

STEVENAGE BOROUGH COUNCIL

EXECUTIVE MINUTES

Date: Wednesday, 15 September 2021

Time: 1.00pm

Place: Council Chamber, Daneshill House, Danestrete, Stevenage

Present: Councillors: Sharon Taylor OBE CC (Chair), Mrs Joan Lloyd (Vice-Chair), Lloyd Briscoe, Rob Broom, Richard Henry, Jackie Hollywell and Jeannette Thomas.

Start / End Start Time: 1.00pm

Time: End Time: 3.51pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors John Gardner, Phil Bibby CC (observer) and Robin Parker (observer).

There were no declarations of interest.

2 MINUTES - 11 AUGUST 2021

It was **RESOLVED** that the Minutes of the meeting of the Executive held on 11 August 2021 be approved as a correct record for signature by the Chair.

The Chief Executive confirmed that a draft Executive Action Tracker had been prepared for consideration by Members ahead of the next Executive meeting.

3 MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE AND SELECT COMMITTEES

The Strategic Director (CF) confirmed that it was intended that the further report on the Council's Transformation Programme would be presented by the end of the current financial year. In the meantime, Members would receive informal updates periodically.

It was **RESOLVED** that the Minutes of the meeting of the Overview & Scrutiny Committee held on 17 August 2021 be noted.

4 COVID-19 UPDATE

The Executive considered an overarching verbal progress report from the Strategic Director (RP), together with a short presentation from the Corporate Policy & Research Officer providing an update on the latest epidemiology statistics relating to the Covid-19 pandemic.

The following matters were raised during the verbal progress report/presentation:

- Officers undertook to seek statistics regarding Covid hospitalisations, with particular emphasis of the numbers of those un-vaccinated, single-vaccinated and double-vaccinated;
- The Leader confirmed that she had circulated to Members the useful guidance produced by the Hertfordshire Public Health Officer regarding vaccination consent for 12-15 year olds;
- The Leader reported that 3 additional one year fixed term posts had been approved to help Independent Living Schemes re-open communal lounges and re-introduce social activities for residents; and
- It was acknowledged that some sectors were experiencing staff shortages (eg. HGV drivers and hospitality staff). It was pleasing to note that Stevenage Direct Services had not had to suspend any services during the pandemic, but Stevenage Leisure Limited were experiencing staffing issues, particularly with recruitment of hospitality employees.

It was **RESOLVED** that the Covid-19 update be noted.

5 TRANSFORMING OUR TOWN CENTRE PROGRAMME UPDATE AND TOWNS FUND DECISION MAKING

The Executive considered a report in respect of progress with regard to town centre regeneration, together with proposals for decision-making with regard to the Town Investment Plan projects benefitting from the Towns Fund.

The Leader commented that the report showed how exciting and busy the work on Town Centre Transformation was. The Mayor, herself and a number of other Members and officers had recently attended the opening of Co-Space, located in the Town Square North Block. Co-Space was a flexible working provision and was a fine addition to the Town Centre.

The Leader advised that good progress had been made in delivering the Town Centre Regeneration Programme and many of the aims and objectives that were set out within the Stevenage Central Framework six years ago.

The Leader stated that the report also provided an overview of the Towns Fund process so far, including the development and submission of the Town Investment Plan, and the £37.5M funding offer received from the Government, which was one of the highest in the country. The report then outlined the responsibilities of the Council as the Accountable Body and the role of the Stevenage Development Board, including the approval pathways for the Towns Fund business cases and setting out the associated timeframe. The Council had an ambitious programme and must continue to work robustly at pace to meet Government deadlines to ensure maximisation of this once in a generation opportunity.

The Assistant Director (Regeneration) added that there were 9 projects that comprised the Town Investment Plan (TIP), to be partly funded by the Towns Fund. He reminded Members that the TIP consisted of a set of projects designed to supercharge the local economy and businesses based in the town; continue the next

phase of the transformation of the town centre as a place to live, work and enjoy; and most importantly to maximise opportunities for local people.

The Assistant Director (Regeneration) advised that the Council had a crucial role to play in the delivery of the TIP, with specific responsibilities as the Accountable Body. In order to access the £37.5M funding, the Council was required to sign-off business cases and submit them to the Government by 24 March 2022. The development of business cases would draw on the expertise of a range of Council officers and external professionals.

The Assistant Director (Regeneration) explained that the report sought to confirm the internal process for the approval of business cases over the months ahead. It was proposed that a follow-on report would be presented to Full Council in October 2021 to seek delegated approval of the business cases to the Executive, including those that may require match funding above the Executive threshold in the Council's Constitution. This would enable SBC to fulfil its Accountable Body obligations by the 24 March 2022 deadline.

The Assistant Director (Regeneration) stated that for projects above the Executive approval threshold, such as the Leisure Centre scheme, a further report would be submitted to Council in due course to outline the proposed funding model and, if necessary, updated business cases once some of the feasibility and design work had been carried out. This would be after the 24 March 2022 deadline.

The Executive supported the replacement wording of Recommendation 2.4 of the report proposed by the Assistant Director (Regeneration), as follows:

“To note that all Business Cases will be prepared for submission to the Ministry of Housing Communities & Local Government (MHCLG) by 24 March 2022. A report will be prepared for a meeting of Full Council confirming the approval of Business Cases for submission to the MHCLG with delegated authority to the Executive.”

In order to meet the challenging timescales relating to the submission of Business Cases, the Leader requested officers to identify some dates for additional Executive (and possibly one Council) meetings to consider the Business Cases.

In response to Members' questions, the Assistant Director (Regeneration) replied;

- The Regeneration Team had taken on additional resources to help progress the Business Cases, and external professional support had also been engaged. Other Council Teams (particularly Planning and Finance colleagues) would also be assisting in the process. Every effort was being made to ensure that the Council had the necessary capacity to deliver the Business Case submissions;
- Correspondence from the MHCLG indicated that successful Town Fund bidders should receive an upfront payment of 5% of the total Towns Fund award. For Stevenage this was estimated to be £1.875M, to assist with the development of Business Cases and the implementation of projects. This sum had yet to be received;
- In approving the £37.5m Town Deal for Stevenage, the MHCLG had not as yet provided any supporting information regarding its rationale for approving the bid;

- The Stevenage Development Board would be required to endorse Business Cases before they were considered by the Executive. A Chair's Panel, comprising of officers, external experts (including the Development Board Theme Lead for each project) and Members, would be established to vet the draft Business Cases before submission to the Development Board/Executive; and
- The timing of any further planning approvals for projects would vary dependent on the size and complexity of each scheme. Some projects (such as the Marshgate Science Innovation Centre) already benefitted from having planning permission in place.

The Leader requested the Portfolio Holder for Resources and her Street naming Sub-Group to compile a list of potential names for the new streets arising from the Town Centre Regeneration Programme.

The Leader asked the Chief Executive to invite the Chairman of the Stevenage Development Board to future Executive meetings where Town Deal Business Cases were being considered.

The Leader requested that consideration be given to the introduction of some form of interactive Town Centre Regeneration question and answer forum be developed for inclusion on the Council and Stevenage Even Better websites.

It was **RESOLVED**:

1. That the progress of the regeneration programme, including the Queensway North regeneration scheme, Town Square co-working & heritage project, and the construction of the new bus interchange, be noted.
2. That the progress of Town's Fund programme to date, including the obligations of the Council as the Accountable Body for the Town's Fund, be noted.
3. That the creation of an Officer Panel (as set out in Paragraph 4.12 of the report) be approved, to support the discharge the Council's obligations as Accountable Body and to review and approve business cases for full approval.
4. That it be noted that all Business Cases will be prepared for submission to the Ministry of Housing Communities & Local Government (MHCLG) by 24 March 2022. A report will be prepared for a meeting of Full Council confirming the approval of Business Cases for submission to the MHCLG with delegated authority to the Executive.
5. That it be noted that there will be future decision points for a number of Council-sponsored projects, in accordance with the Council's Constitution, following approval of the Towns Fund Business Cases and release of funding by MHCLG.
6. That the inclusion of the £37.5 million within the Council's Capital Strategy be noted, and that it be further noted that this is aligned with the Heads of Terms agreement with MHCLG for the Towns Fund, and the funding profile attached to the Towns Fund grant confirmation letter. Authorisation for Council match

funding will be reserved until the relevant Business Case is approved.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

6 CORPORATE PERFORMANCE QUARTER ONE 2021/22

The Executive received a presentation from the Chief Executive concerning the Quarter One Corporate Performance report 2021/22.

Prior to the presentation, the Leader stated that the effects of the Covid pandemic had required the Council to adapt service delivery to provide support for residents and manage the Covid-related impacts, for example to scale up the Stevenage Helps and the Local Outbreak teams, supporting vaccination efforts and maintaining critical front line service delivery. Council teams had also re-prioritised workloads to address particular challenges (eg. delivering of a range of Covid-related grants).

The Leader explained that the pandemic had significantly impacted on residents and businesses in the town, which was reflected in areas of increasing demand and pressures in some service areas, such as homelessness support and advice, Council Tax and Housing Benefits, income and rents, and the capacity of the Environmental Health Team who had played a leading role in Local Outbreak Management. Whilst managing the impact and planning/supporting the recovery from Covid, the Council had worked hard to remain focussed on the delivery of agreed Future Town Future Council (FTFC) priorities.

The Chief Executive presented some slides which outlined a number of the Council's highlights during Quarter 1, and that, of the 53 Corporate Performance Indicators, 43 were at Green status; 5 were at Amber; 8 were at Red; and 1 was not available.

The Chief Executive drew attention to the 8 Red Indicators and 5 Amber Indicators. The Red Indicators related to Void Loss; Voids – sheltered; Voids – sheltered Major Works; Anti-social behaviour; Jobs created through Business Technology Centre; Complaints responded to within deadline; website satisfaction; and calls abandoned in the Customer Service Centre. The Amber Indicators were in respect of Homelessness preventions; Domestic abuse; Garage Voids; Time taken to recruit; and Non-Domestic Rates collected. He explained the reasons for these Indicators performing below target, and outlined where appropriate the measures proposed for improvement.

Discussion points raised included:

- Whilst recognising the 45% reported increase in calls to the Customer Service Centre (CSC) post the last lockdown, Members were concerned about CSC response times. An informal Executive meeting on 30 September would consider this matter further, including any further opportunities to improve the performance of the CSC;
- Notwithstanding the appointment system operated by the CSC during the pandemic, it was confirmed that customers with high priority needs continue to be seen in-person, with or without an appointment;

- It was important that back-office services worked in collaboration with the CSC with regard to efficient responding to customers;
- The response times on re-letting void properties were often skewed by the limited demand for sheltered housing units. The Leader highlighted that the Council had converted a number of bedsit units into one-bedroom homes and was continuing to do so
- In relation to the Co-operative Neighbourhood FTFC priority, the Leader asked that the issues identified during Ward walkabouts be entitled “Actions List” rather than “Community Plan”; officers were requested to ensure that there was an element of consistency with regards to action taken by the 6 Co-operative Neighbourhood Teams in respect of matters such as following up / resolving issues identified during walkabouts, guidance on the method of payment for issue resolution (ie. central budgets or Member Local Community budgets) and the promotion of Co-op Neighbourhood meetings; officers were also asked to ensure that County Councillors were invited to participate in future walkabouts;
- The Leader asked the Assistant Director (Stevenage Direct Services) to provide Members with an assessment of the success of the establishment of the new meadowland areas in the town;
- It was confirmed that the first Climate Change Citizens’ Panel group had met and that a fresh Panel would be set up for 2021/22. An annual report regarding progress on the Council’s Climate Change Strategy was scheduled to be submitted to the October Executive meeting.

It was **RESOLVED:**

1. That the delivery of priorities which form the Future Town, Future Council Programme and performance of the Council across the key themes for quarter one 2021/22, together with the latest achievements, be noted.
2. That the continued impacts of COVID-19 on the homelessness preventions service and actions to recover be noted (as set out in Paragraphs 3.60 to 3.74 of the report).
3. That the issues with sheltered voids and void loss be noted and plans to improve performance be endorsed (as set out in Paragraphs 3.75 to 3.86 of the report).
4. That issues with asbestos and the letting of Council garages and the planned measures to improve performance be noted (as set out in Paragraphs 3.91 to 3.98 of the report).
5. That work with the Business Technology Centre (BTC) to recover from the impacts of COVID-19 be monitored (as set out in Paragraphs 3.89 to 3.90 of the report).
6. That work to investigate issues with late complaint closures continues and actions be implemented to ensure complaints are dealt with in a timely manner (as set out in Paragraphs 3.99 to 3.106 of the report).
7. That issues with satisfaction of the Council website be monitored and issues be addressed utilising the new customer feedback panel (as set out in Paragraphs

3.123 to 3.125 of the report).

8. That challenges within the Customer Service Centre be noted and improvement plans endorsed (as set out Paragraphs 3.107 to 3.122 of the report).

Reason for Decision: As contained in the report.

Other Options considered: As contained in the report.

7 GENERAL FUND MEDIUM TERM FINANCIAL STRATEGY UPDATE (2020/22 - 2025/26)

The Executive considered a report providing a General Fund Medium Term Financial Strategy (MTFS) update for the period 2020/22 to 2025/26.

The Strategic Director (CF) advised that the report included General Fund projections up to 2025/26, as well as the latest COVID-related costs and 1st Quarter 2021/22 monitoring projections.

The Strategic Director (CF) stated that the projected COVID costs for parking had increased by a further £245,000 for 2021/22 and based on this, further losses for 2022/23 had also been added to the MTFS. Due to the increased income losses (with parking being the largest), the estimated income guarantee scheme income had increased by a further £164,000, which offsets some of the losses. Inflation pressures were estimated to be £746,000 for 2022/23 and this included an assumption of a 2% pay rise in the year.

The Strategic Director (CF) commented that the report showed a 1st Quarter monitoring underspend of £378,000 in year. This was mainly due to lower salary costs (in Stevenage Direct Services) and an improvement in recycling income prices.

Members noted that a Council Tax rise was estimated at 1.99% for 2022/23.

The Strategic Director (CF) advised that The Making Your Money Count target for 2022/23 was £656,000, however this was before the Government's 1.25% increase in National Insurance, which would increase costs by £140,000 before any increase in recharges to the Housing Revenue Account. It was likely that the target would need to be increased if the Government did not fund it. The MTFS included an assumption that the General Fund would contribute £300,000 to take forward the planned Transformation activities in 2022/23.

The Strategic Director (CF) undertook to provide the Leader with a breakdown of the "Other COVID spend (funded from grant)" figure of £500,210 set out in the Table at Paragraph 4.1.2 of the report.

It was **RESOLVED:**

1. That change to the Medium Term Financial Strategy (MTFS) principles, as outlined in Paragraph 4.1.6 of the report and amended in Paragraph 4.10.9, be

approved.

2. That, for modelling purposes, Council tax increases be set at the threshold of 1.99%, subject to any change in Government rules to achieve a balanced budget, as set out in Paragraph 4.6.9 of the report.
3. That the updated inflation assumptions used in the Medium Term Financial Strategy, as set out in Section 4 of the report, be approved.
4. That the approach to Making Your Money Count (MYMC) budget options, as set out in Section 4.8 of the report, be approved.
5. That an amount of £300,000 for 2022/23 be approved for inclusion in the budget setting process to support the Transformation Fund, to help deliver the MYMC Target, as set out in Paragraph 4.8.4 of the report.
6. That a Making Your Money Count Target of £2.14million (of which £1.91Million is not identified), be approved for the period 2022/23- 2024/25, as set out in Section 4.9 of the report.
7. That the potential expansion of the Revenues and Benefits Service be approved, subject to a full business case, as set out in Paragraph 4.8.11 of the report.
8. That the 1st quarter changes to the General Fund, as outlined in Section 4.3 and also in Appendix B of the report, of £377,840 net underspend, be approved.
9. That the changes to business rates and section 31 grants, as set out in Paragraph 4.5.5 of the report, be noted.
10. That the financial impact of COVID in 2021/22 and future years, as set out in Section 4.1 of the report, be approved.
11. That the use of £265,930 of COVID finance settlement funding for homeless pressures, as set out in Paragraph 4.3.10 of the report, be approved.
12. That General Fund growth be only approved for the Council's FTFC priorities and the growth allowance in the 2022/23 budget is £75,000. Growth above that level will need to be funded by further savings in addition to the £2.14Million target identified.
13. That a minimum level of balances for the General Fund of £3.46million be approved for 2021/22, as set out in Paragraph 4.10.8 of the report.
14. That the MTFs be regularly updated for any material financial pressures so forecasts are updated and then be re-presented to the Executive for approval.
15. That the Trade Unions and staff be consulted on the key messages contained within the Medium Term Financial Strategies and more specifically when

drawing up any proposals where there is a risk of redundancy.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

8 ANNUAL TREASURY MANAGEMENT STRATEGY REVIEW OF 2020/21 INCLUDING PRUDENTIAL CODE

The Executive considered a report in respect of the annual review of the 2020/21 Treasury Management Strategy.

The Strategic Director (CF) advised that there were no breaches to the Treasury Management Policy in 2020/21 and no Treasury Limits were breached during the year. The Council also had no liquidity difficulties.

The Strategic Director (CF) reported that investment balances had increased year-on-year by £15.6 Million, primarily due to COVID grants to businesses and Section 31 Reliefs in advance. However, £8.5 Million was due to be repaid to the Collection Fund relating to Section 31 reliefs in 2021/22 and the remaining balances included restricted use funds that could only be used to finance capital spend, money set aside as provisions, and monies held on behalf of others, including council tax and business rates provisions. During the year the average investment balance was £63.007 Million, earning interest of £406,682, and achieving an average interest rate of 0.65%

The Strategic Director (CF) explained that, in 2020/21, the Council spent £44.361 Million on capital projects (General Fund and Housing Revenue Account). The capital programme was funded from a combination of existing capital resources and an increase in borrowing (General Fund £0.791 Million, HRA £20.858 Million). As at 31 March 2021 the Council had total external borrowing of £218.966 Million.

The Strategic Director (CF) commented that cash balances (£69.700 Million as at 31 March 2021) enabled the Council to use internal borrowing in line with its Capital Strategy and Treasury Management Strategy. This position was kept under review taking into account future cash balances and forecast borrowing rates.

The Council has to demonstrate that borrowing is required and affordable through MRP (Minimum Revenue Repayment) for the General Fund. This did not apply to the HRA (the HRA affordability was determined in the HRA Business Plan). The calculation of MRP was based upon prior years' borrowing requirement (regardless of whether that borrowing was internal or external) and the life of the asset for which the borrowing was required. The MRP charge to the General Fund in 2020/21 was £275,775.

It was **RESOLVED:**

1. That the 2020/21 Annual Treasury Management Review be recommended to Council for approval.
2. That Council be recommended to approve that the wording in Appendix C,

Table 1 of the report (Specified Investments Criteria) be amended as set out in Paragraph 4.2.6.5 of the report, in order to allow the use of Enhanced Cash Funds included in Table 3 (Treasury Limits).

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

9 URGENT PART I BUSINESS

None.

10 EXCLUSION OF PRESS AND PUBLIC

It was **RESOLVED**:

1. That under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as described in Paragraphs 1 – 7 of Part 1 of Schedule 12A of the Act as amended by Local Government (Access to Information) (Variation) Order 2006.
2. That the reasons for the following report being in Part II were accepted, and that the exemption from disclosure of the information contained therein outweighs the public interest in disclosure.

11 PART II MINUTES - EXECUTIVE - 11 AUGUST 2021

It was **RESOLVED** that the Part II Minutes of the meeting of the Executive held on 11 August 2021 be approved as a correct record for signature by the Chair.

12 URGENT PART II BUSINESS

None.

CHAIR