sharing schemes and providing land for shared community allotments in locations where this is appropriate.</p>
Street lighting: LED lights are more efficient and should be used more widely	3	<p>Thank you for your comments. Street lights are now dimmed in the majority of residential streets in Gateshead. This will</p>

		<p>help to reduce energy use and carbon emissions and save costs. We have decided to reduce the power by 50% up to midnight, and by 75% between midnight and 5.30am in appropriate residential areas.</p> <p>The eco-friendly Light Emitting Diode (LED) lights can be controlled remotely, to allow the level of lighting to be adjusted, should it be considered necessary. A reduction to 50% power before midnight will mean lighting levels are still in keeping with British Standard guidelines.</p>
Pollution: wood burning stoves and congestion in the town centre are causing air pollution	4	<p>Thank you for your comments. Work is being progressed on a Clean Air Zone around the Tyne Bridge, which will help to improve air quality in the area by charging the most polluting vehicles to travel through it.</p> <p>The Government's Clean Air Strategy (2019) will ensure that only the cleanest wood burning stoves are sold from 2022, and states that legislation will prohibit sale of the most polluting fuels for wood burners.</p>
Adaptation: measures should be taken to adapt to climate change in addition to reducing emissions	1	<p>Thank you for your comments. The Climate Strategy sets out a number of actions to adapt to climate change, including through improving resilience to flooding.</p>

Q3 (a). What specific actions do you think the Council, businesses or the community should take to tackle climate change in addition to those already outlined in the strategy?

This question was answered by 166 respondents. These responses fell into a number of categories, with many responses falling into more than one category.

General	Number of Comments	Our Response
The Council needs to do more to take a lead in decarbonising the Borough	8	Thank you for your comments. The Climate Strategy sets out how the Council will work with partners around the borough to reduce emissions overall. Whilst the Strategy and Ward Level Action Plans will help guide interventions, working together is essential to tackling climate change.
Council investments and procurement: the Council should invest in low carbon or carbon neutral products and services to reduce emissions	3	Thank you for your comments. The Council is working to improve its carbon monitoring system to include emissions from goods and services that have been procured. Our procurement process now requires consideration to be given to climate impacts.
Education and awareness: More needs to be done to raise the profile of climate change and make people aware of what they can do to help	7	Thank you for your comments. The Council is working to raise awareness of climate issues, including through work on the Climate Strategy and through liaising with Councillors and schools. The Ward Level Action Plans will highlight opportunities to make a difference in each ward, empowering local residents, businesses, and organisations to get involved in tackling climate change.
Partnerships and the need to work with existing organisations and businesses	1	Thank you for your comments. The Council recognises the importance of working with partners to tackle climate change, including community groups, businesses, and individuals. The Ward Level Action Plans will highlight organisations which are making a difference in their communities, and whose work is helping to reduce emissions. This will enable better co-ordination of resources and activity around the borough, as well as highlighting success stories.
No specific suggestions to make	12	Thank you for your comments. The Climate Strategy and Ward Level Action Plans together will highlight what is already happening, and identify opportunities to make further progress in reducing greenhouse gas emissions.
Consumption and repairing or reusing items	5	Thank you for your comments. Reducing overall consumption would help to reduce

		<p>emissions, as well as save people money. However, sustainable economic growth should be supported, and it would not be proportionate for the Council to attempt to limit consumption.</p> <p>Promoting reuse and repair of items is a priority for the Council, with initiatives such as MakerPlace at Gateshead Central Library allowing people to use tools such as soldering irons and sewing machines.</p>
Finance and economic impact – concern that interventions will have a negative impact on residents. Economic incentives could encourage action	2	<p>Thank you for your comments. The Climate Strategy work will be carried out alongside other priorities for the Council, such as the Thrive agenda. Many actions which are good for the planet are also good for people's finances, such as walking and cycling more, or growing your own food. Developing the green economy also offers new opportunities for economic growth and job creation.</p>
Best practice should be highlighted and encouraged	1	<p>Thank you for your comments. Best practice examples should be celebrated, and the Council is working to identify these around the borough. The Ward Level Action Plans will highlight organisations which are making a difference in their communities, and whose work is helping to reduce emissions. This will enable better co-ordination of resources and activity around the borough, as well as highlighting success stories.</p>
Sustainable businesses should be supported, with incentives for best practice/demonstrating progress	7	<p>Thank you for your comments. The Council welcomes sustainable businesses in Gateshead and will highlight their work through the Ward Level Action Plans. The Climate Strategy sets out that services to support resource efficiency will be provided to businesses, and that businesses will be helped to become more resilient to climate change.</p>
Council buildings: Council houses should be made more efficient and lights turned off in schools and other Council buildings	6	<p>Thank you for your comments. Motion activated lights are in use in many Council buildings, which turn off automatically when no one is within range.</p> <p>Gateshead has a long history of investing in energy efficiency measures for the social housing stock. The Council started enveloping and insulating non-traditional housing stock in the 1990s and have continued a programme of insulating</p>

		<p>homes both internally and externally. During decent homes improvements we worked with Warm Up North to install loft and cavity insulation to thousands of Council homes across the borough. We have also funded energy improvements using Council funding, the Greendeal and ECO funding streams. We are continuing to plan works to further enhance the thermal performance of our homes in line with the Net Carbon Zero agenda and the Councils declaration of a climate emergency.</p> <p>The Council works with suppliers and manufacturers to ensure that the boilers that are installed in our properties are the most reliable and energy efficient. The vast majority of our homes have double glazed windows and we are working to replace the small number of single glazed windows that are predominantly found in flats. The average SAP rating of the Council stock is Band C and we are already looking at how we improve this position further and prepare for a Net Zero future. Hundreds of homes have been connected to the District Energy Scheme and we are exploring ways to build on this and introduce other new forms of green energy to support the efficiency and long term sustainability of our homes. The Council continues to invest significantly in its housing stock, as well as bidding for funding to deliver transformational energy efficiency improvements. This investment will ensure sustainable Council homes are efficient, affordable and fit for the future.</p>
Actions need to be well thought out to ensure they are effective	1	Thank you for your comments. The Climate Strategy includes interventions across a range of emissions sources, with the aim of delivering a large cumulative impact in terms of working towards net zero carbon.
An independent audit of the Council should be carried out to identify opportunities for improvement	1	Thank you for your comments. Since 2019 the Council has worked with GENEE and uses their Investors in the Environment system to audit the Council's own activities, and identify actions for reducing emissions.
Climate Sceptic	1	Thank you for your comments. The IPCC is clear that climate change is occurring, and

		that it is man made. This can be seen in the increasing number of extreme weather events such as heatwaves and flooding. The Council is committed to taking action to tackle climate change, and to reach net zero carbon as a borough by 2030.
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Transport	Number of Comments	Our Response
Congestion around the town centre is contributing to emissions, and should be addressed	1	<p>Thank you for your comments. Gateshead Council has committed to retain the transformative changes made to road layouts and management at the north end of Gateshead town centre.</p> <p>The aim of the changes was to:</p> <ul style="list-style-type: none"> • reduce through traffic and the feeling of separation between the town centre and the quays / bridges area • improve cycling and walking links between Gateshead, Newcastle and the Quays • prepare for the introduction of a Clean Air Zone • Reduce delays to buses accessing the Tyne Bridge. <p>The new layouts will be retained for an extended period, with a review to be carried out after two years.</p> <p>We recognise that as the Council has implemented changes to the road network over the last 18 months, especially in the area close to the Tyne Bridge, this has had an impact on traffic circulation.</p> <p>To help us prioritise public transport, walking and cycling, we have asked motorists to sometimes take different routes than previously, and we have now made adjustments to help traffic flow more easily on those routes.</p>
Measures should be taken to discourage car use	3	<p>Thank you for your comments. The Council is working to make walking, cycling, and public transport easier and more accessible, so that more people feel able to leave the car at home.</p>
Reducing speed limits from 30mph to 20mph	2	<p>Thank you for your comments. Whilst lowering speed limits may help improve</p>

		<p>road safety, ultimately reducing overall car use will have the greatest impact in terms of lowering carbon emissions.</p> <p>The Council is working to make walking, cycling, and public transport easier and more accessible, so that more people feel able to leave the car at home.</p>
Public transport should be cheaper and more reliable, with more routes and services, to encourage people to use it	16	<p>Thank you for your comments. Whilst public transport is outside of the Council's control, we recognise that a quality public transport service is needed to help people see public transport as a realistic alternative to driving. The Council will liaise with operators to encourage provision of services where they are needed, and improvements to existing services. We will also lobby the government to increase funding for public transport.</p> <p>The Bus Service Improvement Plan (BSIP) for the North East was submitted to Government last year, outlining an £804M package of region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and helping existing bus users to travel more frequently.</p> <p>In response to the Plan, Government recently announced an indicative allocation of £163.5m for the North East. A draft Enhanced Partnership Scheme and Plan, expanding on how the Partners intend to use this funding to deliver on the ambitions of the BSIP, will be agreed through North East Joint Transport Committee and submitted to DfT by the end of June. Consultation will follow.</p> <p>This is a significant allocation for the North East and will potentially fund significant improvements to bus services, fares, passenger experience, bus priority, Park & Ride and bus infrastructure.</p>
Electric vehicles and chargepoints – more chargepoints should be provided to enable people to use electric vehicles	23	<p>Thank you for your comments. The Council is supportive of the transition to electric vehicles, and more information on EV</p>

		<p>chargepoints in the borough is available on our website.</p> <p>However, electric vehicles are not a perfect solution to reducing carbon emissions from transport. EVs are currently more expensive than petrol or diesel cars, and the manufacturing process for an EV is more carbon intensive. It is important that a range of interventions are used alongside the switch to EVs to help minimise transport emissions.</p> <p>The government has made changes to Building Regulations, to require chargepoints to be provided at new homes and buildings from 2022, and where an existing building is subject to major renovation.</p>
Anti road closures	5	<p>Thank you for your comments. Gateshead Council has committed to retain the transformative changes made to road layouts and management at the north end of Gateshead town centre.</p> <p>The aim of the changes was to:</p> <ul style="list-style-type: none"> • reduce through traffic and the feeling of separation between the town centre and the quays / bridges area • improve cycling and walking links between Gateshead, Newcastle and the Quays • prepare for the introduction of a Clean Air Zone • Reduce delays to buses accessing the Tyne Bridge. <p>The new layouts will be retained for an extended period, with a review to be carried out after two years.</p> <p>We recognise that as the Council has implemented changes to the road network over the last 18 months, especially in the area close to the Tyne Bridge, this has had an impact on traffic circulation.</p> <p>To help us prioritise public transport, walking and cycling, we have asked motorists to sometimes take different routes than previously, and we have now</p>

		made adjustments to help traffic flow more easily on those routes.
Schools: Pupils should not be accepted from outside the catchment area to reduce car use	1	Thank you for your comments. The Council is aware that increased traffic around school drop off and pick up times is an issue, however it would not be appropriate to limit enrolment to pupils within catchment areas where there is additional capacity. The Council will work with schools and parents to encourage walking, cycling, or scooting to school where possible.
More should be done to create modal shift towards green transport, including EVs, public transport, and active travel	6	<p>Thank you for your comments. Changing how we get around will be an important part of reducing carbon emissions, and will also have health and financial benefits. The Climate Strategy and Ward Level Action Plans set out a number of interventions which will encourage modal shift, including improvements to cycling facilities.</p> <p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p> <p>The Bus Service Improvement Plan (BSIP) for the North East was submitted to Government last year, outlining an £804M package of region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and helping existing bus users to travel more frequently.</p> <p>In response to the Plan, Government recently announced an indicative allocation</p>

		<p>of £163.5m for the North East. A draft Enhanced Partnership Scheme and Plan, expanding on how the Partners intend to use this funding to deliver on the ambitions of the BSIP, will be agreed through North East Joint Transport Committee and submitted to DfT by the end of June. Consultation will follow.</p> <p>This is a significant allocation for the North East and will potentially fund significant improvements to bus services, fares, passenger experience, bus priority, Park & Ride and bus infrastructure.</p>
Cycling should be encouraged, e.g. through increased cycle lanes, cycle clubs, and improvements to existing bike lanes	5	<p>Thank you for your comments. Cycling is a cheap, healthy, and environmentally friendly way to travel. The Council is working to improve facilities for cycling in the borough, and to encourage more people to travel by bike, through its Cycling Strategy. We also offer maps of existing and proposed cycle routes in the borough.</p> <p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p>
A Park & Ride scheme should be introduced to reduce through traffic	1	<p>Thank you for your comments. The Bus Service Improvement Plan (BSIP) for the North East was submitted to Government last year, outlining an £804M package of region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and helping existing bus users to travel more frequently.</p>

		<p>In response to the Plan, Government recently announced an indicative allocation of £163.5m for the North East. A draft Enhanced Partnership Scheme and Plan, expanding on how the Partners intend to use this funding to deliver on the ambitions of the BSIP, will be agreed through North East Joint Transport Committee and submitted to DfT by the end of June. Consultation will follow.</p> <p>This is a significant allocation for the North East and will potentially fund significant improvements to bus services, fares, passenger experience, bus priority, Park & Ride and bus infrastructure.</p>
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Interventions	Number of Comments	Our Response
Penalties should be introduced for businesses and households who don't recycle	1	<p>Thank you for your comments. The Producer Responsibility Obligations (Packaging Waste) Regulations require businesses to register with the National Packaging Waste Database, report how much packaging they handle each year, and recycle a given percentage of packaging based on this figure. The Council encourages businesses to reduce use of packaging, and to use recyclable packaging where possible.</p> <p>Recycling bins are provided to residents to enable them to recycle, however it would not be appropriate to penalise residents who do not recycle.</p>
Blue infrastructure (water, riverbanks, and saltmarshes) should be improved to help carbon sequestration	2	<p>Thank you for your comments. Proposals to improve blue infrastructure would be welcomed. The Council is working to develop a Local Nature Recovery Strategy, and a Biodiversity SPD, alongside Sunderland City Council and South Tyneside Council. These documents will set out requirement for where biodiversity might be improved, including water and wetland habitats.</p>
Renewables	6	<p>Thank you for your comments. Renewable energy generation has a key part to play in decarbonising the Borough.</p>

		<p>The Council would be supportive of community-led renewables projects, where appropriately located.</p> <p>Local Plan policy MSGP28 (Renewable and Low Carbon Energy) is broadly supportive of renewable energy development, where it would not cause unacceptable harm to other recognised interests. Renewable energy development would be considered in green belt on its own merit.</p> <p>Current national policy restricts development of onshore wind. Should this change it will be reflected through a future Local Plan review. Work to update the Council's evidence base on wind turbine development in Gateshead is currently being undertaken.</p>
Heating – alternative options such as geothermal heating should be used where possible	6	<p>Thank you for your comments. The Council welcomes use of alternative heat sources where appropriate, with geothermal heating already in use in the borough through the District Energy Scheme.</p> <p>Hydrogen is also being explored as an alternative heat source in the borough: Northern Gas Networks have previously run a pilot hydrogen heating scheme in Winlaton, and two homes powered by hydrogen have been built in Low Thornley.</p>
Trees and green space: dead or felled trees should be replaced, more trees should be planted, and natural areas for biodiversity should be created	11	<p>Thank you for your comments. As part of the Council's response to the climate emergency and biodiversity crisis, the Council has committed to planting 100,000 trees by 2030 and increasing woodland cover in the borough from the current figure of 15% to 17% by 2050.</p> <p>The Council is working to develop a Local Nature Recovery Strategy, and a Biodiversity SPD, alongside Sunderland City Council and South Tyneside Council. These documents will set out requirement for where biodiversity might be improved, including water and wetland habitats.</p>
Biodiversity: some areas should be rewilded, and habitats improved or created to support biodiversity	2	<p>Thank you for your comments. The Council is working to develop a Local Nature Recovery Strategy, and a</p>

		Biodiversity SPD, alongside Sunderland City Council and South Tyneside Council. These documents will set out requirement for where biodiversity might be improved, including water and wetland habitats. Appropriate proposals for rewilding or habitat creation would be welcomed.
Development should be done to high energy efficiency standards, and should be sustainably located, ideally on brownfield land	13	<p>Thank you for your comments. The government is introducing higher energy efficiency standards for new buildings, including housing, through Building Regulations Part L from 15 June 2022.</p> <p>Policy CS1 (Spatial Strategy for Sustainable Growth) of the Local Plan sets out that the majority of development should be focussed in existing built up areas. The Council also maintains a Brownfield Register of previously developed sites that are suitable for development. The Register is updated annually, and can be viewed on our website.</p>
Insulation: existing houses should be insulated to the highest possible standards, and new homes should be built with insulation	5	Thank you for your comments. The government is introducing higher energy efficiency standards for new buildings, including housing, through Building Regulations Part L from 15 June 2022.
Recycling: more recycling facilities should be provided, and a wider range of materials recycled	8	<p>Thank you for your comments. Increasing reuse and recycling of existing materials will help limit waste going to landfill and reduce emissions from creating new products from scratch.</p> <p>The Economy and Consumption and Waste section of the Climate Strategy sets out a number of actions that can reduce waste, including buying less, re-using items, swapping things that are no longer needed but that could be used by someone else, buying second hand, buying local, buying ethical, and fostering a sharing and borrowing culture.</p>
Ways of working – working from home or hybrid working should be encouraged to reduce emissions from commuting	1	Thank you for your comments. The Council will maintain hybrid working moving forward.

Diet: people should be encouraged to eat less meat, or to adopt a plant based diet	3	<p>Thank you for your comments. The Climate Strategy includes encouragement of a reduced meat diet as an action in reducing emissions from food.</p>
Allotments: more allotments should be provided to enable people to grow their own food	2	<p>Thank you for your comments. Due to an increasing interest in food growing the numbers of residents applying for allotments exceeds the supply of available sites.</p> <p>As a result, working with the various allotment associations in the Borough, we've reviewed the allocation and management of allotments. The Allotment Review has resulted in a new Allotment Strategy which aims to:</p> <ul style="list-style-type: none"> • reduce overall waiting lists • introduce a consistent proactive approach to management • introduce minimum standards for quality of fencing / structures • provide guidance regarding roles, responsibilities and expectations • encourage directly managed allotments to form allotment associations <p>Our aim is to reduce the waiting list by encouraging plot-sharing schemes and providing land for shared community allotments in locations where this is appropriate.</p>
Street lighting: LED lights are more efficient and should be used more widely	1	<p>Thank you for your comments. Street lights are now dimmed in the majority of residential streets in Gateshead. This will help to reduce energy use and carbon emissions and save costs. We have decided to reduce the power by 50% up to midnight, and by 75% between midnight and 5.30am in appropriate residential areas.</p> <p>The eco-friendly Light Emitting Diode (LED) lights can be controlled remotely, to allow the level of lighting to be adjusted, should it be considered necessary. A reduction to 50% power before midnight will mean lighting levels are still in keeping with British Standard guidelines.</p>

Adaptation: measures should be taken to adapt to climate change in addition to reducing emissions	1	Thank you for your comments. The Climate Strategy sets out a number of actions to adapt to climate change, including through improving resilience to flooding.
Wood burning stoves are causing air pollution and should be banned	1	Thank you for your comments. The Government's Clean Air Strategy (2019) will ensure that only the cleanest wood burning stoves are sold from 2022, and states that legislation will prohibit sale of the most polluting fuels for wood burners.
Waste and Recycling	12	Thank you for your comments. Increasing reuse and recycling of existing materials will help limit waste going to landfill and reduce emissions from creating new products from scratch.

Q3 (b). What specific actions do you think the Council, businesses or the community should take to tackle climate change in addition to those already outlined in the strategy?

This question was answered by 136 respondents. These responses fell into a number of categories, with many responses falling into more than one category.

General	Number of Comments	Our Response
Education and awareness: More needs to be done to raise the profile of climate change and make people aware of what they can do to help	4	Thank you for your comments. The Council is working to raise awareness of climate issues, including through work on the Climate Strategy and through liaising with Councillors and schools. The Ward Level Action Plans will highlight opportunities to make a difference in each ward, empowering local residents, businesses, and organisations to get involved in tackling climate change.
Partnerships and the need to work with existing organisations and businesses	1	Thank you for your comments. The Council recognises the importance of working with partners to tackle climate change, including community groups, businesses, and individuals. The Ward Level Action Plans will highlight organisations which are making a difference in their communities, and whose work is helping to reduce emissions. This will enable better co-ordination of resources and activity around the borough, as well as highlighting success stories.
No specific suggestions to make	12	Thank you for your comments. The Climate Strategy and Ward Level Action Plans together will highlight what is already happening, and identify opportunities to make further progress in reducing greenhouse gas emissions.
Finance and investment: businesses are still recovering from the impact of the pandemic, investment would support decarbonisation efforts	3	Thank you for your comments. The Council recognises that the past few years have been particularly difficult for businesses. Many actions which can reduce emissions can also help reduce costs, such as switching to a renewable energy provider or reusing materials where possible. Developing the green economy also offers new opportunities for economic growth and job creation.
Sustainable businesses should be supported, with incentives for best practice/demonstrating progress,	23	Thank you for your comments. The Council welcomes sustainable businesses in Gateshead and will highlight their work through the Ward Level Action Plans.

such as grants or discounts on business rates		The Climate Strategy sets out that services to support resource efficiency will be provided to businesses, and that businesses will be helped to become more resilient to climate change.
Climate Sceptic	1	Thank you for your comments. The IPCC is clear that climate change is occurring, and that it is man made. This can be seen in the increasing number of extreme weather events such as heatwaves and flooding. The Council is committed to taking action to tackle climate change, and to reach net zero carbon as a borough by 2030.

Transport	Number of Comments	Our Response
Car sharing and pool cars	4	Thank you for your comments. Provision of car clubs, and car leasing and car sharing schemes could help reduce the number of cars on the road, and prompt people to consider if they really need to make their journey by car. In a business context, pool car and car leasing schemes can also make electric vehicles more accessible.
Public transport use should be encouraged by businesses, e.g through reimbursement of travel expenses	3	Thank you for your comments. Public transport has a key role to play in enabling people to drive less, and incentivising public transport use can help 'nudge' people to make the switch where possible. The Council works with businesses to help them develop Travel Plans to encourage staff to use PT and Active Travel.
Electric vehicles and chargepoints – more chargepoints should be provided to enable people to use electric vehicles	16	<p>Thank you for your comments. The Council is supportive of the transition to electric vehicles, and more information on EV chargepoints in the borough is available on our website.</p> <p>However, electric vehicles are not a perfect solution to reducing carbon emissions from transport. EVs are currently more expensive than petrol or diesel cars, and the manufacturing process for an EV is more carbon intensive. It is important that a range of interventions are used alongside the switch to EVs to help minimise transport emissions.</p>

		<p>The government has made changes to Building Regulations, to require chargepoints to be provided at new homes and buildings from 2022, and where an existing building is subject to major renovation.</p>
Anti road closures	1	<p>Thank you for your comments. Gateshead Council has committed to retain the transformative changes made to road layouts and management at the north end of Gateshead town centre.</p> <p>The aim of the changes was to:</p> <ul style="list-style-type: none"> • reduce through traffic and the feeling of separation between the town centre and the quays / bridges area • improve cycling and walking links between Gateshead, Newcastle and the Quays • prepare for the introduction of a Clean Air Zone • Reduce delays to buses accessing the Tyne Bridge. <p>The new layouts will be retained for an extended period, with a review to be carried out after two years.</p> <p>We recognise that as the Council has implemented changes to the road network over the last 18 months, especially in the area close to the Tyne Bridge, this has had an impact on traffic circulation.</p> <p>To help us prioritise public transport, walking and cycling, we have asked motorists to sometimes take different routes than previously, and we have now made adjustments to help traffic flow more easily on those routes.</p>
More should be done to create modal shift towards green transport, including EVs, public transport, and active travel	4	<p>Thank you for your comments. Changing how we get around will be an important part of reducing carbon emissions, and will also have health and financial benefits. The Climate Strategy and Ward Level Action Plans set out a number of interventions which will encourage modal shift, including improvements to cycling facilities.</p> <p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling</p>

		<p>and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p> <p>The Bus Service Improvement Plan (BSIP) for the North East was submitted to Government last year, outlining an £804M package of region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and helping existing bus users to travel more frequently.</p> <p>In response to the Plan, Government recently announced an indicative allocation of £163.5m for the North East. A draft Enhanced Partnership Scheme and Plan, expanding on how the Partners intend to use this funding to deliver on the ambitions of the BSIP, will be agreed through North East Joint Transport Committee and submitted to DfT by the end of June. Consultation will follow.</p> <p>This is a significant allocation for the North East and will potentially fund significant improvements to bus services, fares, passenger experience, bus priority, Park & Ride and bus infrastructure.</p>
Cycling should be encouraged, e.g. through increased cycle lanes, cycle clubs, and improvements to existing bike lanes	3	<p>Thank you for your comments. Cycling is a cheap, healthy, and environmentally friendly way to travel. The Council is working to improve facilities for cycling in the borough, and to encourage more people to travel by bike, through its Cycling Strategy. We also offer maps of existing and proposed cycle routes in the borough.</p>

		<p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p>
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Interventions	Number of Comments	Our Response
Renewables	7	<p>Thank you for your comments. Renewable energy generation has a key part to play in decarbonising the Borough.</p> <p>The Council would be supportive of community-led renewables projects, where appropriately located.</p> <p>Local Plan policy MSGP28 (Renewable and Low Carbon Energy) is broadly supportive of renewable energy development, where it would not cause unacceptable harm to other recognised interests. Renewable energy development would be considered in green belt on its own merit.</p> <p>Current national policy restricts development of onshore wind. Should this change it will be reflected through a future Local Plan review. Work to update the Council's evidence base on wind turbine development in Gateshead is currently being undertaken.</p>
Heating – alternative options such as geothermal heating should be used where possible	6	<p>Thank you for your comments. The Council welcomes use of alternative heat sources where appropriate, with geothermal heating already in use in the borough through the District Energy Scheme.</p> <p>Hydrogen is also being explored as an</p>

		alternative heat source in the borough: Northern Gas Networks have previously run a pilot hydrogen heating scheme in Winlaton, and two homes powered by hydrogen have been built in Low Thornley.
Development should be done to high energy efficiency standards, and should be sustainably located, ideally on brownfield land	3	<p>Thank you for your comments. The government is introducing higher energy efficiency standards for new buildings, including housing, through Building Regulations Part L from 15 June 2022.</p> <p>Policy CS1 (Spatial Strategy for Sustainable Growth) of the Local Plan sets out that the majority of development should be focussed in existing built up areas. The Council also maintains a Brownfield Register of previously developed sites that are suitable for development. The Register is updated annually, and can be viewed on our website.</p>
Insulation: buildings should be insulated to the highest possible standards	1	Thank you for your comments. The government is introducing higher energy efficiency standards for new buildings through Building Regulations Part L from 15 June 2022.
Recycling: more recycling facilities should be provided, and a wider range of materials recycled	10	<p>Thank you for your comments. Increasing reuse and recycling of existing materials will help limit waste going to landfill and reduce emissions from creating new products from scratch.</p> <p>The Economy and Consumption and Waste section of the Climate Strategy sets out a number of actions that can reduce waste, including buying less, re-using items, swapping things that are no longer needed but that could be used by someone else, buying second hand, buying local, buying ethical, and fostering a sharing and borrowing culture.</p>
Diet: people should be encouraged to eat less meat, or to adopt a plant based diet	1	Thank you for your comments. The Climate Strategy includes encouragement of a reduced meat diet as an action in reducing emissions from food.
Waste	10	Thank you for your comments. Increasing reuse and recycling of existing materials will help limit waste going to

		landfill and reduce emissions from creating new products from scratch.
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Q3 (c). What specific actions do you think the Council, businesses or the community should take to tackle climate change in addition to those already outlined in the strategy?

This question was answered by 134 respondents. These responses fell into a number of categories, with many responses falling into more than one category.

General	Number of Comments	Our Response
Communities: community engagement is needed and communities should be empowered to take action at a local level	10	Thank you for your comments. The Council recognises the importance of working with communities to tackle climate change. The Ward Level Action Plans will highlight organisations which are making a difference in their communities, and whose work is helping to reduce emissions. This will enable better co-ordination of resources and activity around the borough, as well as highlighting success stories.
The Council and government need to do more to take a lead in reducing carbon emissions	1	Thank you for your comments. The Climate Strategy sets out how the Council will work with partners around the borough to reduce emissions overall. Whilst the Strategy and Ward Level Action Plans will help guide interventions, working together is essential to tackling climate change. The Government has introduced a target of net zero for the UK by 2050 through legislation, supported by a range of policy documents including the Net Zero Strategy .
Best practice should be encouraged and scaled up where possible	2	Thank you for your comments. Best practice examples should be celebrated, and the Council is working to identify these around the borough. The Ward Level Action Plans will highlight organisations which are making a difference in their communities, and whose work is helping to reduce emissions. This will enable better co-ordination of resources and activity around the borough, as well as highlighting success stories.
Education and awareness: More needs to be done to raise the profile of climate change and make people aware of what they can do to help	11	Thank you for your comments. The Council is working to raise awareness of climate issues, including through work on the Climate Strategy and through liaising with Councillors and schools. The Ward Level Action Plans will highlight opportunities to make a difference in each ward, empowering local residents, businesses, and organisations to get involved in tackling climate change.

Partnerships and the need to work with existing organisations and businesses	21	Thank you for your comments. The Council recognises the importance of working with partners to tackle climate change, including community groups, businesses, and individuals. The Ward Level Action Plans will highlight organisations which are making a difference in their communities, and whose work is helping to reduce emissions. This will enable better co-ordination of resources and activity around the borough, as well as highlighting success stories.
Consumption and repairing or reusing items	5	Thank you for your comments. Reducing overall consumption would help to reduce emissions, as well as save people money. However, sustainable economic growth should be supported, and it would not be proportionate for the Council to attempt to limit consumption. Promoting reuse and repair of items is a priority for the Council, with initiatives such as MakerPlace at Gateshead Central Library allowing people to use tools such as soldering irons and sewing machines.
Shopping locally	3	Thank you for your comments. The Climate Strategy work will be carried out alongside other priorities for the Council, such as the Thrive agenda. Many actions which are good for the planet are also good for the local economy, such as shopping at local businesses and buying locally grown food.
Support for sustainable businesses should be provided	1	Thank you for your comments. The Council welcomes sustainable businesses in Gateshead and will highlight their work through the Ward Level Action Plans. The Climate Strategy sets out that services to support resource efficiency will be provided to businesses, and that businesses will be helped to become more resilient to climate change.
Funding should be made available for community climate projects, e.g. planting	2	Thank you for your comments. Community based climate projects are welcomed by the Council. The Climate Strategy confirms the Council's commitment to call on the government to help with funding to make reaching net zero carbon possible.
Climate Sceptic	1	Thank you for your comments. The IPCC is clear that climate change is occurring, and that it is man made. This can be seen in the increasing number of extreme weather events such as heatwaves and flooding.

		The Council is committed to taking action to tackle climate change, and to reach net zero carbon as a borough by 2030.
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Transport	Number of Comments	Our Response
Measures should be taken to discourage car use	11	Thank you for your comments. The Council is working to make walking, cycling, and public transport easier and more accessible, so that more people feel able to leave the car at home.
Public transport should be cheaper and more reliable, with more routes and services, to encourage people to use it	8	<p>Thank you for your comments. Whilst public transport is outside of the Council's control, we recognise that a quality public transport service is needed to help people see public transport as a realistic alternative to driving. The Council will liaise with operators to encourage provision of services where they are needed, and improvements to existing services. We will also lobby the government to increase funding for public transport.</p> <p>The Bus Service Improvement Plan (BSIP) for the North East was submitted to Government last year, outlining an £804M package of region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and helping existing bus users to travel more frequently.</p> <p>In response to the Plan, Government recently announced an indicative allocation of £163.5m for the North East. A draft Enhanced Partnership Scheme and Plan, expanding on how the Partners intend to use this funding to deliver on the ambitions of the BSIP, will be agreed through North East Joint Transport Committee and submitted to DfT by the end of June. Consultation will follow.</p> <p>This is a significant allocation for the North East and will potentially fund significant improvements to bus services, fares, passenger experience, bus priority, Park & Ride and bus infrastructure.</p>

Electric vehicles and chargepoints – more chargepoints should be provided to enable people to use electric vehicles	5	<p>Thank you for your comments. The Council is supportive of the transition to electric vehicles, and more information on EV chargepoints in the borough is available on our website.</p> <p>However, electric vehicles are not a perfect solution to reducing carbon emissions from transport. EVs are currently more expensive than petrol or diesel cars, and the manufacturing process for an EV is more carbon intensive. It is important that a range of interventions are used alongside the switch to EVs to help minimise transport emissions.</p> <p>The government has made changes to Building Regulations, to require chargepoints to be provided at new homes and buildings from 2022, and where an existing building is subject to major renovation.</p>
School run: parents should be encouraged to walk their children to school	2	<p>Thank you for your comments. The Council is aware that increased traffic around school drop off and pick up times is an issue, and will continue to work in partnership with schools and parents to encourage walking, cycling, or scooting to school where possible.</p>
Modal shift: More should be done to create modal shift towards green transport, including EVs, public transport, and active travel	9	<p>Thank you for your comments. Changing how we get around will be an important part of reducing carbon emissions, and will also have health and financial benefits. The Climate Strategy and Ward Level Action Plans set out a number of interventions which will encourage modal shift, including improvements to cycling facilities.</p> <p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and</p>

		<p>stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p> <p>The Bus Service Improvement Plan (BSIP) for the North East was submitted to Government last year, outlining an £804M package of region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and helping existing bus users to travel more frequently.</p> <p>In response to the Plan, Government recently announced an indicative allocation of £163.5m for the North East. A draft Enhanced Partnership Scheme and Plan, expanding on how the Partners intend to use this funding to deliver on the ambitions of the BSIP, will be agreed through North East Joint Transport Committee and submitted to DfT by the end of June. Consultation will follow.</p> <p>This is a significant allocation for the North East and will potentially fund significant improvements to bus services, fares, passenger experience, bus priority, Park & Ride and bus infrastructure.</p>
Cycling should be encouraged, e.g. through increased cycle lanes, cycle clubs, and improvements to existing bike lanes	1	<p>Thank you for your comments. Cycling is a cheap, healthy, and environmentally friendly way to travel. The Council is working to improve facilities for cycling in the borough, and to encourage more people to travel by bike, through its Cycling Strategy. We also offer maps of existing and proposed cycle routes in the borough.</p> <p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to</p>

		expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.
Shared car use	2	Thank you for your comments. Provision of car clubs, and car leasing and car sharing schemes could help reduce the number of cars on the road, and prompt people to consider if they really need to make their journey by car. The Council would be supportive of such initiatives within the borough.
Congestion around the town centre is contributing to emissions, and should be addressed	6	<p>Thank you for your comments. Gateshead Council has committed to retain the transformative changes made to road layouts and management at the north end of Gateshead town centre.</p> <p>The aim of the changes was to:</p> <ul style="list-style-type: none"> • reduce through traffic and the feeling of separation between the town centre and the quays / bridges area • improve cycling and walking links between Gateshead, Newcastle and the Quays • prepare for the introduction of a Clean Air Zone • Reduce delays to buses accessing the Tyne Bridge. <p>The new layouts will be retained for an extended period, with a review to be carried out after two years.</p> <p>We recognise that as the Council has implemented changes to the road network over the last 18 months, especially in the area close to the Tyne Bridge, this has had an impact on traffic circulation.</p> <p>To help us prioritise public transport, walking and cycling, we have asked motorists to sometimes take different routes than previously, and we have now made adjustments to help traffic flow more easily on those routes.</p>

Interventions	Number of Comments	Our Response
Renewables	7	<p>Thank you for your comments. Renewable energy generation has a key part to play in decarbonising the Borough.</p> <p>The Council would be supportive of community-led renewables projects, where appropriately located.</p> <p>Local Plan policy MSGP28 (Renewable and Low Carbon Energy) is broadly supportive of renewable energy development, where it would not cause unacceptable harm to other recognised interests. Renewable energy development would be considered in green belt on its own merit.</p> <p>Current national policy restricts development of onshore wind. Should this change it will be reflected through a future Local Plan review. Work to update the Council's evidence base on wind turbine development in Gateshead is currently being undertaken.</p>
Heating and energy	3	<p>Thank you for your comments. The Council welcomes use of alternative heat sources where appropriate, with geothermal heating already in use in the borough through the District Energy Scheme.</p> <p>Hydrogen is also being explored as an alternative heat source in the borough: Northern Gas Networks have previously run a pilot hydrogen heating scheme in Winlaton, and two homes powered by hydrogen have been built in Low Thornley.</p>
Trees and green space: dead or felled trees should be replaced, more trees should be planted, and natural areas for biodiversity should be created	14	<p>Thank you for your comments. As part of the Council's response to the climate emergency and biodiversity crisis, the Council has committed to planting 100,000 trees by 2030 and increasing woodland cover in the borough from the current figure of 15% to 17% by 2050.</p> <p>The Council is working to develop a Local Nature Recovery Strategy, and a Biodiversity SPD, alongside Sunderland City Council and South Tyneside Council. These documents will set out</p>

		requirement for where biodiversity might be improved, including water and wetland habitats.
Insulation: existing houses should be insulated to the highest possible standards, and new homes should be built with insulation	4	Thank you for your comments. The government is introducing higher energy efficiency standards for new buildings, including housing, through Building Regulations Part L from 15 June 2022.
Recycling: more recycling facilities should be provided, and a wider range of materials recycled	13	<p>Thank you for your comments. Increasing reuse and recycling of existing materials will help limit waste going to landfill and reduce emissions from creating new products from scratch.</p> <p>The Economy and Consumption and Waste section of the Climate Strategy sets out a number of actions that can reduce waste, including buying less, re-using items, swapping things that are no longer needed but that could be used by someone else, buying second hand, buying local, buying ethical, and fostering a sharing and borrowing culture.</p>
Ways of working – working from home or hybrid working should be encouraged to reduce emissions from commuting	1	Thank you for your comments. The Council will maintain hybrid working moving forward.
Diet: people should be encouraged to eat less meat, or to adopt a plant based diet	8	Thank you for your comments. The Climate Strategy includes encouragement of a reduced meat diet as an action in reducing emissions from food.
Allotments: more allotments should be provided to enable people to grow their own food	11	<p>Thank you for your comments. Due to an increasing interest in food growing the numbers of residents applying for allotments exceeds the supply of available sites.</p> <p>As a result, working with the various allotment associations in the Borough, we've reviewed the allocation and management of allotments. The Allotment Review has resulted in a new Allotment Strategy which aims to:</p> <ul style="list-style-type: none"> • reduce overall waiting lists • introduce a consistent proactive approach to management • introduce minimum standards for quality of fencing / structures

		<ul style="list-style-type: none"> • provide guidance regarding roles, responsibilities and expectations • encourage directly managed allotments to form allotment associations <p>Our aim is to reduce the waiting list by encouraging plot-sharing schemes and providing land for shared community allotments in locations where this is appropriate.</p>
Pollution: wood burning stoves and bonfires are causing air pollution	2	<p>Thank you for your comments. Work is being progressed on a Clean Air Zone around the Tyne Bridge, which will help to improve air quality in the area by charging the most polluting vehicles to travel through it.</p> <p>The Government's Clean Air Strategy (2019) will ensure that only the cleanest wood burning stoves are sold from 2022, and states that legislation will prohibit sale of the most polluting fuels for wood burners.</p>
Waste	5	<p>Thank you for your comments. Increasing reuse and recycling of existing materials will help limit waste going to landfill and reduce emissions from creating new products from scratch.</p>
Litter and packaging	14	<p>Thank you for your comments. The Council is working to improve the boroughs environment, including through street cleaning and litter picking. There are a number of community and volunteer groups who organise litter picking, who will be highlighted in the Ward Level Action Plans.</p> <p>Prevention of littering in the first place is important. National legislation is being introduced to reduce packaging, including from takeaways.</p> <p>Improvements to the public realm in other ways can also deter littering by increasing people's sense of pride in their local area. People who do drop litter should take responsibility for this, and littering carries a fixed penalty charge of £80.</p>
Composting: community composting facilities could help reduce food waste going to landfill	2	<p>Thank you for your comments. The Ward Level Action Plans will highlight where</p>

		community composting facilities are available.
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Q4. To what extent do you agree or disagree with the approach to create ward level action plans?

182 respondents answered this question.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	54	29.67%
Tend to agree	63	34.62%
Tend to disagree	27	14.84%
Strongly disagree	38	20.88%

77 respondents gave more information in response to the follow up question:

If you disagree, please tell us why

These responses fell into a number of categories, with many responses falling into more than one category.

General	Number of Comments	Our Response
Broadly supportive of vision	18	Thank you for your comments.
Opposed – no reason given	16	<p>Thank you for your comments. The Council is committed to taking action to tackle climate change and reach net zero as a borough by 2030.</p> <p>The Climate Strategy will be supported by Ward Level Action Plans for each ward around the Borough, which will set out more detailed actions that can be taken at the local level. These have been informed by the Climate Strategy consultation and discussions with ward members, and may be used to support funding bids where necessary.</p>
Ward Level Action Plans should be replaced with one strategy for the borough as a whole as climate change is not a locally specific issue	15	<p>Thank you for your comments. The Council is committed to taking action to tackle climate change and reach net zero as a borough by 2030.</p> <p>The Climate Strategy will be supported by Ward Level Action Plans (WLAPs) for each ward around the Borough, which will set out more detailed actions that can be taken at the local level. These have been informed by the Climate Strategy consultation and discussions with ward members, and may be used to support funding bids where necessary.</p> <p>The WLAP actions aim to identify specific opportunities to make the greatest</p>

		different within local areas, empowering residents and organisations to take action with confidence that it will make a difference.
Concerned about deliverability of Ward Level Action Plans, including for financial or resourcing reasons	15	<p>Thank you for your comments. The Council is committed to taking action to tackle climate change and reach net zero as a borough by 2030.</p> <p>The Climate Strategy will be supported by Ward Level Action Plans for each ward around the Borough, which will set out more detailed actions that can be taken at the local level. These have been informed by the Climate Strategy consultation and discussions with ward members, and may be used to support funding bids where necessary.</p>
Concerned that some wards will benefit more from the Ward Level Action Plans than others due to existing inequalities in wealth and resourcing	14	Thank you for your comments. The Ward Level Action Plans intend to set out specific, appropriate actions for each ward, taking account of their current position. The actions have been informed by the Climate Strategy consultation and discussions with ward members, and may be used to support funding bids where necessary.
Concerned about role of members as climate champions as some may not engage with members, and responsibility should be shared by everyone	3	Thank you for your comments. Climate champions will use their position as elected members to help to raise the profile of groups and projects which aim to make a difference in reducing emissions.
Community engagement and partnership working is needed to deliver the Ward Action Plans	5	Thank you for your comments. The Council recognises the importance of working with communities to tackle climate change. The Ward Level Action Plans will highlight organisations which are making a difference in their communities, and whose work is helping to reduce emissions. This will enable better co-ordination of resources and activity around the borough, as well as highlighting success stories.
Population growth is an issue and should be addressed for climate interventions to be effective	1	Thank you for your comments. Carbon neutrality is not incompatible with population growth, and working together to reduce fossil fuel use and take action on climate change will help reduce global warming in the long term.
Concerned that many measures will be inaccessible, e.g. people with mobility issues will struggle to cycle,	1	Thank you for your comments. The Ward Level Action Plans intend to set out specific, appropriate actions for each ward, taking account of their current position. The

many will not have time to grow their own food		actions have been informed by the Climate Strategy consultation and discussions with ward members. Although some actions will not be practical for everyone, all actions do make a difference – reducing emissions does not need to be all or nothing. Working together to reduce fossil fuel use and take action on climate change will help reduce global warming in the long term.
Climate Sceptic	2	Thank you for your comments. The IPCC is clear that climate change is occurring, and that it is man made. This can be seen in the increasing number of extreme weather events such as heatwaves and flooding. The Council is committed to taking action to tackle climate change, and to reach net zero carbon as a borough by 2030.

Transport	Number of Comments	Our Response
Road Closures	2	<p>Thank you for your comments. Gateshead Council has committed to retain the transformative changes made to road layouts and management at the north end of Gateshead town centre.</p> <p>The aim of the changes was to:</p> <ul style="list-style-type: none"> • reduce through traffic and the feeling of separation between the town centre and the quays / bridges area • improve cycling and walking links between Gateshead, Newcastle and the Quays • prepare for the introduction of a Clean Air Zone • Reduce delays to buses accessing the Tyne Bridge. <p>The new layouts will be retained for an extended period, with a review to be carried out after two years.</p> <p>We recognise that as the Council has implemented changes to the road network over the last 18 months, especially in the area close to the Tyne Bridge, this has had an impact on traffic circulation.</p> <p>To help us prioritise public transport, walking and cycling, we have asked motorists to sometimes take different routes than previously, and we have now</p>

		made adjustments to help traffic flow more easily on those routes.
Supportive of cycling/cycle lanes	2	<p>Thank you for your comments. Cycling is a cheap, healthy, and environmentally friendly way to travel. The Council is working to improve facilities for cycling in the borough, and to encourage more people to travel by bike, through its Cycling Strategy. We also offer maps of existing and proposed cycle routes in the borough.</p> <p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p>
Opposed to cycle lanes	1	<p>Thank you for your comments. Whilst we acknowledge that cycling alone won't solve the climate emergency, increasing the number of trips taken by bike will help cut carbon emissions.</p>
Modal shift: More should be done to create modal shift towards green transport, including EVs, public transport, and active travel	3	<p>Thank you for your comments. Changing how we get around will be an important part of reducing carbon emissions, and will also have health and financial benefits. The Climate Strategy and Ward Level Action Plans set out a number of interventions which will encourage modal shift, including improvements to cycling facilities.</p> <p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also</p>

		<p>utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p> <p>The Bus Service Improvement Plan (BSIP) for the North East was submitted to Government last year, outlining an £804M package of region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and helping existing bus users to travel more frequently.</p> <p>In response to the Plan, Government recently announced an indicative allocation of £163.5m for the North East. A draft Enhanced Partnership Scheme and Plan, expanding on how the Partners intend to use this funding to deliver on the ambitions of the BSIP, will be agreed through North East Joint Transport Committee and submitted to DfT by the end of June. Consultation will follow.</p> <p>This is a significant allocation for the North East and will potentially fund significant improvements to bus services, fares, passenger experience, bus priority, Park & Ride and bus infrastructure.</p>
Opposed to speed bumps: braking and acceleration increases emissions	1	<p>Thank you for your comments. Slower speeds reduce the risk of injury or death in case of a collision. Speed bumps are used to enforce lower speed limits, and NICE guidance supports their use to maintain a reduced, steady pace along long stretches of road.¹</p>

¹ National Institute for Health and Care Excellence, 2017: [Recommendations | Air pollution: outdoor air quality and health | Guidance | NICE](#)

Q5. Are there any actions needed within specific wards to tackle climate change?

This question was answered by 109 respondents. These responses fell into a number of categories, with many responses falling into more than one category.

General	Number of Comments	Our Response
Partnerships and the need engage communities and to work with existing organisations and businesses	7	Thank you for your comments. The Council recognises the importance of working with partners to tackle climate change, including community groups, businesses, and individuals. The Ward Level Action Plans will highlight organisations which are making a difference in their communities, and whose work is helping to reduce emissions. This will enable better co-ordination of resources and activity around the borough, as well as highlighting success stories.
Education and awareness: More needs to be done to raise the profile of climate change and make people aware of what they can do to help	7	Thank you for your comments. The Council is working to raise awareness of climate issues, including through work on the Climate Strategy and through liaising with Councillors and schools. The Ward Level Action Plans will highlight opportunities to make a difference in each ward, empowering local residents, businesses, and organisations to get involved in tackling climate change.
Concerned that some wards will benefit more from the Ward Level Action Plans than others due to existing inequalities	2	Thank you for your comments. The Ward Level Action Plans intend to set out specific, appropriate actions for each ward, taking account of their current position. The actions have been informed by the Climate Strategy consultation and discussions with ward members, and may be used to support funding bids where necessary.
Cobenefits and the perception of climate change as at odds with other priorities	2	Thank you for your comments. The Climate Strategy work will be carried out alongside other priorities for the Council, such as the Thrive agenda. Many actions which are good for the planet are also good for people's finances, such as walking and cycling more, or growing your own food. Developing the green economy also offers new opportunities for economic growth and job creation.

One strategy should be adopted for the whole borough to ensure a joined up approach	7	<p>Thank you for your comments. The Council is committed to taking action to tackle climate change and reach net zero as a borough by 2030.</p> <p>The Climate Strategy will be supported by Ward Level Action Plans (WLAPs) for each ward around the Borough, which will set out more detailed actions that can be taken at the local level. These have been informed by the Climate Strategy consultation and discussions with ward members, and may be used to support funding bids where necessary.</p> <p>The WLAP actions aim to identify specific opportunities to make the greatest difference within local areas, empowering residents and organisations to take action with confidence that it will make a difference.</p>
Sustainable businesses should be supported, with incentives for best practice/demonstrating progress	1	<p>Thank you for your comments. The Council welcomes sustainable businesses in Gateshead and will highlight their work through the Ward Level Action Plans. The Climate Strategy sets out that services to support resource efficiency will be provided to businesses, and that businesses will be helped to become more resilient to climate change.</p>
More focus should be given to wards outside Gateshead centre	1	<p>Thank you for your comments. The Ward Level Action Plans intend to set out specific, appropriate actions for all of the borough's wards, taking account of their current position. The actions have been informed by the Climate Strategy consultation and discussions with ward members.</p>
No specific suggestions	15	Thank you for your comments.
Climate Sceptic	2	<p>Thank you for your comments. The IPCC is clear that climate change is occurring, and that it is man made. This can be seen in the increasing number of extreme weather events such as heatwaves and flooding. The Council is committed to taking action to tackle climate change, and to reach net zero carbon as a borough by 2030.</p>

Transport	Number of Comments	Our Response
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Electric Vehicles and Chargepoints	11	<p>Thank you for your comments. The Council is supportive of the transition to electric vehicles, and more information on EV chargepoints in the borough is available on our website.</p> <p>However, electric vehicles are not a perfect solution to reducing carbon emissions from transport. EVs are currently more expensive than petrol or diesel cars, and the manufacturing process for an EV is more carbon intensive. It is important that a range of interventions are used alongside the switch to EVs to help minimise transport emissions.</p> <p>The government has made changes to Building Regulations, to require chargepoints to be provided at new homes and buildings from 2022, and where an existing building is subject to major renovation.</p>
Road Closures and Askew Road	5	<p>Thank you for your comments. Gateshead Council has committed to retain the transformative changes made to road layouts and management at the north end of Gateshead town centre.</p> <p>The aim of the changes was to:</p> <ul style="list-style-type: none"> • reduce through traffic and the feeling of separation between the town centre and the quays / bridges area • improve cycling and walking links between Gateshead, Newcastle and the Quays • prepare for the introduction of a Clean Air Zone • Reduce delays to buses accessing the Tyne Bridge. <p>The new layouts will be retained for an extended period, with a review to be carried out after two years.</p> <p>We recognise that as the Council has implemented changes to the road network over the last 18 months, especially in the area close to the Tyne Bridge, this has had an impact on traffic circulation.</p> <p>To help us prioritise public transport, walking and cycling, we have asked</p>

		<p>motorists to sometimes take different routes than previously, and we have now made adjustments to help traffic flow more easily on those routes.</p>
Active travel	1	<p>Thank you for your comments. Active travel has great potential to reduce carbon emissions, and improve people's mental and physical health. The Council will encourage and enable people in the borough to walk and cycle more through the Transport Section of the Climate Strategy and Ward Action Plans, as well as other ongoing work.</p> <p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p>
Public transport provision should be improved, e.g. through expansion of the metro or additional bus services, to enable people to drive less	4	<p>Thank you for your comments. Whilst public transport is outside of the Council's control, we recognise that a quality public transport service is needed to help people see public transport as a realistic alternative to driving. The Council will liaise with operators to encourage provision of services where they are needed, and improvements to existing services. We will also lobby the government to increase funding for public transport.</p> <p>The Bus Service Improvement Plan (BSIP) for the North East was submitted to Government last year, outlining an £804M package of region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and</p>

		<p>helping existing bus users to travel more frequently.</p> <p>In response to the Plan, Government recently announced an indicative allocation of £163.5m for the North East. A draft Enhanced Partnership Scheme and Plan, expanding on how the Partners intend to use this funding to deliver on the ambitions of the BSIP, will be agreed through North East Joint Transport Committee and submitted to DfT by the end of June. Consultation will follow.</p> <p>This is a significant allocation for the North East and will potentially fund significant improvements to bus services, fares, passenger experience, bus priority, Park & Ride and bus infrastructure.</p>
Supportive of cycling/cycle lanes	6	<p>Thank you for your comments. Cycling is a cheap, healthy, and environmentally friendly way to travel. The Council is working to improve facilities for cycling in the borough, and to encourage more people to travel by bike, through its Cycling Strategy. We also offer maps of existing and proposed cycle routes in the borough.</p> <p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p>
More should be done to create modal shift towards green transport, including EVs, public transport, and active travel	1	<p>Thank you for your comments. Changing how we get around will be an important part of reducing carbon emissions, and will also have health and financial benefits. The Climate Strategy and Ward Level Action Plans set out a number of interventions</p>

		<p>which will encourage modal shift, including improvements to cycling facilities.</p> <p>The Council has a draft Local Cycling and Walking Infrastructure Plan (LCWIP) covering pilot areas of Deckham/Felling and Birtley/Kibblesworth. The draft plan pre-dates Gear Change and LTN 1/20 and the Council is currently using DfT Capability Fund money to review the interventions identified in the plan to ensure compliance with current guidance. The Council is also utilising further Capability Fund money to expand the geographical coverage of the LCWIP. This will involve public and stakeholder consultation to identify potential interventions across the borough and also incorporate the existing draft. The overall plan will hopefully be approved later in this financial year.</p> <p>The Bus Service Improvement Plan (BSIP) for the North East was submitted to Government last year, outlining an £804M package of region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and helping existing bus users to travel more frequently.</p> <p>In response to the Plan, Government recently announced an indicative allocation of £163.5m for the North East. A draft Enhanced Partnership Scheme and Plan, expanding on how the Partners intend to use this funding to deliver on the ambitions of the BSIP, will be agreed through North East Joint Transport Committee and submitted to DfT by the end of June. Consultation will follow.</p> <p>This is a significant allocation for the North East and will potentially fund significant improvements to bus services, fares, passenger experience, bus priority, Park & Ride and bus infrastructure.</p>
A Transport Strategy should be developed to ensure a joined up approach to transport	1	<p>Thank you for your comments. The North East Joint Transport Committee adopted the North East Transport Plan in 2021. The Plan sets out the region's aspirations for its</p>

		transport system up to 2035. Work is underway to develop a number of more detailed strategies which will support delivery of the North East Transport Plan, for example a North East Rail and Metro Strategy.
Electric and/or hydrogen buses should be used to reduce emissions from public transport	3	Thank you for your comments. Electric buses are already in use in Gateshead, notably on the 53 and 54 routes. Although public transport does not fall within the Council's remit, we would welcome further provision of low or zero emission buses in Gateshead.
Shared car use	3	Thank you for your comments. Provision of car clubs, and car leasing and car sharing schemes could help reduce the number of cars on the road, and prompt people to consider if they really need to make their journey by car. The Council would be supportive of such initiatives within the borough.
Through traffic: through traffic should be limited, e.g. by providing a Park and Ride service or closing the Town Centre to cars	2	<p>Thank you for your comments. Gateshead Council has committed to retain the transformative changes made to road layouts and management at the north end of Gateshead town centre.</p> <p>The aim of the changes was to:</p> <ul style="list-style-type: none"> • reduce through traffic and the feeling of separation between the town centre and the quays / bridges area • improve cycling and walking links between Gateshead, Newcastle and the Quays • prepare for the introduction of a Clean Air Zone • Reduce delays to buses accessing the Tyne Bridge. <p>The new layouts will be retained for an extended period, with a review to be carried out after two years.</p> <p>We recognise that as the Council has implemented changes to the road network over the last 18 months, especially in the area close to the Tyne Bridge, this has had an impact on traffic circulation.</p> <p>To help us prioritise public transport, walking and cycling, we have asked motorists to sometimes take different</p>

		<p>routes than previously, and we have now made adjustments to help traffic flow more easily on those routes.</p> <p>Whilst providing a Park and Ride service would be beyond the remit of the Council, provision of a Park and Ride by the private sector would be welcomed.</p> <p>It would not be appropriate to ban cars from the Town Centre. The Council is working to make walking, cycling, and public transport easier and more accessible, so that more people feel able to leave the car at home.</p>
Speed limits should be reduced	6	<p>Thank you for your comments. Whilst lowering speed limits may help improve road safety, ultimately reducing overall car use will have the greatest impact in terms of lowering carbon emissions.</p> <p>The Council is working to make walking, cycling, and public transport easier and more accessible, so that more people feel able to leave the car at home.</p>
Congestion around the town centre is contributing to emissions, and should be addressed	4	<p>Thank you for your comments. Gateshead Council has committed to retain the transformative changes made to road layouts and management at the north end of Gateshead town centre.</p> <p>The aim of the changes was to:</p> <ul style="list-style-type: none"> • reduce through traffic and the feeling of separation between the town centre and the quays / bridges area • improve cycling and walking links between Gateshead, Newcastle and the Quays • prepare for the introduction of a Clean Air Zone • Reduce delays to buses accessing the Tyne Bridge. <p>The new layouts will be retained for an extended period, with a review to be carried out after two years.</p> <p>We recognise that as the Council has implemented changes to the road network over the last 18 months, especially in the</p>

		<p>area close to the Tyne Bridge, this has had an impact on traffic circulation.</p> <p>To help us prioritise public transport, walking and cycling, we have asked motorists to sometimes take different routes than previously, and we have now made adjustments to help traffic flow more easily on those routes.</p>
Allow people to use electric scooters	1	Thank you for your comments. Privately owned electric scooters are currently not permitted on public roads, pavements, or cycle lanes under national legislation. In DfT trial areas, including parts of Newcastle, hire scooters are permitted.
Footpaths and pavements should be better maintained to encourage people to use them	4	Thank you for your comments. Issues with specific roads or pavements can be reported to us on our website .
School run: parents should be encouraged to walk their children to school	2	Thank you for your comments. The Council is aware that increased traffic around school drop off and pick up times is an issue, and will continue to work in partnership with schools and parents to encourage walking, cycling, or scooting to school where possible.
Parking: stop inappropriate parking on pavements and verges	3	Thank you for your comments. Illegally parked vehicles cost the Council thousands of pounds a year in damaged paving, damaged grass verges, and cause serious problems for blind, disabled and older people. For more information on how the Council takes action on illegal parking, please follow this link .

Interventions	Number of Comments	Our Response
Renewables	1	<p>Thank you for your comments. Renewable energy generation has a key part to play in decarbonising the Borough.</p> <p>The Council would be supportive of community-led renewables projects, where appropriately located.</p> <p>Local Plan policy MSGP28 (Renewable and Low Carbon Energy) is broadly supportive of renewable energy development, where it would not cause unacceptable harm to other recognised interests. Renewable energy</p>

		<p>development would be considered in green belt on its own merit.</p> <p>Current national policy restricts development of onshore wind. Should this change it will be reflected through a future Local Plan review. Work to update the Council's evidence base on wind turbine development in Gateshead is currently being undertaken.</p>
The District Energy Scheme should be expanded	1	<p>Thank you for your comments. The District Energy Scheme has already doubled in size since the initial 2.5km network, by extending the network to new customers during 2018-2019. The network is now being extended by a further 5km, to the east, towards Gateshead Stadium.</p> <p>We continue to work with other commercial customers and new developers in the town centre to see the network expand further in the coming years.</p>
Trees and green space: dead or felled trees should be replaced, more trees should be planted, and natural areas for biodiversity should be created	18	<p>Thank you for your comments. As part of the Council's response to the climate emergency and biodiversity crisis, the Council has committed to planting 100,000 trees by 2030 and increasing woodland cover in the borough from the current figure of 15% to 17% by 2050.</p> <p>The Council is working to develop a Local Nature Recovery Strategy, and a Biodiversity SPD, alongside Sunderland City Council and South Tyneside Council. These documents will set out requirement for where biodiversity might be improved, including water and wetland habitats.</p>
Development should be done to high energy efficiency standards, and should be sustainably located, ideally on brownfield land	2	<p>Thank you for your comments. The government is introducing higher energy efficiency standards for new buildings, including housing, through Building Regulations Part L from 15 June 2022.</p> <p>Policy CS1 (Spatial Strategy for Sustainable Growth) of the Local Plan sets out that the majority of development should be focussed in existing built up areas. The Council also maintains a Brownfield Register of</p>

		previously developed sites that are suitable for development. The Register is updated annually, and can be viewed on our website .
Insulation: existing houses should be insulated to the highest possible standards, and new homes should be built with insulation	5	Thank you for your comments. The government is introducing higher energy efficiency standards for new buildings, including housing, through Building Regulations Part L from 15 June 2022.
Repair or reusing items	1	Thank you for your comments. Promoting reuse and repair of items is a priority for the Council, with initiatives such as MakerPlace at Gateshead Central Library allowing people to use tools such as soldering irons and sewing machines.
Allotments: more allotments should be provided to enable people to grow their own food	3	<p>Thank you for your comments. Due to an increasing interest in food growing the numbers of residents applying for allotments exceeds the supply of available sites.</p> <p>As a result, working with the various allotment associations in the Borough, we've reviewed the allocation and management of allotments. The Allotment Review has resulted in a new Allotment Strategy which aims to:</p> <ul style="list-style-type: none"> • reduce overall waiting lists • introduce a consistent proactive approach to management • introduce minimum standards for quality of fencing / structures • provide guidance regarding roles, responsibilities and expectations • encourage directly managed allotments to form allotment associations <p>Our aim is to reduce the waiting list by encouraging plot-sharing schemes and providing land for shared community allotments in locations where this is appropriate.</p>
Pollution: wood burning stoves are causing air pollution	1	<p>Thank you for your comments.</p> <p>The Government's Clean Air Strategy (2019) will ensure that only the cleanest wood burning stoves are sold from 2022, and states that legislation will prohibit sale of the most polluting fuels for wood burners.</p>

Adaptation: measures should be taken to adapt to climate change in addition to reducing emissions, such as flood prevention	1	Thank you for your comments. The Climate Strategy sets out a number of actions to adapt to climate change, including through improving resilience to flooding.
Wildlife: habitats should be improved or created to support biodiversity	1	Thank you for your comments. The Council is working to develop a Local Nature Recovery Strategy, and a Biodiversity SPD, alongside Sunderland City Council and South Tyneside Council. These documents will set out requirement for where biodiversity might be improved, including water and wetland habitats. Appropriate proposals for rewilding or habitat creation would be welcomed.
Waste, litter, and flytipping	4	<p>Thank you for your comments. Increasing reuse and recycling of existing materials will help limit waste going to landfill and reduce emissions from creating new products from scratch.</p> <p>The Council is working to improve the boroughs environment, including through street cleaning and litter picking. There are a number of community and volunteer groups who organise litter picking, who will be highlighted in the Ward Level Action Plans.</p> <p>Prevention of littering in the first place is important. National legislation is being introduced to reduce packaging, including from takeaways.</p> <p>Improvements to the public realm in other ways can also deter littering by increasing people's sense of pride in their local area. People who do drop litter should take responsibility for this, and littering carries a fixed penalty charge of £80.</p>
Safety and policing	2	Thank you for your comments. Issues around antisocial behaviour and safety have been discussed in meetings with ward members, who confirmed that the police are aware of the problem.

Q6. Would you personally be willing to make a climate pledge?

This question was answered by 187 respondents.

Response	Number of Respondents	Percentage of Respondents
Yes	126	67.38%
No	43	22.99%
Don't know	18	9.63%

Q7 (a). To help tackle climate change, what pledges could you make?

This question was answered by 146 respondents, and allowed people to submit their own pledges for how they could help tackle climate change as an individual.

These responses fell into a number of categories, with many responses falling into more than one category. The majority of pledges involved transport related actions, such as driving less or using alternative fuel vehicles.

Category	Category Total	Response Summary	Number of Respondents
Transport	118	Travel more sustainably	2
		Reduce number of trips, e.g. by working from home	5
		Take public transport where possible	9
		Buy a hydrogen car	1
		Drive an electric or hybrid car	15
		Use a more efficient car	2
		Use car sharing/car clubs	3
		Drive less	21
		Not own a car	4
		Cycle more where possible	19
		Fly less often	4
		Stop taking flights	5
		Walk more	26
		School run – walk, scoot or cycle rather than drive	1
		Use an electric scooter when possible	1
Economy and Consumption	44	Buy less in general	8
		Don't buy products with excess packaging/packaging that can't be recycled	1
		Shop more sustainably / locally	11
		Buy more second hand	3
		Use less plastic	4
		Buy less plastic items/products packaged in plastic	10
		Use less water	1
		Reuse as much as possible – plastic bags, reusable coffee cups, etc	4

		Use more environmentally friendly cleaning products	2
Food	39	Eat more locally produced food	4
		Eat less meat	13
		Stop eating meat	5
		Stop consuming dairy	1
		Consume less dairy	4
		Go vegan	3
		Reduce food waste	4
		Grow own food	5
Woodland and Nature	17	Get involved with tree planting	6
		Encourage/protect wildlife in green areas	3
		Rewilding	2
		Grow more plants	6
Energy and Heating	32	Use a renewable energy provider	4
		Stop using gas for energy at home	3
		Turn heating down to use less energy	12
		Insulate my home	4
		Use a more energy efficient/sustainable heating system	4
		Install solar panels	2
		Use a heat pump	1
		Turn lights off	1
		Take showers instead of baths	1
Waste and Litter	21	Recycle more	13
		Reduce waste	4
		Compost	2
		Pick up litter	2
Other	35	Educate and support others	8
		Follow actions in Climate Strategy in my own life	1
		Get a better understanding of my own carbon footprint	2
		Lobby politicians to take action	1
		Get involved with climate pressure groups	1
		Unsure	5
		Have fewer children	1
		Do everything I can	7
		Already doing everything I can	6
		No pledge – should not be responsibility of individuals	3

Q7 (b). To help tackle climate change, what pledges could others make?

This question was answered by 102 respondents, and allowed people to suggest actions that others could take to reduce their carbon emissions.

These responses fell into a number of categories, with many responses falling into more than one category. The majority of suggestions involved transport related actions, such as driving less or using alternative fuel vehicles. Where an action was suggested for a specific organisation, this has been indicated in the response summary.

Category	Category Total	Response Summary	Number of Respondents
Transport	44	Reduce unnecessary journeys, including by working from home where possible	2
		Use an electric vehicle	5
		Council: allow drop kerbs to enable people to put in driveways and their own EV chargepoint	1
		Car manufacturers: reduce the price of EVs	1
		Drive less	9
		Don't leave car idling	1
		Walk more where possible	7
		Cycle more where possible	2
		More active travel	1
		Use public transport instead of driving	6
		Make public transport more affordable	1
		Improve public transport services	2
		Create a Park and Ride service for Gateshead	1
		Walk to school	1
		Stop taking flights	1
		Travel more sustainably	1
		Companies: improve provision for cycle commuters, e.g. showers and bike lockers	1
		Reduce number of holidays abroad	1
Economy and Consumption	18	Businesses: set their own net zero targets and work towards them	1
		Shop locally	2
		Buy less in general	3
		Repair and reuse items where possible	3
		Buy second-hand	1
		Support green business	1
		Don't buy fast fashion	2
		Use less plastic packaging	5
Food	18	Buy locally grown produce	3
		Go vegan	1
		Be vegetarian	1
		Eat less meat	10
		Consume less dairy	3
Woodland and	5	Plant more trees	1

Nature		Improve biodiversity in landscaped areas	1
		Maintain and protect green areas	2
		Grow more plants, including food	1
Energy and Heating	12	Cut down on carbon emissions generally, only use fossil fuels when really necessary	3
		Reduce household energy use	2
		Stop using gas heating	1
		Improve energy efficiency of buildings (homes and business premises)	2
		Invest in energy efficient heating systems	1
		Conserve energy	1
		Install heat pumps	1
		Install solar panels and/or wind turbines	2
Waste and Litter	12	Recycle as much as possible	9
		Stop littering	1
		Reduce waste	2
Other	20	Educate others, especially children, about climate issues	3
		Measure their carbon footprint and take action to reduce it	3
		Put carbon neutrality at the centre of decision making	1
		More community activities to improve local pride and encourage people to look after their neighbourhoods	2
		Everyone should make at least one change to make a big cumulative impact	2
		Encourage volunteer groups	1
		Engage with climate actions	3
		Feedback to Councils about what is working	1
		More changes should be mandated – the situation is too urgent for action to be a choice	1
		Introduce a green tariff	1
		Lobby politicians to take action, vote for politicians who take the issue seriously	2

Demographics Questions

The following questions were asked to establish which communities within Gateshead were engaging with the consultation, and where more work might need to be done to reach communities.

Q. Age

This question was answered by 188 respondents.

Response	Number of Respondents	Percentage of Respondents
Under 25	7	3.72%
25 to 44	51	27.13%
45 to 64	79	42.02%
65 or over	38	20.21%
Prefer not to say	13	6.91%

Q. What is your sex?

This question was answered by 186 respondents.

Response	Number of Respondents	Percentage of Respondents
Male	88	47.31%
Female	74	39.78%
Prefer not to say	24	12.90%

Q. Is the gender you identify with the same as your sex?

This question was answered by 177 respondents.

Response	Number of Respondents	Percentage of Respondents
Yes	160	90.40%
No	3	1.69%
Prefer not to say	14	7.91%

Q. Ethnicity

This question was answered by 185 respondents.

Response	Number of Respondents	Percentage of Respondents
White British	154	83.24%
White Other	10	5.41%
Mixed	2	1.08%
Asian	1	0.54%
Black	1	0.54%

Other	1	0.54%
Prefer not to say	16	8.65%

Q. Do you live in Gateshead?

This question was answered by 187 respondents.

Response	Number of Respondents	Percentage of Respondents
Yes	166	88.77%
No	21	11.23%

Climate Change and Environmental Sustainability Assessment

An assessment should be carried out where a sustainability, climate or environmental impact was identified in the Cabinet report or where the Integrated Impact Assessment has identified an environmental impact, or when requested by the Climate Emergency Team.

Please provide a brief description of the policy/decision including the proposed outcomes?

The Climate Strategy sets out the climate objectives for the Council, businesses and the community for climate related action. It starts the conversation to establish action plans that will be locality based that will ensure our communities and businesses are able to address climate change.

The Strategy includes the themes; Energy, Transport, Food, Nature and Woodland, Consumption and the Economy and adaptation.

Now consider whether any of the following aspects will be affected:

Not all items on the list will be relevant, please state n/a where necessary to indicate that all items have been considered. Some implications may be indirect or secondary and this should be noted in the commentary.

Aspect	Likely climate effect:			Commentary
	++ ve +ve	-ve --ve	neutral	
The council's energy consumption via buildings (electricity, gas, oil). Tick +ve if consumption will reduce.	++			<i>The Strategy will directly impact the reduction of energy consumption for buildings within Gateshead through the Energy theme.</i>
The council's travel requirements (eg petrol). Tick +ve if consumption will reduce.	++			<i>The Strategy will directly impact the reduction of unsustainable travel within Gateshead through the Transport theme.</i>
The councils water usage (especially hot water). Tick +ve if consumption will reduce.	+			<i>The Strategy will have a modest impact on the reduction of water use through the Energy, consumption, woodland and nature themes. The use of water requires energy use and needs to be addressed. The Recycling of water also has other positive environmental impacts and will be addressed in the Strategy.</i>
Creation of renewable energy. Tick +ve if it increases renewable energy production.	++			<i>The Strategy will directly impact the increase of renewable and low carbon heat and energy within Gateshead through the Energy theme.</i>
Carbon offsetting – will the proposal offset carbon emissions such as through tree planting. Tick +ve if yes.	++			<i>The Strategy will directly impact the reduction of carbon and increase carbon offsetting within Gateshead through the all themes and in particular woodland and nature through tree planting.</i>
Reducing carbon emissions through	++			<i>The Strategy will directly impact the reduction of carbon and increase carbon offsetting within</i>

amending ongoing activities not covered above eg management of land, such as peat soils, in a way which reduces carbon dioxide emissions. Tick +ve if yes.				<i>Gateshead through the all themes.</i>
If the project involves the creation or acquisition of a building, has the energy rating been considered. Are / will measures be included to make the building energy efficient? Tick +ve if yes.	N/A			
Embodied energy - does your project/proposal include construction of buildings or other significant infrastructure? If no, then tick neutral. If yes, have genuine efforts been made to minimise the embodied energy* in the materials being used for that construction, and the source of such materials?	+			<i>The Strategy may impact the reduction of embodied energy within Gateshead through the Energy theme.</i>
Plastic waste – does the proposal increase the use of single use plastics, including packaging	+			<i>The Strategy will impact the reduction of plastic use within Gateshead through the Economy and consumption theme.</i>
Food emissions – in particular those with air miles out of season or animal products	++			<i>The Strategy will directly impact the reduction of carbon related to food within Gateshead through the food theme.</i>
Consumables – does the proposal increase the need to produce or ship products	++			<i>The Strategy will directly impact the reduction of consumables within Gateshead through the Economy and consumption theme.</i>
Does the proposal increase waste production	++			<i>The Strategy will directly impact the reduction of waste within Gateshead through the Economy and consumption theme.</i>
Does the proposal decrease wildlife habitat	++			<i>The Strategy will directly impact the creation and protection of wildlife within Gateshead through all themes in particular woodland and nature.</i>

Does the proposal increase air or water pollution	++			<i>The Strategy will directly reduction of water and air pollution within Gateshead through all themes in particular trasnport.</i>
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What information is available to help the environmental impacts identified above to be quantified?

A monitoring framework will be developed for the Climate Action Plans once finalised.

Can any negative environmental impacts be justified as appropriate or necessary?

There are no negative environmental impacts resulting from the Climate Strategy.

Are any remedial or mitigation actions required?

N/A

Once implemented, how will you monitor the actual impact?

A monitoring framework will be developed for the Action Plans once finalised.

Overall summary to be included in your covering report.

The Strategy has strong positive implications for climate and sustainability.

Assessment completed by	Lucy Greenfield
Date completed	11/10/22
Signed by Service Director	Anneliese Hutchinson
Date approved by the Climate Emergency Team and supporting comments	

*Embodied energy is the energy used (and therefore carbon dioxide or other greenhouse gases emitted) during the manufacture, transport and construction of building materials. So for example, if you are specifying concrete on a project then carbon dioxide (or equivalent) will have been emitted making that concrete. Different materials have high and low levels of embodied energy, with low being good. Not only can different materials have different embodied energy values, but the same material can also have differing embodied energy values depending on where it was sourced and transported. For example, stone sourced from China would have a far greater embodied energy within it than the same stone sourced locally, due to the carbon dioxide emitted during transportation. By way of examples, using stainless steel will likely have over 10 times more embodied energy within it, per kg, than timber.

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Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

Title of proposal:										Description of potential mitigation
Gateshead Council's Climate Strategy	Age	Race	Sex	Gender reassignment	Disability	Religion or Belief	Pregnancy and Maternity	Sexual Orientation	Marriage and Civil Partnership	
<p>Equality impact: (✓ all that apply. The assessment should also consider impact on council employees and carers where applicable)</p> <p>Description of impact:</p> <p>Impact on equality and those with protected characteristics would be positive.</p> <p>The Strategies positive impacts include;</p> <ul style="list-style-type: none"> -the objective to make services more accessible, which would benefit those with disabilities. -the objective to invest in energy saving measures, which would benefit those in fuel poverty, the elderly and those with disabilities in particular. -the objective to improve availability of sustainable food will help those with 	✓		✓		✓		✓			<p>There is no requirement to provide mitigation. Where positive impacts can be maximised for particular groups with protected characteristics, these will be explored, for example through engaging with young people or provision of affordable energy to those most in need.</p>



Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

<p>disabilities and the elderly and also pregnant and breastfeeding mothers in particular.</p>											
<p>Health impact: (eg physical, mental health, wellbeing, substance misuse)</p> <p>The health impacts of the protection of the environment and tackling climate change are positive. Health objectives and environmental objectives closely align, for example the provision of open space, provision of low cost renewable energy, promotion of walking and cycling and provision of locally produced fruit and vegetables and reduced risk of flooding.</p>	<p>There is no requirement to provide mitigation. Where positive impacts can be maximised for health these will be explored, for example promoting healthy and sustainable lifestyles and resilience to climate events.</p>										



Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

<p>Socio Economic impact: (eg neighbourhood, ward, area of deprivation, household group, income, wealth)</p> <p>Socio economic impacts of the strategy are neutral to positive. Promotion of a green economy and green jobs will increase economic prosperity. Tackling climate change has the potential to reduce the need for investment for example in flood infrastructure and reduce expenditure in other areas such as the health service resulting from improved air quality and healthier environments and lifestyles.</p> <p>There are potential financial implications of for some environmental and carbon reduction actions that will arise from the strategy both for the Council and community, however often these costs can be offset, for example increasing the electric vehicle fleet will reduce fuel costs. Long term, the socio economic impacts of not protecting the environment or addressing climate change would be greater than not doing.</p>	<p>Where there is an increased cost arising from actions for the environment or climate change, fully explore options to offset these costs.</p> <p>Start to account for the environmental and carbon benefits of action.</p> <p>Maximise any economic benefits arising.</p>
<p>Environmental impact: (does the proposal impact on climate change and the Council's commitment to be carbon neutral by 2030?)</p> <p>The strategy is entirely in alignment with environmental and carbon reduction targets.</p> <p>There will be a positive impact on various aspects of the environment including;</p> <ul style="list-style-type: none"> Biodiversity Green space creation Woodland creation Water Quality 	<p>There is no requirement to provide mitigation.</p>



Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

<p>Air Quality Carbon reduction Waste management</p>	
<p>Cumulative impact: (consider impact based on successive budgetary decisions relating to the proposal or is the proposal part of wider budgetary considerations that may collectively have an impact on service users, and is potentially at odds with the Thrive agenda)</p> <p>There is a positive cumulative impact of the Climate strategy. The Strategy is linked with Thrive, the Economic Strategy and the Health and Wellbeing Strategy. Climate Change and sustainability are fully integrated into budget considerations and all Cabinet reports for the Council.</p>	
<p>Summary of consultation/data/research undertaken to inform the assessment: (eg feedback and engagement with service users, trade unions, employees, partners, public, benchmarking, case studies)</p> <p>The Climate Strategy has been written in collaboration with various departments in the Council. Environment and Transport Portfolio have been consulted.</p> <p>In 2020 a Climate Emergency Workshop was held with partners at the Baltic. Discussions and commitments made at this workshop have informed the Climate Strategy.</p> <p>The Climate Strategy was subject to public and stakeholder consultation in 2021/22, a full report is appended to the Cabinet Report.</p>	



Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

Signed: (completing officer) Lucy Greenfield

Date: 20/5/22

Service Director: (approved) Anneliese Hutchinson

Date:

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COUNCIL MEETING

24 November 2022

TREASURY MANAGEMENT – PERFORMANCE TO 30 SEPTEMBER 2022

Sheena Ramsey, Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to inform on Treasury Management performance for the six months up to 30 September 2022.
2. The projected outturn for 2022/23 at 30 September 2022 is £10.329m compared to the budget of £11.296m, an underspend of £0.967m. The HRA projection is £12.034m compared to the budget of £11.949m, an underspend of £0.085m.
3. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

4. It is recommended that Council note the Treasury Management Performance to 30 September 2022; to contribute to sound financial management and the long-term financial sustainability of the Council.

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TITLE OF REPORT: Treasury Management – Performance to 30 September 2022

REPORT OF: Darren Collins – Strategic Director, Resources and Digital

Purpose of the Report

1. The purpose of this report is to review Treasury Management performance for the six months to 30 September 2022, covering investments and borrowing. This is consistent with approved performance management arrangements.

Background

2. Cabinet will receive half yearly performance reports on the agreed Treasury Management budget identifying any variances. This report sets out the monitoring position at 30 September 2022.
3. Council agreed the Treasury Policy Statement and Treasury Strategy 2022/23 to 2026/27 which provided a framework for the Strategic Director, Resources and Digital to exercise his delegated powers on 24 March 2022.
4. Council also agreed the original Treasury Management 2021/22 budgets on 23 February 2021 of £23.245m, split £11.296m for General Fund and £11.949m for the Housing Revenue Account.

Proposals

5. The projected outturn for 2022/23 at 30 September 2022 for the General Fund is £10.329m compared to the budget of £11.296m, an underspend of £0.967m. The HRA projection is £12.034m compared to the budget of £11.949m, an overspend of £0.085m.
6. The Audit and Standards Committee reviewed the Treasury Management performance to 30 September 2021 on 25 October 2022 and raised no comments for submission to Council.
7. It is important that effective budget monitoring and action planning is in place to ensure that spending in 2022/23 is contained within approved budgets as this will contribute to a sustainable financial position for the Council.

Recommendation

8. Cabinet is asked to recommend that Council note the Treasury Management Performance to 30 September 2022.

For the following reason:

To contribute to sound financial management and the long-term financial sustainability of the Council.

CONTACT: John Chirnside ext. 2713

Policy Context

1. The proposals in this report are consistent with Council priorities and in particular they ensure that effective use is made of the Council's resources to ensure a sustainable financial position and support of the framework for achieving the Council's strategic approach 'Making Gateshead a Place Where Everyone Thrives'. The Council recognises there are huge financial pressures on not just Council resources, but those of partners, local businesses and residents. This requires the Council's decision-making to be policy and priority led and driven.

Background

2. The Prudential Code plays a key role in capital finance in local authorities. Local authorities determine their own programmes for capital investment that are central to the delivery of quality public services. The Prudential Code was developed by CIPFA, the Chartered Institute of Public Finance and Accountancy, as a professional code of practice to support local authorities in taking their decisions. Local authorities are required by regulation to have regard to the Prudential Code when carrying out their duties in England and Wales under Part 1 of the Local Government Act 2003.
3. In December 2017 CIPFA issued a revised Treasury Management Code of Practice and a revised Prudential Code (the Code) which represent best practice. The Council fully complies with the Code and this contributes towards achieving good practice.
4. Part 1 of the Local Government Act 2003 specifies the powers of a local authority to borrow for any purpose relevant to its functions under any enactment or for the purposes of the prudent management of its financial affairs. Borrowing is linked to the CIPFA Prudential Code for Capital which sets out a range of prudential and treasury indicators that must be calculated to ensure borrowing is affordable, prudent and sustainable. The Prudential Code refers to the need for a clear and integrated treasury strategy.
5. In addition, under Section 15 of the Local Government Act 2003, authorities are required to have regard to the government's guidance on Local Government Investments. This document stipulates the requirement for an annual investment strategy to be integrated into the Council's Treasury Strategy.
6. Under Part 4 of the Council's Constitution the Strategic Director, Resources and Digital will produce a Treasury Policy Statement annually, setting out the general policies and objectives of the Council's treasury management function.

Treasury Management Strategy Statement

7. The Treasury Management Strategy Statement (TMSS) for 2022/23 was approved by Council on 24 March 2022. There are no policy changes to the TMSS; the details in this report update the position in the light of the updated economic position and budgetary changes already approved.

Mid-Year Performance to 30 September 2022

8. This report sets out the latest position on the 2022/23 Treasury Management budget as at 30 September 2022 and projects interest on borrowing and investment income to the end of the financial year.
9. The combined General Fund and HRA projected outturn for 2022/23 at 30 September 2022 is £22.363m compared to the estimate of £23.245m, a projected underspend of £0.882m. The underspend relates to two main areas:
 - a) Borrowing costs are lower than budget. Due to the council holding high levels of cash reserves and reduced projected capital financial requirements borrowing has been delayed until later in the financial year
 - b) Investment interest achieved is higher than budgeted estimates. Due to changes in the market conditions and higher levels of interest available the council has received a higher return on investments placed during the financial year.
10. Appendix 2 details the budget for 2022/23 compared to an assessment of the projected outturn for the year.

Consultation

11. The Leader of the Council has been consulted on this report.

Alternative Options

12. There are no alternative options, as the Treasury Management mid-year performance report recommended for approval is required to comply with the policy on delegation, review requirements and reporting arrangements as outlined in the Treasury Policy Statement and Treasury Strategy.

Implications of Recommended Options

13. **Resources:**
 - a) **Financial Implications** - The Strategic Director, Resources and Digital confirms that the financial implications are set out in this report. There are no additional financial implications associated with the report itself.
 - b) **Human Resources Implications** - There are no human resources implications arising from this report.
 - c) **Property Implications** – There are no property implications arising from this report.
14. **Risk Management Implications**

The Treasury Policy and Treasury Strategy which informs activity in this area were prepared with the primary aim of minimising risk to ensure that the Council's principal sums are safeguarded. Maximising income is considered secondary to this main aim.
15. **Equality and Diversity Implications**

16. **Crime and Disorder Implications**

There are no crime and disorder implications arising from this report.

17. **Health Implications**

There are no health implications arising from this report.

18. **Climate Emergency and Sustainability Implications**

There are no climate emergency or sustainability implications arising from this report.

19. **Human Rights Implications**

There are no human rights implications arising from this report.

20. **Ward Implications**

There are no direct ward implications arising from this report.

Mid-Year Report - Performance to 30 September 2022

1. Investment Performance

- 1.1 The latest projection of gross investment income for 2022/23 based on interest earned to date and expected interest to March 2023 is £1.459m, compared to an original estimate of £0.704m.
- 1.2 This gross investment interest is adjusted to account for £0.196m interest payable to third parties and interest receivable of £1.178m from various third parties. This gives a projected net interest to the General Fund 2022/23 of £2.441m compared to the budget of £2.080m. The variance to budget is mainly as a result of higher levels of interest received on loans to third parties than was anticipated when the 2022/23 budget was set.

2. The Economy

- 2.1 Following from the historically low bank base interest rates have been on an upward curve in 2022. The Bank of England's Monetary Policy Committee have agreed the following increases so far in 2022/23:

Date	Base Rate
01 April 2022	0.75%
05 May 2022	1.00%
16 June 2022	1.25%
04 August 2022	1.75%
22 September 2022	2.25%

It is anticipated that further base rate increases will follow in the current financial year, rising to an estimated peak of 5% by February 2023.

3. Rate of Return

- 3.1 The average rate of return is monitored for each investment type the Council enters into and these are used to calculate an average rate of return for the year to date. The current rate of return is 1.15%, which is an improvement on the original estimate of 0.59%.
- 3.2 The quarterly LINK Asset Services Investment Benchmarking report assesses both the rate of return and the risk of the counterparty to calculate a weighted average rate of return, which is used for comparison across Local Authorities. In the most recent report received at June 2022 the Council achieved a weighted average rate of return of 1.21% on its investments for Quarter 1 2022/23 which is above the risk adjusted expectations (0.85% to 1.11%) defined in the Benchmarking Report for our Group.
- 3.3 The rate of return would be expected to increase during the remainder of the financial year, with investment balances projected to remain consistent and deposits are placed with higher yielding returns.
- 3.4 In the current economic conditions the investment market is expected to improve and the Council will exceed levels of interest rates achieved in recent financial years. The majority of available investments up to 12 months duration are at or around 4.90% compared to the bank base rate of 2.25% (at 30 September 2022).

Significant increases in Bank Rate are forecast until the end of the current financial year 31st March 2023, with investment returns expected to improve in the short and medium term.

4 Borrowing

- 4.1 The total borrowing for the Council and HRA as at 30 September 2022 was £664.966m, which was within the operational borrowing limit of £865.000m. This borrowing is made up of £616.966m Public Works Loans Board (PWLb) loans and £48.000m market loans.
- 4.2 The Treasury Strategy estimates for the 2022/23 financial year were based on a borrowing requirement of £125.392m with £114.519m relating to the GF and £10.873m the HRA. Due to the council holding high levels of cash reserves the actual borrowing in the year to date is £20.000m. The timing of further borrowing will depend on a combination of cash flow requirements to support the capital programme and achieving preferential borrowing rates.
- 4.3 The current forecast for interest payable on borrowing is allocated to the General Fund and the Housing Revenue Account (HRA) as shown in the following table:

	General Fund	HRA
Interest Payable	£12.248m	£12.094m
Average rate of interest	3.703%	3.872%

This represents a gross saving of £0.521m on the original estimate, of which £0.606m is a saving for the General Fund and £0.085m additional cost to the HRA.

5 Compliance with Treasury and Prudential Limits

- 5.1 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. During the half year ended 30th September 2022, the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement for 2022/23

6 Summary of Mid-Year Performance

- 6.1 The projected net impact of investment and borrowing activity on the revenue budget in 2022/23 is an underspend of £0.882m, comprising £0.967m General Fund underspend and £0.085m HRA overspend.

	General Fund			HRA		
	Estimate	Projected Outturn	Variance	Estimate	Projected Outturn	Variance
	£m	£m	£m	£m	£m	£m
Investments	(2,020)	(2,381)	(0.361)	(0.060)	(0.060)	0.000
Borrowing	12.854	12.248	(0.606)	12.009	12.094	0.085
Premia	0.462	0.462	0.000	0.000	0.000	0.000
Net Position	11,296	10,329	(0.967)	11,949	12,034	0.085

- 6.2 Current interest rates for investments are around 5.0% for 12 months and 4.5% for 6 months, allowing the Council to increase income from investing cash balances. PWLB rates are currently higher than budgeted and will be monitored to ensure borrowing is taken at the optimum time and to minimise the number of long term loans entered into at the current higher level of interest rates.

- 6.3 The balance of external and internal borrowing is generally driven by market conditions. The council will continue to monitor the market to identify any opportunity to repay borrowing earlier than planned, subject to any discounts received.



COUNCIL MEETING

24 November 2022

REVENUE BUDGET – SECOND QUARTER REVIEW 2022/23

Sheena Ramsey, Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to set out the latest monitoring position on the 2022/23 revenue budget at the end of the second quarter.
2. The projected revenue outturn for 2022/23 as at the first quarter is £259.0m compared to the budget of £254.3m, resulting in a projected overspend of £5.4m.
3. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

5. It is recommended that Council:
 - (i) notes the Council's revenue expenditure position at the end of the second quarter, as set out in Appendices 1 and 2 of the report;
 - (ii) approves the Housing Revenue Account budget as set out in Appendix 3 of the report.

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TITLE OF REPORT: Revenue Budget – Second Quarter Review 2022/23

REPORT OF: Darren Collins, Strategic Director, Resources and Digital

Purpose of the Report

1. This report sets out the latest monitoring position on the 2022/23 revenue budget at the end of the second quarter. Cabinet is asked to note the contents of the report and to recommend to Council an increase in the 2022/23 Housing Revenue Account (HRA) budget.

Background

2. As part of the Council's budget and policy framework Cabinet receives quarterly reports on the agreed revenue budget so that any variances can be identified and addressed at appropriate pace with Councillor oversight.
3. Council agreed the revenue budget for 2022/23 on 24 February 2022. This was set at £254.3 million. The position includes £5.8 million of council financing from the Budget Sustainability Reserve to allow time for a planned schedule of cuts and efficiencies.
4. Council also agreed an HRA balanced budget of £82.3 million without use of the reserve in 2022/23.

Proposal

5. The projected revenue outturn for 2022/23 at the first quarter is £259.0 million compared to the budget of £254.3 million, a £4.7 million overspend this alongside a £0.7 million reduction in financing income result in an overall projected overspend of £5.4 million.
6. The intention remains to deliver the general fund revenue outturn within the original budget

Housing Revenue Account

7. At the second quarter review the HRA budget is projected to overspend by £3 million which represents an increase in the use of reserves required. The main overspends are in relation to management and supervision (£1 million) and repairs and maintenance (£1.4 million). It is the intention to bring this within budget by year end.
8. In addition to the above position, a review of the repairs and maintenance service has identified a backlog in repairs jobs in the region of £3.0m which are planned to be completed during 2022/23. This additional budget pressure was identified after the budget was set, therefore, Cabinet is requested to recommend to Council an increase in the 2022/23 HRA budget to fund works from the HRA reserve.

Recommendations

9. It is recommended that Cabinet
- i. notes the Council's revenue expenditure position at the end of the second quarter, as set out in Appendices 1 and 2;
 - ii. recommends to Council the Housing Revenue Account budget as set out in Appendix 3.

For the following reasons:

- i. To contribute to sound financial management and the long-term financial sustainability of the Council.
- ii. To set a Housing Revenue Account for 2022/23 that is not in debit as required under the Local Government and Housing Act 1989 (Part VI).

APPENDIX 1

Policy Context

1. This report meets the standards required to comply with the Accounts and Audit Regulations 2015 which represent financial management good practice, recommend that councillors should receive regular reports on performance against revenue and capital budgets.
2. It is also consistent with the Council's objectives of making Gateshead a place where everyone thrives by assisting in ensuring a sustainable financial position for the long term.

Background

3. This report sets out the latest budget monitoring position on the 2022/23 revenue budget at the end of the second quarter and projects spending and income to the end of the financial year.
4. Appendix 2 details the budget for 2022/23 compared to an assessment of the projected outturn for the year.
5. Budget savings of £0.1m for 2020/21 in relation to a contract review have not been achieved to date and work is progressing to identify these. £8.1m of savings were agreed for 2021/22 along with budget mitigation. Savings in relation to the health and wellbeing review remain undelivered in full. The undelivered savings will contribute towards budget pressures in 2022/23. Progress will be closely monitored and those requiring further consultation and engagement will be the subject of future reports to Cabinet.

Variations

6. The key points to note regarding main variances on a group basis are set out below.
 - **Adults and children's social care** Significant challenges resulting in a projected £6m budget overspend - this is in relation to additional costs of care packages & fee uplifts and children's placement related costs.
 - **Leisure Services** Projected £2m overspend due to budget pressures arising from lost income as facilities are not yet fully operational combined with increasing utility costs which is slightly offset by salary slippage.
 - **Highways and Waste** Projected outturn is £1.2m under budget and the majority of underspend is in relation to Waste and Traded services. This is due to a one off reduction (£0.6m) in Gateshead PFI payments to Suez relating to an Energy Refund for 21/22, alongside a positive movement of £0.3m from increased income across several schemes.
 - **Capital Financing** A projected £2m underspend on capital financing due to the revised quarter 1 capital programme position and lower costs arising from the optional minimum revenue payment (MRP) made as part of the 2021/22 revenue outturn.

- **Trading and investment income** There is currently a projected shortfall in income due to current economic conditions and impact on interest and dividends.

7. **Other budget challenges to note;**

- **Home to school transport** pressure resulting in a £0.4m overspend on budget
- **Property & Assets – School Meals** Projections include a 35% increase on catering supplies causing a £1.2m budget impact. This is currently offset by increased income and staffing vacancies slippage. Forecasting of take up is difficult. Income projections are based on 2022/23 actual to date and then 2019/20 numbers for the remainder of the year.
- **Property & Assets - Building Management** - £0.4m utilities pressure offset by underspends. In the overall position is a further Business Rate refund of (£0.5m) for the Civic Centre.
- **Contingencies** The 2022 pay award has now been agreed and work is ongoing to determine the final cost and allocate the budget into groups and services. This will require the use of the majority of the Council's contingency funds.

Actions to Mitigate the Shortfall

8. Budget management is a Council wide responsibility to which there is a proven track record of success. To mitigate the current budget position the Council has taken proactive action by;
- Sending a corporate wide message to all leadership to ensure efficiencies and savings are delivered in year alongside ceasing non-essential spend and pausing recruitment to non essential posts.
 - Asking management teams to have clarity on areas of significant overspend and any interventions or actions that can be put in place to address these;
 - Continue work on areas of savings yet to be fully delivered.

Housing Revenue Account

9. At the second quarter review the HRA budget is projected to overspend by £3m which represents an increase in the use of reserves required. The main overspends are in relation to management and supervision (£1m) and repairs and maintenance (£1.4m).
10. The review of the repairs and maintenance service has identified a backlog in repairs jobs caused by COVID-19 which is estimated to cost in the region of £3.0m and are planned to be completed during 2022/23. This additional budget pressure was identified after the budget was set and will require a Cabinet decision to fund works from the HRA reserve as this cannot be met fully from contingency. Contingency funds are required to fund the 2022/23 pay award. Therefore this report recommends an amendment to the HRA budget.

Summary

11. The projected overspend for the Council at the end of the first quarter of £5.4m is after the application of £29.2m of budgeted reserves in line with the usage agreed as part of 2022/23 budget.
12. General COVID grant funding of £8.9m is forecast to be used in 2022/23 and the remainder of the Contain Management Outbreak Funding is forecast to be spent in year (£4.0m).
13. The medium-term position assumes all prior year budget savings will be achieved and overspends addressed.

Consultation

14. The Leader of the Council has been consulted on this report.

Alternative Options

15. There are no alternative options proposed.

Implications of Recommended Option

16. Resources:

- a) **Financial Implications** – The Strategic Director, Resources and Digital confirms these are as set out in the report and appendices.
- b) **Human Resources Implications** – There are no direct Human Resource implications as a consequence of this report. Budget savings proposals will be subject to separate reporting.
- c) **Property Implications** - There are no direct property implications as a consequence of this report. Budget savings proposals will be subject to separate reporting.

17. Risk Management Implication -

Regular budget monitoring and the associated action planning that arise from this activity assists in reducing the risk of the Council overspending its agreed budget. This enables effective financial planning which allows the Council to deploy resources in line with priorities.

18. Equality and Diversity Implications - Nil

19. Crime and Disorder Implications – Nil

20. Health Implications - Nil

21. Climate Emergency and Sustainability Implications - Nil

22. Human Rights Implications - Nil

23. Ward Implications - Revenue spending supports the delivery of services across the whole of Gateshead.

Appendix 2- Revenue Monitoring Summary 2022/23

Group / Service	Budget £'000	Projected Outturn £'000	Variance £'000
<u>Office of the Chief Executive</u>	871	944	73
<u>Integrated Adults and Social Care Services</u>			
Adult Social Care	73,851	75,976	2,125
Quality Assurance & Commissioning	5,873	6,069	196
<u>Children's Social Care and Lifelong Learning</u>			
Children's Social Care	41,182	45,093	3,911
Education, Schools and Inclusion	4,843	4,969	126
<u>Public Health & Wellbeing</u>			
Public Health	17,225	17,225	0
Wellbeing	2,861	4,881	2,020
<u>Housing, Environment & Healthy Communities</u>			
Gateshead Construction Services	345	445	100
Property & Assets	3,210	3,327	117
Locality Services & Housing	1,052	1,107	55
Strategic Services & Residential Growth	1,091	1,398	307
Highways and Waste	17,056	15,879	(1,177)
Environment & Fleet Management	2,909	2,901	(8)
<u>Economy, Innovation and Growth</u>			
Business, Employment & Skills	1,281	1,196	(85)
Planning Policy, Climate Change and Strategic Transport	3,274	3,709	435
Major Projects	(593)	(387)	206
<u>Corporate Services & Governance</u>			
Legal & Democratic Services	4,043	4,128	85
Human Resources & Workforce Development	1,686	1,616	(70)
Corporate Commissioning & Procurement	591	671	80
Public Service Reform	396	222	(174)
<u>Resources and Digital</u>			
Financial Management	2,191	2,363	172
Customer Experience & Digital	3,459	3,633	174
Housing Benefits	200	200	0
IT	4,148	4,783	635
Commercialisation and Improvement	2,286	2,122	(164)
<u>Other Services & Contingencies</u>	18,986	15,778	(3,208)
<u>Capital Financing Costs</u>	33,866	31,795	(2,071)
<u>Traded & Investment Income</u>	(3,710)	(2,863)	847
<u>Expenditure Passed outside the General Fund</u>	(1,855)	(1,855)	0
<u>Levies</u>	11,686	11,686	0
NET BUDGET	254,304	259,011	4,707
<u>Financed By</u>			
Settlement Funding Assessment (SFA)	(56,907)	(56,251)	656
Other Grants	(47,235)	(47,235)	0
Public Health	(17,225)	(17,225)	0
Council Tax	(103,856)	(103,856)	0
Collection Fund Deficit	159	159	0
Earmarked Reserves - to support retained rates	(12,675)	(12,675)	0
Earmarked Reserves	(16,565)	(16,565)	0
TOTAL FUNDING	(254,304)	(253,648)	656
COUNCIL OUTTURN (Surplus) / Deficit	0	5,363	5,363

Appendix 3

HRA Budget 2022/23

	Budget 2022/23 £'000	Revised Budget 2022/23 £'000
Rents - dwellings	(75,526)	(75,526)
Rents - non dwellings	(1,345)	(1,345)
Service charges	(4,426)	(4,426)
Water & Other Income	(977)	(977)
Total Income	(82,274)	(82,274)
Supervision & Management	27,661	27,661
Repairs and Maintenance	25,643	28,643
Interest on borrowing	12,010	12,010
Capital Programme Funding	16,119	16,119
Other Expenditure	768	768
Debt Management Expenses	73	73
Total Expenditure	82,274	85,274
Net Operating Cost / (Surplus)	-	3,000
HRA Reserves		
Opening Balance	24,330	24,330
Net Operating Cost for the year	-	(3,000)
Closing Balance	24,330	21,330

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COUNCIL MEETING

24 November 2022

CAPITAL PROGRAMME AND PRUDENTIAL INDICATORS 2022/23 – SECOND QUARTER REVIEW

Sheena Ramsey, Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to inform of the latest position on the 2022/23 Capital Programme and Prudential Indicators at the end of the second quarter to 30 September 2022. The report also considers the impact of CIPFA's Prudential Code on the capital programme and the monitoring of performance against the Statutory Prudential Indicators.
2. The original budget for the capital programme for 2022/23, as agreed by Council on 24 February 2022, totalled £146.7m, which was reduced to £103.2m at the first quarter review. The second quarter review expenditure is now projected to be £85.4m by year end.
3. CIPFA's Prudential Code advises the regular monitoring of performance against the prudential indicators which regulate borrowing and investment. Targets and limits for the prudential indicators for 2022/23 were agreed at Council on 24 February 2022 and borrowing and investment levels have remained within these limits.
4. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

5. It is recommended that Council:
 - (i) approves the variations to the 2022/23 Capital Programme
 - (ii) approves the financing of the revised programme; and
 - (iii) confirms that the capital expenditure and financing requirements have been revised in line with the amended budget and that none of the approved Prudential Indicators set for 2022/23 have been breached.

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REPORT TO CABINET 22 November 2022

TITLE OF REPORT: Capital Programme and Prudential Indicators 2022/23
– Second Quarter Review

REPORT OF: Darren Collins, Strategic Director, Resources and Digital

Purpose of the Report

1. This report sets out the latest position on the 2022/23 Capital Programme and Prudential Indicators at the end of the second quarter to 30 September 2022. The report assesses reasons for the variances from the approved programme and details the proposed financing of the capital programme. In addition, the report considers the impact of CIPFA's Prudential Code on the capital programme and the monitoring of performance against the statutory Prudential Indicators.

Background

2. The original budget for the capital programme for 2022/23, as agreed by Council on 24 February 2022, totalled £146.7m. At the first quarter review, this reduced to £103.2m and at the second quarter review expenditure is now projected to be £85.4m, £65.0m General Fund and £20.4m Housing Revenue Account (HRA) by year end.
3. The proposed reduction in the capital programme at the second quarter comprises of the following movements:

	£m
Increased borrowing/external funding/contributions	6.420
Reduced Project Costs	(2.160)
Re-profiling of capital expenditure to future years	(22.115)
Total Variance	(17.855)

4. The proposed £6.4m increase includes the re-profiling of allocations to reflect the final contract termination for the Green Homes Chopwell scheme, increased civil engineering costs on the Gateshead District Energy Network Solar Panels project, the addition of several Decent Homes projects, increased costs on the Gateshead International Stadium project and delays on the Social Care Mosaic system.
5. The Gateshead International Stadium Floodlighting Project was included in the Capital Programme with a budget of £0.500m at Q1 and was approved by Cabinet on the 19th July 2022. Following return of tenders, an additional budget of £0.135m, has been approved under an urgent decision dated 18th October 2022 in accordance with Part 2 General Delegation to Managers 4(e) of the

Constitution. Cabinet is asked to note the additional budget of £0.135m for this project. The additional budget will enable the required improvements to the lighting levels ensuring that the athletics and football activities can continue at the site. The tender costs were time limited and, due to the current market volatility and uncertainty, there was a significant risk of further cost increases had the urgent decision not been undertaken.

6. The Strategic Director, Economy, Innovation and Growth (in consultation with the Service Director of Corporate Services and Governance and the Strategic Director, Resources and Digital) approved the contract award for the floodlighting works using the delegated decision approved by Cabinet on the 19 July 2022 and the Strategic Director, Resources and Digital approved the additional budget using the urgent decision dated 18th October 2022.
7. The proposed reduction of £2.16m includes a reduction on the Baltic Quarter Enabling Infrastructure project due to better than expected ground conditions resulting in a reduction in the total cost of the project.
8. Planned investment has been re-profiled to future financial years on several schemes, amounting to a reduction of £22.1m in 2022/23. The schemes which have slipped include the following:
 - £5.4m of primarily Environment Agency funding towards Flood Alleviation works has been re-profiled to future years due to reduced expertise within the council to programme the required works.
 - £4m of funding for Estate regeneration and major investments within the HRA due to a delay in housing demolitions.
 - £3.2m of funding for the Sister Winifred Laver Promoting Independence Centre, works have been delayed due to the discovery of abnormal material and supply delays. A revised project schedule estimates a completion in May 2023.
 - £2.1m of funding for the Blaydon West Primary School New Build. Initial surveys have commenced, however, main ground works are not expected to take place until 2023.
 - £1.0m of funding for the Technology Plan Infrastructure due to supply chain issues of essential equipment.

Proposal

9. The report identifies planned capital expenditure of £85.392m for the 2022/23 financial year. The expected resources required to fund the Capital Programme are as follows:

	£m
Prudential Borrowing	50.902
Projected Capital Receipts	0.750
Capital Grants and Contributions	13.378
Major Repairs Reserve (HRA)	16.600
Capital Grants and Contributions (HRA)	0.758
Right to Buy Receipts (HRA)	3.004
Total Capital Programme	85.392

9. CIPFA's Prudential Code advises the regular monitoring of performance against the prudential indicators which regulate borrowing and investment.

Targets and limits for the prudential indicators for 2022/23 were agreed at Council on 24 February 2022 and borrowing and investment levels have remained within these limits. Performance against the indicators for 2022/23 is set out in Appendix 5.

Recommendations

10. It is recommended that

- (i) Cabinet recommend to Council that all variations to the 2022/23 Capital Programme as detailed in Appendix 2 are agreed.
- (ii) Cabinet recommend to Council the financing of the revised programme set out in this report.
- (iii) Cabinet confirm to Council that capital expenditure and financing requirements have been revised in line with the amended budget and none of the approved Prudential Indicators set for 2022/23 have been breached.
- (iv) Cabinet to note the urgent decision in relation to the Gateshead International Stadium Floodlighting Project.

For the following reasons:

- (i) To ensure the optimum use of the Council's capital resources in 2022/23.
- (ii) To accommodate changes to the Council's in-year capital expenditure plans.
- (iii) To ensure performance has been assessed against the approved Prudential Limits.

CONTACT: Clare Tait

extension: 3716

Policy Context

1. The proposals within this report are consistent with the objectives contained within the Council's corporate Capital Strategy and will contribute to achieving the objectives set out by the Council's Thrive Agenda. The financial implications of the capital programme are incorporated within the Council's Medium-Term Financial Strategy (MTFS).

Background

2. The original budget for the capital programme for 2022/23, as agreed by Council on 24 February 2022, totalled £146.7m. Details of potential future capital schemes for the 2022/23 to 2026/27 Capital Programme were considered alongside the schemes within the existing programme. The capital and revenue implications of each proposed scheme were considered to ensure that they were affordable and could be accommodated within the level of revenue support available within the MTFS.
3. The projected year-end expenditure was £103.2m at the end of the first quarter and this is reduced to £85.5m at the end of the second quarter.
4. The £17.855m reduction is due to additional capital expenditure and re-profiling of existing schemes to future years. All variations in the programme during the second quarter are detailed in Appendix 2.
5. Appendix 3 summarises the original budget and actual expenditure to 30 September payments by Corporate Priority. The budget, projected year end expenditure and comments on the variances of each scheme are detailed in Appendix 4.
6. The prudential code sets out a range of Prudential Indicators that were agreed by Council on the 24 February 2022. Performance against the indicators for 2022/23 is set out in Appendix 5.

Consultation

7. The Leader of the Council has been consulted on this report

Alternative Options

8. The proposed financing arrangements are the best available in order to ensure the optimum use of the Council's capital resources in 2022/23.

Implications of Recommended Option

9. Resources:

- a) **Financial Implications** – The Strategic Director, Resources and Digital confirms that the financial implications are as set out in the report

- b) **Human Resources Implications** – There are no human resources implications arising from this report.
 - c) **Property Implications** - There are no direct property implications arising from this report. Capital investment optimises the use of property assets to support the delivery of corporate priorities. The property implications of individual schemes will be considered and reported separately
10. **Risk Management Implication** - Risks are assessed as part of the process of monitoring the programme and in respect of treasury management. The Cabinet will continue to receive quarterly reports for recommendation of any issues to Council, together with any necessary action to ensure expenditure is managed within available resources
 11. **Equality and Diversity Implications** - There are no equality and diversity implications arising from this report
 12. **Crime and Disorder Implications** – There are no direct crime and disorder implications arising from this report
 13. **Health Implications** - There are no health implications arising from this report
 14. **Climate Emergency and Sustainability Implications** - The climate emergency and sustainability implications are considered as part of developing and implementing individual capital projects. Planned investment within the capital programme is expected to result in improvements throughout the Borough
 15. **Human Rights Implications** - There are no direct human rights implications arising from this report.
 16. **Ward Implications** - Capital schemes will provide improvements in wards across the borough

Background Information

17. Report for Cabinet, 22 February 2022 (Council 24 February 2022) - Capital Programme 2022/23 to 2026/27.
18. Report for Cabinet 19 July 2022 (Council 21 July 2022) Capital Programme and Prudential Indicators 2022/23 – First Quarter Review

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Appendix 2

Reason for movement	Portfolio	Group	Project Title	Variance to Q1 £000
Reprofiled to future years	Resources, Management and Reputation	EIG	Refurbishment of Metrology Lab	(75)
	Resources, Management and Reputation	R&D	Technology Plan: Infrastructure	(1,000)
	Resources, Management and Reputation	R&D	IT Strategic Plan	(181)
	Environment and Transport	EIG	Flood Alleviation Investment	(5,417)
	Environment and Transport	EIG	Quays fixed and VMS signage	(184)
	Environment and Transport	EIG	Bensham Road Corridor	(476)
	Environment and Transport	EIG	Gateshead District Energy Scheme - Old Ford/Nest House	(114)
	Environment and Transport	HEHC	Traffic Sign Replacement	(70)
	Environment and Transport	HEHC	Street Lighting Column Replacement	(255)
	Culture, Sport and Leisure	PH&W	Virtual Reality Fitness Systems	(120)
	Communities and Volunteering	HEHC	Community Hubs	(37)
	Children and Young People	HEHC	School Condition Investment	(687)
	Children and Young People	HEHC	Blaydon West Primary School New Build	(2,076)
	Economy	R&D	Digital Gateshead	(85)
	Housing	EIG	High Street South Regeneration	(428)
	Housing	EIG	Metrogreen	(53)
	Housing	HEHC	New Build/Acquisition - Various	(873)
	Housing	HEHC	West Askew Road junction improvements	(2,790)
	Housing	HEHC	Major Investment Scheme	(1,760)
	Housing	HEHC	Option Appraisal	(1,123)
	Housing	HEHC	Estate Regeneration	(1,124)
	Adult Social Care	IASCS	Sister Winifred Laver Centre	(3,187)
Reprofiled to future years Total				(22,115)
Other increases	Resources, Management and Reputation	EIG	Gateshead Quays Multi Storey Car Park	30
	Resources, Management and Reputation	R&D	Customer Experience	18
	Environment and Transport	EIG	Local Transport Plan - Integrated Transport	106
	Environment and Transport	EIG	Local Transport Plan - Planned Maintenance	812
	Environment and Transport	EIG	Gateshead District Energy Scheme - Solar Panels	614
	Environment and Transport	EIG	Greenhomes Chopwell	779
	Culture, Sport and Leisure	PH&W	Library & Locality Review	65
	Culture, Sport and Leisure	PH&W	Gateshead International Stadium Investment	135
	Children and Young People	CSC&LL	Children's Three bed Residential Home	60
	Housing	HEHC	Communal Mechanical & Electrical Works	88
	Housing	HEHC	Decent Homes	2,128
	Housing	HEHC	Door and Window Replacements	11
	Housing	HEHC	Fire Safety	292
	Housing	HEHC	Lift Replacement	551
	Housing	HEHC	Low Fell Parking improvements	139
	Housing	HEHC	Basement Improvements	100
	Housing	HEHC	Stock Management	32
	Adult Social Care	IASCS	Social Care System	460
Other increases Total				6,420
Other reductions	Resources, Management and Reputation	CS&G	Occupational Health Management Software	(4)
	Resources, Management and Reputation	EIG	Baltic Quarter Enabling Infrastructure	(1,600)
	Environment and Transport	EIG	Gateshead District Energy Scheme - District Heating connection	(176)
	Housing	HEHC	Building Safety Improvements	(280)
Other reductions Total	Housing	HEHC	Contractual Obligations	(100)
Other reductions Total				(2,160)
Grand Total				(17,855)

Appendix 3

	Approved 2022/23 Budget £000	Revised Q1 Allocation £000	Revised Q2 Allocation £000	Variance to Q1 £000	Actual Spend to 30 September 2022 £000
COMMUNITIES					
Culture, Sport and Leisure	940	1,415	1,495	80	285
Communities and Volunteering	75	137	100	(37)	0
COMMUNITIES Total	1,015	1,552	1,595	43	285
PEOPLE					
Children and Young People	7,919	5,553	2,850	(2,703)	1,608
Adult Social Care	8,508	9,579	6,852	(2,727)	941
PEOPLE Total	16,427	15,132	9,702	(5,430)	2,549
PLACE AND ECONOMY					
Environment and Transport	19,514	19,730	15,349	(4,381)	4,649
Economy	1,675	1,495	1,410	(85)	367
Housing	27,890	27,337	22,147	(5,190)	4,727
PLACE AND ECONOMY Total	49,079	48,562	38,906	(9,656)	9,744
RESOURCES, MANAGEMENT AND REPUTATION					
Resources, Management and Reputation	80,192	33,792	30,980	(2,812)	14,559
RESOURCES, MANAGEMENT AND REPUTATION Total	80,192	33,792	30,980	(2,812)	14,559
LOAN					
Environment and Transport	0	4,209	4,209	0	0
LOAN Total	0	4,209	4,209	0	0
Grand Total	146,713	103,247	85,392	(17,855)	27,137

Appendix 4

	Approved 2022/23 Budget £000	Revised Q1 Allocation £000	Revised Q2 Allocation £000	Comment
COMMUNITIES				
<i>Culture, Sport and Leisure</i>				
Fixed Play Facility Renewals	720	720	720	
Library & Locality Review	100	75	140	Other movements
Virtual Reality Fitness Systems	120	120	0	Reprofiled to future years
Gateshead International Stadium Investment	0	500	635	Other movements
<i>Communities and Volunteering</i>				
Community Hubs	75	137	100	Reprofiled to future years
PEOPLE				
<i>Children and Young People</i>				
Blaydon West Primary School New Build	4,400	2,576	500	Reprofiled to future years
Children's Three bed Residential Home	300	700	760	Other movements
Children's Two Bed Residential Assessment Service in Gateshead	750	0	0	
Extensions and adaptations to the homes of foster carers	250	150	150	
School Condition Investment	1,969	1,877	1,190	Reprofiled to future years
Schools Devolved Formula Funding	250	250	250	
<i>Adult Social Care</i>				
Disabled Facilities Grants (DFGs)	2,550	2,550	2,550	
Technology Enabled Care	100	50	50	
Telecare Equipment	75	75	75	
Sister Winifred Laver Centre	5,783	6,904	3,717	Reprofiled to future years
Social Care System	0	0	460	Other movements
PLACE AND ECONOMY				
<i>Environment and Transport</i>				
Bensham Road Corridor	516	516	40	Reprofiled to future years
Flagged Footways	333	333	333	
Flood Alleviation Investment	5,417	5,417	0	Reprofiled to future years
Follingsby Salt Store	878	0	0	
Local Transport Plan - Integrated Transport	1,233	1,233	1,339	Other movements
Local Transport Plan - Planned Maintenance	3,653	3,653	4,465	Other movements
Quays fixed and VMS signage	360	234	50	Reprofiled to future years
Quays traffic signal upgrades	60	60	60	
Replacement Bins	120	120	120	
Riverside Park	50	50	50	
Salix Energy Efficiency Works	150	150	150	
Traffic Sign Replacement	150	150	80	Reprofiled to future years
Transforming Cities (Tranche 2)	3,534	3,534	3,534	
Unclassified Road Resurfacing - Micro Asphalt	289	275	275	
Public Sector Decarbonisation Schemes	0	364	364	
Gateshead District Energy Scheme - District Heating connection	0	526	350	Other movements
Gateshead District Energy Scheme - Old Ford/Nest House	114	114	0	Reprofiled to future years
Gateshead District Energy Scheme - Solar Panels	1,402	1,316	1,930	Other movements
Street Lighting Column Replacement	1,175	1,255	1,000	Reprofiled to future years
Street Lighting Light Emitting Diode Replacement	80	0	0	
Traffic Signal Renewal	0	369	369	
Whitehills Woodland	0	61	61	
Greenhomes Chopwell	0	0	779	Other movements
<i>Economy</i>				
Baltic Quarter Remediation	105	105	105	
Blaydon Business Centre Extension	438	330	330	
Broadband Delivery UK	80	80	80	
Digital Gateshead	720	720	635	Reprofiled to future years
Greensfield Business Centre Refurbishment	242	180	180	
High Street North - Future Place	90	80	80	
<i>Housing</i>				
Aids and Adaptations	1,500	1,500	1,500	
Block Communal improvements	630	630	630	
Building Safety Improvements	890	890	610	Other movements
Communal Mechanical & Electrical Works	312	312	400	Other movements
Contractual Obligations	2,000	2,000	1,900	Other movements
Decent Homes	4,503	4,503	6,631	Other movements
Development Site Preparation Works	600	300	300	
Digital Transformation	700	700	700	
Domestic Heating Improvements	2,343	2,343	2,343	
Door and Window Replacements	645	645	656	Other movements
Environment and Estate Improvement	101	101	101	
Fixed budget fees	550	550	550	
Garage Improvement Programme	50	50	50	
High Street South	253	0	0	
High Street South Regeneration	728	728	300	Reprofiled to future years
HRA Commercial Property Improvements	50	50	50	
Major Investment Scheme	1,985	1,985	225	Reprofiled to future years
Metrogreen	128	128	75	Reprofiled to future years
New Build/Acquisition - Various	3,015	3,015	2,142	Reprofiled to future years

	Approved 2022/23 Budget £000	Revised Q1 Allocation £000	Revised Q2 Allocation £000	Comment
Option Appraisal	1,123	1,123	0	Reprofiled to future years
Safety & Security	66	66	66	
West Askew Road junction improvements	2,800	2,800	10	Reprofiled to future years
Gateshead Regeneration Partnership Urban Core - Exemplar Neighbourhood	1,100	1,100	1,100	
IT refresh	244	244	244	
Estate Regeneration	1,574	1,574	450	Reprofiled to future years
Fire Safety	0	0	292	Other movements
Lift Replacement	0	0	551	Other movements
Low Fell Parking improvements	0	0	139	Other movements
Basement Improvements	0	0	100	Other movements
Stock Management	0	0	32	Other movements
RESOURCES, MANAGEMENT AND REPUTATION				
<i>Resources, Management and Reputation</i>				
Gateshead Quays	56,374	11,000	11,000	
Baltic Quarter Enabling Infrastructure	7,114	7,386	5,786	Other movements
Conversion of Birtley's Children's Centre	337	337	337	
Customer Experience	105	95	113	Other movements
Gateshead Quays Multi Storey Car Park	6,994	7,413	7,443	Other movements
Health & Safety	600	591	591	
Major Projects - Project Management Costs	290	290	290	
Occupational Health Management Software	14	18	14	Other movements
OCTO Event Manager	42	67	67	
Refurbishment of Metrology Lab	150	150	75	Reprofiled to future years
Replacement of Fleet and Horticultural Equipment	1,750	850	850	
Strategic Maintenance	850	850	850	
Technology Plan: Infrastructure	3,490	3,490	2,490	Reprofiled to future years
Technology Plan: Transformation Through Technology & New Ways of Working	821	821	821	
Installation of Electric Vehicle charging points in Council Depots	807	0	0	
IT Strategic Plan	241	241	60	Reprofiled to future years
Kingsmeadow Life long learning centre	153	153	153	
Specialist equipment to improve inclusion for Children and Young People - High incidence needs	30	15	15	
Specialist IT equipment for Children and Young People with low incidence needs (hearing and vision impairment)	30	25	25	
LOAN				
<i>Environment and Transport</i>				
Loan to Gateshead Energy Company District Energy extension	0	4,209	4,209	
Grand Total	146,713	103,247	85,392	

PRUDENTIAL INDICATORS 2022/23

The 2022/23 Prudential Indicators were agreed by Council on 22 February 2022 (column 1). This is now compared with the 2022/23 actual Q2 position as at the 30 September 2022 (column 2).

Certain Treasury Management indicators must be monitored throughout the year on a regular basis in order to avoid breaching agreed limits. The capital expenditure and capital financing requirement indicators have been revised in line with the revised budget and none of the other approved Prudential Indicators set for 2022/23 have been breached.

<i>Capital Expenditure</i>		
	2022/23 £000 Reported Indicator	2022/23 £000 Quarter 2
Non-HRA	124,432	65,030
HRA	22,281	20,362
Total	146,713	85,392
To reflect the reported capital monitoring agreed by Council during the year		

<i>Ratio of Financing Costs to Net Revenue Stream</i>		
	2022/23 Reported Indicator	2022/23 Quarter 2
Non-HRA	17.37%	NA
HRA	34.24%	NA

<i>Capital Financing Requirement</i>		
	2022/23 £000 Reported Indicator	2022/23 £000 Quarter 2
Non-HRA	441,180	423,998
HRA	345,505	345,505

Authorised Limit for External Debt	
	2022/23 £000 Reported Indicator
Borrowing	895,000
Other Long Term Liabilities	0
Total	895,000
Maximum YTD 30/09/2022 £666.072m	

Operational Boundary for External Debt	
	2022/23 £000 Reported Indicator
Borrowing	880,000
Other Long Term Liabilities	0
Total	880,000
Maximum YTD 30/09/2022 £666.072m	

The Council's actual external debt at 30 September 2022 was £664.966m. It should be noted that actual external debt is not directly comparable to the Authorised Limit and Operational Boundary, since the actual external debt reflects the position at one point in time.

Estimated Incremental Impact on Council Tax and Housing Rents

This indicator is set at the time the Council's budget is set. Therefore, there is no requirement for this Indicator to be monitored on a quarterly or annual basis.

Adherence to CIPFA code on Treasury Management

The Council has adopted the CIPFA Code of Practice for Treasury Management in the Public Services.

Upper / Lower Limits for Maturity Structure of Fixed Rate Borrowing

	2022/23 £000 Reported Indicator		2022/23 £000 Actual Position	
	Upper Limit	Lower Limit	Actual Percentage	Maximum YTD
Under 12 months	20%	0%	0.00%	0.17%
12 months to 24 months	21%	0%	2.87%	3.65%
24 months to 5 years	26%	0%	7.28%	7.98%
5 years to 10 years	26%	0%	10.56%	10.56%
10 years to 20 years	22%	0%	5.19%	6.70%
20 years to 30 years	43%	0%	4.47%	4.47%
30 years to 40 years	46%	0%	31.59%	33.40%
40 years to 50 years	48%	0%	35.04%	37.23%
50 years and above	17%	0%	0.00%	0.00%
All within agreed limits.				

Upper / Lower Limits for Maturity Structure of Variable Rate Borrowing

	2022/23 £000 Reported Indicator		2022/23 £000 Actual Position	
	Upper Limit	Lower Limit	Actual Percentage	Maximum YTD
Under 12 months	25%	0%	3.01%	3.01%
12 months to 24 months	20%	0%	0.00%	0.00%
24 months to 5 years	20%	0%	0.00%	0.00%
5 years to 50 years and above	20%	0%	0.00%	0.00%
All within agreed limits.				

On 8 March 2007, Council agreed to the placing of investments for periods of longer than 364 days in order to maximise investment income before forecasted cuts in interest rates. An upper limit was set and agreed as a new Prudential Indicator.

Upper Limit on amounts invested beyond 364 days

	2022/23 £000 Reported Indicator	2022/23 £000 Actual Position	2022/23 £000 Maximum YTD
Investments	15,000	0	0

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COUNCIL MEETING

24 November 2022

CAPITAL STRATEGY 2023/24 TO 2027/28

Sheena Ramsey, Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to recommend to Council the approval of the Capital Strategy for 2023/24 to 2027/28 to support the framework used to set and monitor the Capital Programme.
2. All Councils are required to have a Capital Strategy in place which is approved by full Council. This supports decision making and ensures Councils have a robust approval, reporting and monitoring framework in place which clearly links capital expenditure to the wider Council objectives and impact on the revenue budget.
3. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

4. It is recommended that Council approves the Capital Strategy, as set out in Appendix 2, to ensure that it fully complies with the requirements of good financial practice in capital accounting.

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Title of report: Capital Strategy 2023/24 to 2027/28

Report of: Darren Collins – Strategic Director, Resources and Digital

Purpose of the Report

1. Cabinet is asked to recommend that Council approve the attached Capital Strategy for 2023/24 to 2027/28 to support the framework used to set and monitor the Capital Programme.

Background

2. In December 2021 the Chartered Institute of Public Finance (CIPFA) revised the Prudential Code for Capital and the Code of Practice on Treasury Management to align these documents to the revised MHCLG Guidance on Local Government Investments.
3. The revised guidance emphasis is the need to ensure capital expenditure is prudent, proportional, affordable and sustainable, with greater weight placed on the assessment and management of the long-term implications of capital expenditure on the revenue budget and the delivery of the Council's policy objectives.
4. All Councils are required to have a Capital Strategy in place which is approved by full Council. This supports decision making and ensures Councils have a robust approval, reporting and monitoring framework in place which clearly links capital expenditure to the wider Council objectives and impact on the revenue budget.

Proposals

5. Cabinet is asked to recommend that Council approve the Capital Strategy attached at Appendix 1, to ensure that the Council fully complies with the requirements of good financial practice in capital accounting.

Recommendation

6. Cabinet is asked to agree the Capital Strategy as attached at Appendix 2 and recommend the Strategy for approval to Council.

For the following reason:

To ensure that the Council fully complies with the requirements of good financial practice in capital accounting.

Policy Context

1. The proposals in this report are consistent with the Council's priority of Making Gateshead a Place Where Everyone Thrives and the Medium Term Financial Strategy, in particular they ensure that effective use is made of the Council's resources to achieve the Council's priorities whilst ensuring a sustainable financial position.

Background

2. Part 1 of the Local Government Act 2003 specifies the powers of a local authority to borrow for any purpose relevant to its functions under any enactment or for the purposes of the prudent management of its financial affairs. Borrowing is linked to the CIPFA Prudential Code for Capital which sets out a range of prudential and treasury indicators that must be calculated to ensure borrowing is affordable, prudent and sustainable.
3. In addition, the revised Prudential Code requires all Councils to have in place a Capital Strategy which has been approved by full Council. To ensure Councils have a robust approval, reporting and monitoring framework in place which clearly links capital expenditure to the wider Council objectives and demonstrates the impact on the revenue budget.
4. The Prudential Code also refers to the need for a clear and integrated treasury strategy which, by the application of set prudential and treasury management financial indicators enables the Council to assess and monitor the prudence, affordability, sustainability and proportionality of the capital programme.
5. CIPFA has produced the Prudential Code, which represents best practice, adopting the attached Capital Strategy will ensure the Council fully complies with the Code and this contributes towards achieving good practice.

Capital Strategy

6. The Capital Strategy for 2023/24 to 2027/28 is attached at Appendix 2. This covers the specific capital investment activities included with the Capital Programme and the framework in place for the annual review of the five-year rolling programme.
7. The Capital Strategy ensures all decisions on capital investment support the Council's priorities and the Council's Medium Term Financial Strategy (MTFS) and sets out the decision-making, monitoring and reporting framework for capital expenditure.
8. In compliance with the Prudential Code, the Capital Strategy also sets out the Council's approach to the following areas:
 - Use of the capitalisation flexibility
 - The impact of the ongoing costs of capital expenditure on the revenue budget and if any reliance is placed on investment returns to balance the revenue budget
 - Assessment of the risks associated with the Capital Programme
 - Any restrictions around borrowing
 - Long term projections around borrowing and the repayment of debt
 - The Council's approach to capital investments

- Use of independent external advice to support decision-making
- How other long-term liabilities, such as equity investments and financial guarantees are identified and monitored.
- The level of knowledge and skills available within the Council to support informed decision-making.

Consultation

9. The Leader of the Council has been consulted on this report.

Alternative Options

10. There are no alternative options, as the Capital Strategy recommended for approval is required in order to comply with CIPFA's Prudential Code for Capital.

Implications of recommended options

11. **Resources:**

a) Financial Implications - The Strategic Director, Resources and Digital confirms that there are no additional financial implications associated with this report.

b) Human Resources Implications - There are no human resources implications arising from this report.

c) Property Implications – There are no property implications arising from this report.

12. **Risk Management Implications**

There are no risk management implications arising from this report.

13. **Equality and Diversity Implications**

There are no equality and diversity implications arising from this report.

14. **Crime and Disorder Implications**

There are no crime and disorder implications arising from this report.

15. **Climate Emergency and Sustainability Implications**

There are no climate emergency or sustainability implications arising from this report.

16. **Human Rights Implications**

There are no human rights implications arising from this report.

17. **Ward Implications**

There are no direct area and ward implications arising from this report.

18. **Background Information:**

The following documents have been used in preparation of the report:

1. Local Government Act 2003
2. CLG Guidance on Local Government Investments
3. CIPFA's Prudential Code for Capital
4. CIPFA's Code of Practice on Treasury Management

Capital Strategy

2023/24 – 2027/28

1. Purpose of the Capital Strategy

- 1.1 The purpose of the Capital Strategy is to drive the authority's capital investment ambition whilst also ensuring appropriate capital expenditure, capital financing and treasury management within the context of the sustainable, proportional and affordable long-term delivery of services.
- 1.2 The Capital Strategy supports the Investment Plan and aligns to the Council's strategic approach of Making Gateshead a place where Everyone Thrives by:
- Putting people and families at the heart of everything we do
 - Tackling inequality so people have a fair chance
 - Supporting our communities to support themselves and each other
 - Investing in our economy to provide sustainable opportunities for employment, innovation, and growth across the borough
 - Working together and fight for a better future for Gateshead
- 1.3 Local Authorities are required, by regulation, to have regard to the Prudential Code when carrying out their duties under Part 1 of the Local Government Act 2003. A key element of the code is that local authorities should have a long-term capital strategy in place that sets out the long-term context in which capital and revenue decisions are made.

2. Technical Background

2.1. The Capital Strategy is framed within the following statute and guidance:

Legislation	Professional Codes	Guidance
Local Government Act 2003 - Part 1	CIPFA	Government and CIPFA
1.1 Power to borrow 1.12 Power to invest 1.15 Regard to guidance issued 1.3 Affordable borrowing limit	Prudential Code 2021 Treasury Code of Practice 2021	Minimum Revenue Provision Local Government Investments

2.2. In response to a growing number of authorities increasing their use of non-financial investments (such as commercial property portfolios) to generate income to compensate for reducing resources supporting the delivery of their core services, the Prudential Code was updated in 2021. The revised code and guidance sought to increase transparency and to provide a single place to assess the proportionality of this activity in comparison to an authority's core services.

2.3. The Strategy is completed in line with best practice as outlined within the Chartered Institute of Public Finance and Accountancy (CIPFA) revised 2021 Treasury and Prudential Code, it:

- Applies a long-term approach.
- Explores external influences on Capital Strategy e.g. Local Enterprise Partnership (LEP).
- Examines Commercial activity/ambition.
- Determines implications of the Capital Strategy on the Financial Management Strategy.

- Ensures Council Plan priorities drive capital investment.
- Examines available resources and capacity to deliver.
- Assesses affordability against ambition and addresses any gaps.
- Identifies capital financing principles.
- Demonstrates integration with other strategies and plans.
- Identifies risks and mitigation.
- Outlines Governance, monitoring processes and procedures.

3. The Capital Planning Framework

3.1. The Capital Strategy is an integrated part of the Council's Planning framework. It has an impact on, and is impacted by, other strategies both internally and externally which include the following:

Strategy	Description
Core Strategy	Sets out the spatial planning framework to deliver economic prosperity and healthy, sustainable communities through economic and housing regeneration and new developments
Medium term Financial Strategy (MTFS)	Sets out the financial implications of delivering its key priorities, on the Council, over a five-year period whilst considering potential changes in demographics, legislation, government policies and the economy.
Health and Wellbeing Strategy	Sets the approach to achieving the vision of "Good jobs, homes, health and friends" and assists in the delivery of the Thrive agenda.
Treasury Management Strategy	Sets out the acceptable limits on ratings, investment periods, amounts to be invested and the borrowing strategy.
Asset Strategy	Details existing asset management arrangements and outcomes and planned action to improve asset use
Highways Asset Management Plan	Aims to facilitate the development and improvement of the way in which highway maintenance and management functions are carried out. This will assist in the optimal allocation of resources
Climate Strategy	Provides a framework to table climate change, allowing a collaborative approach and provide actions to contribute to the environmental goals of the Council and wider community.
Housing Strategy	Sets out the long-term vision for housing. The aim of the strategy is to ensure Gateshead continues to provide, good quality affordable homes and housing services that meet the needs and aspirations of the local people.

Strategy	Description
Digital Strategy	Enables customers to access online and mobile services, enables the council to work differently and more efficiently and enables the Council, residents, and businesses to compete in the digital world.
Economic Development Strategy	Sets the vision for the economic growth and development of Gateshead through redevelopment and inward investment

4. Principles

4.1. Capital expenditure can be defined as expenditure that results in the acquisition, construction, or enhancement of an asset (e.g., land, buildings, roads, plant and equipment), that continues to benefit the Council for a period of more than one financial year. Projects can be capitalised if they meet the definition of capital expenditure and are over the current approved de minimus of £10,000. Any item below this limit is charged to revenue.

4.2. The Prudential Code requires that authorities demonstrate that they make capital expenditure and investment decisions in line with services objectives and have proper stewardship arrangements, provide value for money, are prudent, proportional, sustainable, and affordable.

4.3. To ensure that the Council meets this requirement, it will:

- Ensure capital expenditure contributes to the achievement of the Council's Priority Outcomes.
- Ensure investment decisions make best use of resources. The impact of capital expenditure and use of resources is understood and a holistic view taken through the Medium-Term Financial Strategy. Income is not factored into the Medium-Term Financial Strategy although it is used to assess capital schemes.
- Have a clear framework for making capital expenditure decisions.
- Ensure a corporate approach to generating capital resources is established. The approach to providing funding for capital is set out in section 5 of this strategy.
- Have access to sufficient long-term assets to provide services. The Council uses statistical information, including population trends and housing development plans along with asset condition surveys and regular valuations of our assets to help plan long-term need.

4.4. Where loans to third parties are being used to fund expenditure that is classed as capital in nature, the loans will be accounted for as capital expenditure and will therefore be approved as part of the capital programme. Capital loans to third parties will only be considered where there is agreed terms of repayment, and repayments will be treated in accordance with the Council's Treasury Management Strategy.

5. Investment for Commercial Return

5.1. To date the Council has not entered any non-treasury financial investments which are purely to generate a commercial return. The Council owns a portfolio of tenanted non-residential properties which generate a revenue return for the

Council however, these properties have been held for a significant number of years and support the wider corporate priorities.

5.2. There are currently no plans to consider entering a non-treasury financial investment solely or primarily to obtain a revenue return. However, if an opportunity to do so arose the long-term financial impact and the risks inherent to the schemes would be assessed as part of the due diligence process. Where the size of the investment or the risk of the investment required external advice, this would be obtained. Cabinet would approve any potential investment to obtain a commercial return.

6. Funding

6.1. The Council's Capital Programme is funding through a range of sources including:

Source	Description
Prudential Borrowing	The introduction of the Prudential Code in 2004 allows the Council to undertake unsupported borrowing. This borrowing is subject to the requirements of the Prudential Code for Capital Expenditure for Local Authorities. This has revenue implications for the Council in the form of financing costs, including the Minimum Revenue Provision, which is considered via the annual budget setting process.
External Grants for Specific Purposes	These include grant allocations categorised for specific purposes to deliver specific schemes or outcomes. Where the Council is already funding a scheme or targeted outcome from council funding streams such as borrowing or capital receipts, then such grants will be used to reduce the use of council funding in the defined order outlined at 5.2.
External Grants for Non-Specific Purposes	These are grant allocations for the delivery of the Council's capital plans (most often from government departments), that are categorised as non-specific. These grants are used to fund the approved capital programme and reduce the Council's need to borrow.
Infrastructure Contributions e.g. S106 Contributions, Community Infrastructure Levy (CIL) etc	Some projects within the Capital Programme are funded by contributions from private sector developers. Where applicable we request contributions towards infrastructure, such as roads and transport, schools, libraries, household waste recycling centres and rights of way, relating to the development.
Other External Contributions	Organisations or partners may make a contribution towards the delivery of a specific capital project. The same principles will apply as to External Grants for Specific Purposes (see above).
Reserves and Revenue Set Aside	The Council can use revenue resources to fund capital projects, where these have been approved as part of the budget setting process or an approved business case.

	This includes specific reserves, payback from invest to save schemes or revenue contributions.
Capital Receipts	The Council can generate capital receipts through the sale of surplus assets such as land and buildings. The Council seeks to maximise the level of these resources, which will be available to support the Council's plans. This funding source will be prioritised to fund assets with the shortest useful life, such as IT equipment, to reduce the requirement to borrow for assets that attract a greater annual Minimum Revenue Provision cost.
New Homes Bonus	New Homes Bonus is a (non-specific) revenue grant given by Central Government to Councils which is based on the number of homes built or brought back into habitation in the previous year and is payable for four years. New Homes Bonus can be used to fund revenue or capital expenditure. This will be decided annually through the budget setting process
Leasing	Lease obligations are similar to borrowing as they have an ongoing revenue budget commitment. Leasing will be considered following due diligence over the life of the asset, comparing the financial and non-financial benefits and risks to the Council owning and delivering such assets itself.

6.2. The application of funding sources to capital expenditure incurred during the year will be applied in the following order, where possible, to minimise revenue implications:

- Scheme specific income e.g., specific grants, S106 contributions, Community Infrastructure Levy and Other External Contributions
- Reserves and Revenue set aside funding, where agreed.
- Non-Specific grants
- New Homes Bonus
- Capital Receipts
- Borrowing

7. Environmental, Social and Governance Considerations

7.1. In 2019 the Gateshead Council declared a Climate Emergency and set a target of achieving carbon neutrality from its activities as soon as practicable and in any event by 2030, in line with the new target for the UK agreed by Parliament in 2019. Where possible, officers will identify energy efficient methods and embed low carbon outcomes as appropriate in capital contracts.

7.2. To ensure that the costs and benefits of any potential projects is balanced with the social, economic, and environmental implications of carbon reduction initiatives, the following should be considered.

- Energy efficiency measures should be considered at the start of any capital project and included in the whole project costs when establishing a business case.
- Where possible, ESG schemes should be integrated within existing funded programmes, e.g., a boiler replacement programme should replace boilers with lower carbon alternatives as part of the capital building maintenance programme.
- A whole building approach should include whole life costings which will range from shorter to longer term pay back periods, and it may be possible to use short term savings to subsidise longer term improvements.
- Scheme Specific Funding, such as external grants and Section 106/CIL contributions should be considered and actively sought to fund projects.
- Scheme should assess whether they can include an element of lobbying of government departments to provide funding for low carbon measures, such as the Department of Education when funding new schools and major improvements.

8. Equalities Impact

8.1. Following the introduction of the Equality Act 2010 ('the EA') a public authority must, in the exercise of its functions, have due regard to the need to

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the EA;
- Advance equality of opportunity between persons who share a relevant protected characteristic (as defined by the EA) and persons who do not share it.
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

8.2. The protected characteristics set out in the EA are age, disability, race, pregnancy/maternity, religion or belief, sex, gender reassignment, and sexual orientation. Marriage and civil partnership are also protected characteristics for the purposes of the duty to eliminate discrimination.

8.3. In setting the Capital Programme, the three equality aims set out above have to be considered as a relevant factor alongside financial constraints and all other relevant considerations. The EA does not require a specific template or format for this assessment however, cases considering the public sector equality duty have held that an Equality Impact Assessment is the best way to demonstrate that the equalities impacts have been identified and considered.

8.4. Where a capital project is added to the Capital Programme, officers will have regard to the equalities impacts and this will identify whether a further impact assessment is required if the proposal is agreed.

9. Debt, Borrowing and Treasury Management

9.1. A requirement under the Chartered Institute for Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management in the Public Services is to prepare a Treasury Management Policy and Strategy setting out the Council's policies for managing investments and borrowing. The Local Government Act 2003 and supporting regulations require the Council to 'have regard to' the Prudential

Code and to set Prudential Indicators to ensure that the Council's capital investment plans are affordable, prudent, proportional and sustainable.

- 9.2. The Local Government Act 2003 permits local authorities to borrow to finance capital expenditure provided that the plans are affordable, prudent, proportional and sustainable in the long term. The Treasury Management Policy and Strategy and the Capital Programme identifies a borrowing need. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes so that sufficient cash is available to meet the capital expenditure plans.
- 9.3. Under the Prudential Code and Treasury Management Code, the Council is required to set parameters around its borrowing and treasury activity, including an authorised borrowing limit for each year which cannot be breached. Additionally, when funding capital expenditure through borrowing, the Council is required to set aside a sum from revenue each year to repay the debt, known as the Minimum Revenue Provision (MRP).
- 9.4. To ensure the separation of the core treasury function under security, liquidity and yield principles (SLY), and the policy and commercialism investments usually driven by expenditure on an asset, the Capital Strategy is reported separately from the Treasury Management (TM) Strategy. Therefore, the debt related to the activity and the associated interest costs, payback period, Minimum Revenue Provision policy or for non-loan type investments, the cost against the current market value and the financial risks are part of the Treasury Management Policy and Strategy.
- 9.5. The borrowing strategy outlines the different borrowing options available to fund the capital financing requirement and how the risk around borrowing will be managed. The prudential framework and indicators, which are set annually, ensure that the capital programme remains affordable, sustainable, proportional and prudent by setting maximum levels of overall borrowing, interest rates exposure and the total borrowing maturity exposure per period.
- 9.6. The Treasury Management Investment Strategy specifies the Council's approach to specified and non-specified treasury management investments and non-treasury financial investments. Non-treasury financial investments are investments entered into either directly or through investment in a third party primarily to generate a financial yield and are not capital expenditure.

10. Governance

- 10.1. The Council's constitution and financial regulations govern the capital programme as set out below:
- All capital expenditure must be carried out in accordance with the financial regulations and the Council's constitution.
 - Capital expenditure must comply with the statutory definition of capital purposes as defined within this document and wider financial standards.
 - The Capital Programme must be approved by Full Council as part of the Council's annual budget process. The programme is set for a five year period and reviewed annually.
 - All schemes are formally approved into the capital programme.
 - Additional schemes can be added to the capital programme during the year when there is additional external funding received, where there is an urgent health and safety issues, where the additional capital investment will support

the financial position through long term savings or additional income or where the scheme supports the priorities and require immediate action.

- Each scheme must be under the control of a responsible person/project manager.
- All variations to the Capital programme are approved by Cabinet prior to incurring expenditure.

10.2. The Council has a SMG Project Board, a cross-departmental group consisting of officers from each service department, finance, property, legal and procurement. SMG Projects oversees the development and delivery of the Council's capital programme.

10.3. For large/higher risk capital projects, a project group will be established to manage the delivery of the project. This will be a multi-disciplinary team and will usually include the project manager and, as a minimum, representatives from the Capital Team, Property Services and Design Services. In these cases, external advice may also be used to ensure all risks have been identified, assessed and are at a level that is acceptable to the Council. Monitoring of the scheme will continue throughout the project to ensure risk continues to be effectively managed.

10.4. In year, the Capital Programme is monitored and reported to SMG Projects Board, the Corporate Management Team and then to Cabinet and Full Council, on a quarterly basis, as part of the Council's budget monitoring.

10.5. Governance arrangements, including risk management (see section 10), will be reviewed to ensure that they remain fit for purpose and are in line with best practice.

11. Risk

11.1. The Council seeks to minimise its exposure to risks that are unwanted and unrewarded. Capital is managed centrally on an ongoing basis to ensure that there is sufficient liquidity in the short and medium term to meet costs and support front line services, as well as meeting long-term solvency and funding requirements.

11.2. The Council is exposed to a range of risks that could be triggered by local, national or global events resulting in, for example:

Type of risk	Description
Financial	Related to the investment of the Council's assets and cash flow, market volatility, currency etc.
Macroeconomic	Related to the growth or decline of the local economy, interest rates, inflation and, to a lesser degree, wider national and global economics.
Credit and Counterparty	Related to investments, loans to organisations, individuals and counterparties in business transactions.
Operational	Related to operational exposures within its organisation, its counterparties, partners and commercial interests.

Strategic	Related to key initiatives undertaken by the Council such as significant purchases, new ventures, commercial interests and other areas of organisational change deemed necessary to help the Council meet its Priority Outcomes.
Reputational	Related to the Council's dealings and interests, and the impact of adverse outcomes on the Council's reputation and public perception.
Environmental and social risks	Related to risk around the environment e.g., ownership of contaminated land and disposal of waste or social e.g., being a good civic organisation, which can be highlighted in the perceived relationships with employees, local community, businesses, etc.
Governance	Related to ensuring that prudence and careful consideration sits at the heart of the Council's decision-making, augmented by quality independent advice and appropriate checks that balance oversight and efficiency.

11.3. Managing the Council's risks is an area of significant focus for senior management and members, and the Council adopts an integrated view to the management and qualitative assessment of risk.

11.4. The Council aims to minimise its exposure to unwanted risks – risks that are avoidable and which carry no commensurate reward for the Council – through a range of cost-effective mitigation strategies.

11.5. To ensure that risks are minimised for the delivery of the capital programme, a structured framework of planning and monitoring is maintained as detailed in section 9, which is intended to identify those schemes at risk of non or late delivery.

12. Knowledge and Skills

12.1. Officers and Councillors involved in the decision-making process are required to have an appropriate level of skill and knowledge, or to have access to these skills, to make informed decisions.

12.2. The officers from Financial Management, involved in the day-to-day management of the Capital and Treasury Management Teams are Consultative Committee of Accountancy Bodies (CCAB) qualified accountants. Link Asset Services provide external advice and support on treasury management issues and are also available to provide advice on capital accounting issues.

12.3. For individual capital schemes which are more complex and potentially higher risk, external advice will be sought to assist with the due diligence process. Where external advice is taken, the outcome of the advice will be included within reports to Senior Officers and Councillors as part of the decision-making process.

12.4. Treasury management and capital training is available to Officers and Councillors and can include both formal training delivered by external advisor and in-house presentation around specific issues.

APPENDIX 2

GATESHEAD COUNCIL - CAPITALISATION POLICY

All capital expenditure on the acquisition, creation or enhancement of a non-current asset is capitalised on an accruals basis.

Expenditure on the acquisition of a non-current asset, or expenditure that adds to, and not merely maintains, the value of a non-current asset is capitalised and classed as a non-current asset. However, this is provided that the non-current asset yields benefits to the Council and the services it provides for a period of more than one year.

Expenditure that should be capitalised will include expenditure on the:

- Acquisition, reclamation, enhancement or laying out of land.
- Acquisition, construction, preparation, enhancement or replacement of roads, buildings and other structures.
- Acquisition, installation or replacement of plant, machinery and vehicles.
- Replacement of a component of a non-current asset that has been treated separately for depreciation purposes and depreciated over its individual useful life.

In this context, enhancement means the carrying out of works that are intended to:

- Lengthen substantially the useful life of the asset; or
- Increase substantially the open market value of the asset.
- Increase substantially the extent to which the asset can or will be used for the purposes of the Council.

The Council capitalises expenditure on developing and implementing computer software and licenses as an intangible asset, provided that the expected life exceeds one year.

The Council also capitalises Project Management costs where this is directly linked to the delivery of a major project included within the Capital Programme.

All capital expenditure creating or enhancing a non-current asset (see definitions above) will be recorded in the Council's Asset Register where the asset can be identified. Some expenditure may also relate to assets owned by a third party rather than the Council and this is capitalised as Revenue Funded from Capital under Statute (REFCUS) in accordance with accounting regulations.

The Council's de-minimis level for valuation purposes is £40,000 and £10,000 for individual items of capital expenditure, with the exception of certain external funding regimes where different levels of capitalisation are specified.

All expenditure is capitalised through the capital accounts and financed at the year-end, as long as the scheme has been approved through the Council's capital programme. This includes programmes of spending such as purchase of fleet vehicles, ICT equipment, strategic maintenance or health and safety schemes, where individual project spend could be less than the current de-minimis level.



COUNCIL MEETING

24 November 2022

BOUNDARY COMMISSION FOR ENGLAND – 2023 REVIEW OF PARLIAMENTARY CONSTITUENCIES – REVISED PROPOSALS

Sheena Ramsey, Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to agree to the Chief Executive responding on behalf of the Council to the Revised Proposals published by the Boundary Commission for England in its 2023 Parliamentary Boundary Review.
2. It is proposed that the Council makes further written representation to the Commission as part of the final consultation stage of the Review.
3. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

4. It is recommended that Council authorises the Chief Executive to prepare and submit a response to the Revised Proposals, making representation regarding matters highlighted in the attached report, following a Members' Seminar and consultation with the Leader of the Council and the Leader of the Opposition.

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TITLE OF REPORT: Boundary Commission for England - 2023 Review of Parliamentary Constituencies - Revised Proposals

REPORT OF: Mike Barker, Strategic Director, Corporate Services and Governance

Purpose of the Report

1. The purpose of this report is to inform Cabinet of the Revised Proposals published by the Boundary Commission for England ('the Commission') in its 2023 Parliamentary Boundary Review ('the Review') and seek Cabinet's agreement to recommend full Council grants authority to the Chief Executive to respond to the proposals on behalf of the Council.

Background

2. At its meeting on 22 March 2022 Cabinet agreed to recommend to full Council that the proposed changes to the Blaydon constituency and Gateshead constituency under the Review (which brought both constituencies covering the borough wholly within the borough boundary) be supported, and to authorise officers to respond accordingly as part of the formal consultation process. The recommendation was agreed unanimously by full Council at its meeting on 24 March 2022, and a written submission was made, as well as representations in person at the public hearing held in Newcastle on 28/29 March 2022.
3. The Commission has now published its Revised Proposals (8 November 2022), which differ significantly from those initially proposed.
4. The proposed constituencies covering the borough of Gateshead in the Revised proposals are set out below (showing the Gateshead wards *and neighbouring authority wards* included in each):

Blaydon & Consett	Gateshead & Whickham
Blaydon Chopwell and Rowlands Gill Crawcrook and Greenside Ryton Crookhill and Stella Winlaton and High Spen <i>Burnopfield and Dipton</i> <i>Leadgate and Medomsley</i> <i>Benfieldside</i> <i>Consett North</i>	Bridges Chowdene Deckham High Fell Lobley Hill and Bensham Low Fell Saltwell Dunston and Teams

Consett South Delves Lane	Whickham North Dunston Hill and Whickham East Whickham South and Sunnyside
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Jarrow	Washington
Felling Windy Nook and White Hills Pelaw and Heworth Wardley and Leam Lane Hebburn North Hebburn South Fellgate and Hedworth Monkton Primrose Bede Baldon Colliery	Lamesley Birtley Washington West Washington South Washington North Washington Central Washington East Castle Redhill

5. In a major shift from the Initial Proposals, in which there were two constituencies covering the Borough and wholly within the borough boundary, there are now four, three of which cross the borough boundary with South Tyneside, Sunderland and Durham. Eleven Gateshead wards (i.e. half) fall within these three constituencies, none of which bears the name Gateshead.
6. The Commission provided the following narrative in support of the revisions:

In considering all the evidence, the Assistant Commissioners noted the support from Gateshead councillors for our initial proposal of two constituencies together coterminous with the Gateshead local authority, but concluded that this advantage was outweighed by the disadvantages in terms of the disruption of local ties, particularly in Sunderland, but also into County Durham.... While regretting the loss of the two coterminous Gateshead constituencies, we acknowledge the wider benefits to be gained across the sub-region as a whole that this allows, and therefore agree with these recommendations. ('Revised proposals for new Parliamentary constituency boundaries in the North East region' BCE, November 2022)

Proposal

7. It is proposed that the Council makes further written representation to the Commission as part of the final consultation stage of the Review. This could be informed by a Members' Seminar on the Revised Proposals, in which members will be invited to comment on them and suggest representations to be made as part of the Council's written submission.

8. Potential points to make in the written submission include:

- Increase in cross-boundary constituencies affecting the borough (statutory factor b), including into a county authority (with a different local election cycle)
- Degree of change from existing constituencies (statutory factor c)
- Lack of local ties between east Gateshead and Jarrow; Lamesley, Birtley and Washington; and Blaydon and Consett: potential impact on election turnout (statutory factor d)
- Inclusion of 'Gateshead' in the constituency names to link the constituency with the borough: e.g. 'Central Gateshead' for *Gateshead and Whickham*, and inclusion of 'Gateshead East' and 'Gateshead South' with *Jarrow and Washington*, respectively.

9. The timetable and process is set out below. The current stage of the process is highlighted.

Dec 2020 – March 2021	Boundary Commission for England working with counterparts in Scotland, Wales and Northern Ireland to establish the data to be used for the review including the number of constituencies across each part of the UK.
March 2021 – May 2021	Preparing initial proposals
June 2021 – 2 August 2021	Consultation on initial proposals. An 8-week period of consultation.
Early 2022	Second period of consultation (6 weeks) and public hearings.
Late 2022	Final consultation (4 weeks) on "revised proposals".
By 1 July 2023	Final report and recommendations.
Late 2023	Recommendations made into law with new proposals being used for next General Election (but not by-elections in the interim period).

Recommendations

10. Cabinet is asked to recommend to full Council that it authorises the Chief Executive to prepare and submit a response to the Revised Proposals, making representations regarding the matters highlighted in this report, following a Members' Seminar and consultation with the Leader of the Council and the Leader of the Opposition.

For the following reason:

To enable the Council to make written representations to the Revised Proposals by the deadline of 5 December 2022.

CONTACT: Mike Barker extension: 2100

Policy Context

1. Electoral administration, political representation and community identity. (Council Pledge: *work together and fight for a better future for Gateshead.*)

Background

2. Parliamentary constituency boundaries are reviewed periodically: this is principally so that constituencies are altered occasionally to take account of changes in population. Changes are also made to reflect local government boundary changes, so that administrative boundaries coincide as much as possible.
3. The current rules for reviews were approved under the Parliamentary Constituencies Act 2020, ('the 2020 Rules') which fixed the number of constituencies in the House of Commons at 650.
4. The BCE have now been tasked to conduct a review of the parliamentary constituencies in England based on the 2020 Rules. The BCE must complete the current review and make a formal report to the Speaker of the House of Commons before 1 July 2023.
5. It is important to note that these changes have no direct bearing on the administrative area of the Council or Council functions (other than elections). However, changes may impact upon our residents who may find that their parliamentary constituency has changed.
6. The Commission is also required to ensure that each proposed constituency has an electorate as at 2 March 2020 that is no less than 95% and no more than 105% of the UK electoral quota. This quota has been calculated at 73,393. Accordingly, each constituency must have an electorate that is no smaller than 69,724 and no larger than 77,062.
7. Other statutory factors include:
 - a. Special geographical considerations e.g. mountains lakes rivers
 - b. Local Government boundaries as they exist or were in prospect on 1 December 2020
 - c. Boundaries of existing constituencies
 - d. Any local ties
 - e. The inconveniences attendant on such changes
8. Taking these requirements and other statutory factors into account, the BCE published its initial proposals for England, including the North East on the 8 June 2021.
9. The Commission's approach was to sub-divide the allocation of constituencies between the nine English regions, which have historically been the regions used at European Elections.

10. In relation to the North East Region the Commission has allocated 27 constituencies: a reduction of 2 from the current 29. The Commission's initial proposals aimed to wholly contain each of these constituencies within the North East region
11. Their initial proposals left two of the existing 29 constituencies wholly unchanged, and 11 with what they describe as only minor non-substantive changes of one to two wards.
12. As it has not always been possible to allocate whole numbers of constituencies to individual counties, the Commission grouped some county and unitary authority areas into sub-regions based on the relatively recently-created three combined authorities, which encompass the entire North East region. The number of constituencies allocated to each sub-region has been determined by the combined electorate of the included authorities. Therefore, they have found it necessary to propose some constituencies that cross county or unitary authority boundaries but are not proposing that any of the proposed constituencies cross any combined authority boundaries.
13. This has resulted in them sub dividing the region as follows

Sub-region	Existing allocation	Proposed allocation
Newcastle, North Tyneside and Northumberland	9	8
County Durham, South Tyneside and Sunderland	11	10
Gateshead	2	2
Tees Valley	7	7

14. In relation to Gateshead the electorate used (144,619) means an entitlement of 1.97 constituencies and has resulted in a proposal of two constituencies that do not cross the authority's boundaries.
15. The Commission found that the current configuration of both Blaydon and Gateshead constituencies are below the permitted electorate range and they proposed, therefore, that the new Blaydon constituency included Dunston and Teams ward from Gateshead, and that the new Gateshead constituency included Pelaw and Heworth, and Wardley and Leam Lane from the existing Jarrow constituency.
16. At that stage the Commission considered the proposals to better adhere to the statutory factors, as both resulting constituencies would have been of the right size and be wholly contained within the administrative boundaries of Gateshead. They also respected the additional statutory factors such as geographical considerations, recognised the River Tyne as an important natural boundary as well as local ties.
17. The publication of the Initial Proposals was followed by an eight week consultation period (8 June – 2 August 2021). The Commission was required to consider all written representations made to it during this time and representations have been published on the [BCE reviews website](#).

18. Cabinet considered the initial proposals on 20 July 2021 and supported the BCE proposals for Gateshead, and this was submitted into the initial consultation.
19. This was followed by a second of consultation period of 6 weeks (March – April 2022) including a number of public hearings being held across England. The Leader of the Council attended one of the hearings held in Newcastle and, in agreement with the Leader of the Opposition, spoke on behalf of all Gateshead Councillors in support of the Initial Proposals as the related to the Gateshead borough area.
20. The then Service Director, Legal & Democratic Services (Ged Morton) also spoke, confirming the formal, unanimous agreement of the Council to support the Initial Proposals.
21. The Commission published its Revised Proposals on 8 November 2022. The Commission's report *Revised proposals for new Parliamentary constituency boundaries in the North East region (November 2022)* can be found here: [2022-11-08 BCE Revised Proposals A4 report NORTH EAST Accessible.pdf](#). an interactive map showing the revised proposals, along with existing constituencies, the initial proposals, local authority boundaries, and local authority wards, is available here: [North East | BCE Consultation Portal \(bcereviews.org.uk\)](#)
22. Written representations may be made before 5 December 2022, following which the Commission intends to publish its Final Proposals and report and recommendations (which are made to the Speaker of the House of Commons) on 1 July 2023.
23. No further modifications can be made to the proposals following that date, and they then become effective from the next General Election.

Consultation

24. The Leader of the Council and Cabinet members have been consulted on the proposals and are supportive of the recommendations.

Alternative Options

25. Cabinet could choose not to respond to the BCE's Revised Proposals and not make a recommendation to the full Council; but that would mean there would be very little prospect of any changes to the Revised Proposals sought by the Council being implemented.

Implications of Recommended Option

26. Resources:

- a) **Financial Implications** – There are no direct financial implications from the proposals.
- b) **Human Resources Implications** – There are no direct human resource implications from the proposals.
- c) **Property Implications** - there are no property implications arising from the recommendations within this report

27. **Risk Management Implication** – There are no direct risk management implications from the proposals.
28. **Equality and Diversity Implications** – There are no specific Equality and Diversity Implications.
29. **Crime and Disorder Implications** – there are no Crime and Disorder implications.
30. **Health Implications** – there are no health implications.
31. **Climate Emergency and Sustainability Implications** – there are no Climate Emergency and Sustainability Implications
32. **Human Rights Implications** – there are no human rights implications arising from this report
33. **Ward Implications** – if the Revised Proposals are followed through to the final report, eleven of Gateshead's twenty-two wards (i.e. half) will be allocated within parliamentary constituencies crossing the borough boundary, and not bearing the name 'Gateshead'.
34. **Background Information** - none



COUNCIL MEETING

24 November 2022

GATESHEAD METROPOLITAN BOROUGH COUNCIL

NOTICE OF MOTION

Councillor Lynne Caffrey will move the following motion:

Council notes that:

In 2010, Gateshead Council published a policy response to Climate Change. In 2019, as a response to the global Climate Crisis, Gateshead Council declared a Climate Emergency and agreed a strategy to be Carbon Neutral by 2030.

As part of this strategy many measures have been adopted both internally and externally and we are pledged to:

- Making all our activities Carbon Neutral by 2030
- Achieving 100% clean energy across our full range of functions by 2030
- Ensuring that all strategic decisions, budgets and approaches to planning decisions, are in line with a shift to Zero Carbon by 2030
- Supporting and working with all relevant bodies towards making the entire area Carbon Neutral within the same timescale

As a Council:

- We recognise that fossil fuel investments should be considered as part of the Councils Carbon Footprint and that we owe it to future generations to ensure we do not exceed the internationally agreed temperature increase threshold of 1.5 degrees C above preindustrial global heating levels, which is predominantly caused by the burning of fossil fuels.
- We have no direct investments in Fossil Fuel companies other than those invested on our behalf as part of Tyne and Wear Local Government Pension Scheme (TWLGPS)
- We believe the TWLGPS strategy of decarbonisation of their portfolio by 2050 (agreed December 2021) rather than divestment in fossil fuels, will not be sufficient to ensure we meet our carbon neutral target by 2030.

Whilst appreciating the TWLGPS is run by Trustees, including a Gateshead Trustee, who have a fiduciary duty to protect the assets of the scheme in order to protect the pensions of beneficiaries, we believe this needs to include the long-term sustainability of the Fund's performance, which is at risk from "stranded assets" and environmental degradation.

We believe our request to the TWLGPS contained in this motion supports our Council Policy, our aspiration to be Carbon Neutral by 2030 and, the ethos of the Scheme.

This motion is simply an indicative vote as legally we have no powers to mandate the scheme Trustees, but we trust their judgment and their understanding of our need as a society to minimise harm.

Gateshead Council undertakes to:

- Re-state our commitment to becoming fully carbon neutral by 2030
- Write to TWLGPS and to Border to Coast Pension Partnership (their pooling organisation) to ask them to review their investments in fossil fuels, taking into account the latest findings of the International Institute of Sustainable Development, which confirms that no new oil and gas fields must be opened from now, if the earth's temperature is to be kept below 1.5 degrees C.
- Ask TWLGPS and BCPP to actively invest in companies that will reduce greenhouse gas emissions and minimise climate risk.

Proposed by:	Councillor L Caffrey
Seconded by:	Councillor R Beadle
Supported by:	Councillor J Adams
	Councillor L Kirton