

# STEVENAGE BOROUGH COUNCIL

## EXECUTIVE MINUTES

**Date: Wednesday, 17 November 2021**

**Time: 2.00pm**

**Place: Council Chamber, Daneshill House, Danestrete, Stevenage**

**Present:** Councillors: Sharon Taylor OBE CC (Chair), Lloyd Briscoe, Rob Broom, John Gardner, Richard Henry, Jackie Hollywell and Jeannette Thomas.

**Start / End Time:** Start Time: 2.00pm  
End Time: 4.01pm

### **1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were submitted on behalf of Councillors Mrs Joan Lloyd, Phil Bibby CC (observer) and Robin Parker CC (observer).

The Executive asked for its best wishes to be conveyed to Councillor Mrs Lloyd for a full recovery from illness.

There were no declarations of interest.

### **2 MINUTES - 20 OCTOBER 2021**

It was **RESOLVED** that the Minutes of the meeting of the Executive held on 20 October 2021 be approved as a correct record for signature by the Chair.

### **3 MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE AND SELECT COMMITTEES**

It was **RESOLVED** that the following Minutes of the meetings of the Overview & Scrutiny Committee and Select Committees be noted:

Environment & Economy Select Committee – 21 October 2021  
Overview & Scrutiny Committee – 26 October 2021

### **4 COVID-19 UPDATE**

The Executive considered an overarching verbal progress report from the Strategic Director (RP), assisted by the Senior Environmental Health & Licensing Manager, 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 Senior Environmental Health & Licensing Manager reported on the outcome of the Hertfordshire Health Protection Board meeting held earlier in the day. He

commented that the provisional Covid case rate in Hertfordshire had risen by 12% over the past month, mainly in the 0 - 11 years age group. The three Hertfordshire Districts showing the largest provisional increases in cases were East Herts, North Herts and Welwyn Hatfield. Concern had also been expressed in that the Government had made no commitment to continue the Contained Outbreak Management Fund allocation.

The Senior Environmental Health & Licensing Manager added that the Protection Board had been made aware of the 5<sup>th</sup> edition of revised guidance for Covid security measures for schools in the county prepared by the Director of Public Health. Concern had been expressed on the low level of Covid booster/flu vaccine take up from staff employed in care homes in the county (36% Covid booster and 15% flu jab), and this matter would be escalated via the County Care Homes Cell.

In response to Members' questions, officers replied as follows:

- the Vaccination Centre at Robertson House was administering Pfizer boosters on a daily basis, with Moderna boosters on Wednesdays and Fridays, with separate sessions for 12 to 15 year olds. Information could be obtained through the Healthy Futures website; and
- the number of complaints received by the Environmental Health Team about non-mask wearing by customers in retail outlets had been relatively low.

It was noted that the relatively low rate of vaccination rates amongst Care Home staff may be partly attributable to concerns relating to the possible side effects of the vaccine, which could result in some staff needing time off work due to sickness.

The Chair was pleased to note that there was to be a mobile vaccination unit in the Bedwell Ward for two days in December, and asked Officers to advise Members and the Communications Team when precise dates were confirmed so that appropriate publicity could be given.

The Executive was delighted to learn that Professor Jim McManus (Hertfordshire Director of Public Health) had been elected as President of the Association of Directors of Public Health. On behalf of the Council, the Chair agreed to write a letter of congratulations to Professor McManus on this achievement.

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

## **5 TOWNS FUND BUSINESS CASES - TRANCHE 1**

The Executive considered a report seeking approval of the Tranche 1 Towns Fund Business Cases, namely the Gunnels Wood Road Infrastructure project and the Marshgate Biotech/Life Science Centre project.

The Portfolio Holder for Environment & Regeneration began by advising that business cases for both projects had received the full endorsement of the Stevenage Development Board.

In respect of the Gunnels Wood Road scheme, the Portfolio Holder for Environment

& Regeneration advised that this related to Stage 1 of the project, namely the preliminary feasibility and design work to introduce a new roundabout at the A1(M) Junction 7/A602 intersection. The improvements were required in order to accommodate increased employment capacity on the GlaxoSmithKline/Stevenage Bioscience Catalyst campus, as well as being vital to the overall growth of Stevenage. Stage 1 of the project would be funded by £1m from the Towns Fund and £1M from Hertfordshire LEP. It was noted that Stage 2 of the project, the construction works, was currently unfunded and was estimated to cost £9M. It was hoped that funding would be forthcoming from the Department of Transport.

In respect of the Marshgate Biotech Centre scheme, the Portfolio Holder for Environment & Regeneration advised that the Council had worked in partnership with Reef to progress this project, which had taken less than a year to come to fruition, with construction commencing in early November 2021. The Biotech Centre would be occupied by Autolus, who were already a successful company on the Stevenage Bioscience catalyst site who had developed drugs to treat cancer, and who now wished to occupy expanded premises to market their products in Europe as well as the USA. The project would be funded by £1.75M from the Towns Fund and over £48M from Private Sector finance.

The Portfolio Holder for Environment & Regeneration stated that the Biotech Centre would provide benefits to residents in Stevenage and beyond, in terms of the skills and employment opportunities in the bioscience field. It would help diversify the uses in the Town Centre to the benefit of existing town centre retailers and hospitality outlets, as well as providing improvements to the public realm in the area. It was anticipated that the new building would be completed and occupied within the next two years.

The Assistant Director (Regeneration) advised that, whilst the majority of funding for the project was committed from the private sector, an Accountable Body Agreement was in place between the Council and developer to condition and control the use of public sector funding.

In reply to a question regarding the Gunnels Wood Road project, the Assistant Director (regeneration) clarified that the term “Hamburger” roundabout was another term for a gyratory type of roundabout. Members also considered that any works to the A1(M) Junction 7 area should be mindful of the need to secure improvements to pedestrian and cycleway links to Knebworth Park.

In respect of the Marshgate project, the Chair pointed out that this and a number of the other Town Centre projects would result in a loss of surface level car parking, but that this should be balanced with the fact that the St. George’s Multi-Storey Car Park and other town centre car parks were currently operating with over 1,000 vacant spaces daily. In addition, plans were progressing for a new Multi-Storey Car Park in the Railway Station area, a report on which was scheduled for submission to the Executive in December 2021.

Members were supportive of both schemes, and the Executive wished to record its thanks to the Assistant Director (Regeneration) and his Team, other supporting officers from areas including Finance, Planning and Legal. The Executive also

wished to record its thanks to the Stevenage Development Board for their tireless work on the Town Fund projects.

It was **RESOLVED**:

1. That the endorsement of the projects from the Stevenage Development Board be noted.
2. That the business case for Project 1, Gunnels Wood Road Infrastructure Works Stage 1 (design & enabling works), be approved, and that authority be delegated to the Strategic Director (TP) to submit the project summary to the Department for Levelling Up, Communities and Housing Towns Fund team on behalf of the Council (acting as Accountable Body).
3. That the business case for Project 2, Marshgate Biotech/Life Science Centre, be approved, and that authority be delegated to the Strategic Director (TP) to submit the project summary to the Department for Levelling Up, Communities and Housing Towns Fund team on behalf of the Council (acting as Accountable Body).

*Reason for Decision: As contained in the report.*

*Other Options considered: As contained in report.*

## **6 2021/22 MID YEAR TREASURY MANAGEMENT REVIEW**

The Executive considered a report in respect of the Mid Year Treasury Management Review 2021/22.

In the absence of the Portfolio Holder for Resources, the Chair advised that the report showed that cash balances were projected to be £72.4Million by 31 March 2022. However, all of these sums had been committed to be spent, were planned to be used/drawn down or were being held on behalf of others. Unless it was determined that allocated reserves were no longer needed in the future, there were currently no cash resources available for new projects. In addition, the capital programme approved by on Executive 20 October 2021 required external borrowing of £34.503Million in 2021/22.

The Chair stated that no updates had been identified to the Investment Criteria or to the Minimum Revenue Provision (MRP) policy since the last reviews undertaken. There had been one change to available investment options. Since the last Treasury report, the application to add the CCLA Public Sector Deposit Fund Money Market fund was completed and they had been added to the portfolio, due to the closure of the Amundi Money Market Fund.

The Chair explained that, as at 30 September 2021, total borrowing was £218.835Million, and was forecast to rise to £252.432Million if all approved borrowing was taken as per the revised capital programme approved by the Executive on 20 October 2021. The average yield on investments was 0.36% for April to September 2021. The average yield for 2020/21 was 0.98%. This related to the ultra-low Bank of England Base Rate. The average yield was expected to

reduce to 0.31% for the full 2021/22 financial year, as current fixed term investments matured and were replaced with new investments at current lower market rates. There had been no breaches of the Treasury Management Strategy during the year to date.

It was **RESOLVED**:

1. That Council be recommended to approve the 2021/22 Treasury Management Mid Year review.
2. That Council be recommended to approve the list of approved Countries (with approved counterparties) for investments, as set out in Appendix D to the report.
3. That the updated authorised and operational borrowing limits, as set out in Appendix A to the report, be approved.
4. That the impact of the outstanding decision set out in Paragraph 4.1.4 of the report be noted.

*Reason for Decision: As contained in report.*

*Other Options considered: As contained in report.*

## **7 2ND QUARTER GENERAL FUND AND HRA REVENUE BUDGET MONITORING REPORT 2021/22**

The Executive considered a report in respect of Second Quarter Revenue Budget Monitoring 2021/22 (General Fund and Housing Revenue Account).

In the absence of the Portfolio Holder for Resources, the Chair advised that, in relation to the General Fund, the net underspend was £85,600, although there were a number of significant positive and negative variances within that sum. For example, recycling income, which improved against target by £193,000 in Quarter 1, was now showing a further up tick by £65,000. However, the 2021/22 budget had been reduced by £120,000 due to price volatility.

The Chair explained that car parking was expected to be £200,000 lower than the already reduced base (£1.5Million in the 2021/22 budget), but that it now looked like the Council would lose £1.5Million and not the £1.7Million reported at Quarter 1.

The Chair stated that the increased income had been offset by some in-year salary pressures, which had included the cost of applying market forces for HGV drivers and a slightly higher cost related to the community transport drivers before the service ceased. There was also an increase in homeless costs of £62,000 which brought the total for 2021/22 up to £568,000. The Council had also received £105,000 to support vulnerable renters, targeted towards preventing evictions from the private rented sector.

Members noted that Covid costs were reported as a net cost of £1.29Million for 2021/22 and, at the time of writing the report, the Council had issued £5.1Million of

business grants, £86,000 for track and trace payments and £237,000 of hardship funding

In respect of the Housing Revenue Account (HRA), the Chair reported adverse variances of £231,000. There were three large variances, as follows:

- the cost of Repairs and Voids (increased deficit of £270,000) due to higher cost of sales (materials) and lower income through less work being completed. Income was up 19% versus this time last year, but remained at lower than normal levels seen before the Covid pandemic;
- rental income was £283,000 lower than budgeted and included an additional £172,000 of void loss; and
- a positive which partially offset the variances noted above and related to lower borrowing costs, as interest rates had reduced from what was budgeted and not all loans had been taken yet.

The Chair referred to comments in the report on how the waking watch (on the tower block prior to sprinkler installation) had been funded from budgets in the HRA.

In relation to the situation regarding void properties, the Assistant Director (Stevenage Direct Services) was requested to provide a full update on this matter as part of the Quarter Two Corporate Performance report to be submitted to the December 2021/22 meeting of the Executive.

The Chair undertook to enquire of Hertfordshire County Council as to their plans for allocation of the remaining hardship funding provided by the Government to upper tier local authorities.

The Executive supported an additional recommendation proposed by the Chair that the Council write to the Secretary of State to point out the significant increasing budget pressures that local authorities are under due to the rise in levels of homelessness.

It was **RESOLVED:**

1. That the 2021/22 Second Quarter projected net decrease in General Fund expenditure of £85,600 be approved.
2. That the use of the additional grant funding of £105,000 for vulnerable private renters, as set out in Paragraph 4.1.12 of the report, be noted, and that a corresponding increase in expenditure to reflect the use of the grant be approved.
3. That it be noted that the cumulative changes made to the General Fund net remains within the £400,000 increase variation limit delegated to the Executive, as set out in Paragraph 4.1.23 of the report.
4. That the 2021/22 Second Quarter projected net increase in HRA expenditure of £231,690 be approved.

5. That it be noted that the cumulative increases made to the HRA net budget remains within the £250,000 increase variation limit delegated to the Executive.
6. That the Council write to the Secretary of State to point out the significant increasing budget pressures that local authorities are under due to the rise in levels of homelessness.

*Reason for Decision: As contained in report; and 6. To make the Government aware of local authority budget pressures regarding homelessness.*

*Other Options considered: As contained in report.*

## **8 URGENT PART I BUSINESS**

### Community Renewal Fund

The Chair was delighted to report that, following a successful bid, Hertfordshire had been awarded £3.26M from the Community Renewal Fund, of which the sum secured with regards to Community Wealth Building was £715,000. The funding would be used to support residents who were out of work to develop skills to help them secure local jobs, and could also be used to support small businesses and social enterprises to grow and benefit from wider economic opportunities that were available in Stevenage and elsewhere across the County.

The Chair added that the Community Renewal Fund had recognised Stevenage's "STEM city", science and technology companies, and the opportunities available in the town, including working with North Herts College and leading companies based in the Borough to support the creation of jobs and opportunities for local people to forge careers in a wide range of cutting edge businesses.

The Chair thanked officers for their work in preparing the bid to the Community Renewal Fund.

## **9 EXCLUSION OF PRESS AND PUBLIC**

It was **RESOLVED:**

1. That under Section 100(A) 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 reports being in Part II were accepted, and that the exemption from disclosure of the information contained therein outweighs the public interest in disclosure.

## **10 LEISURE MANAGEMENT OPTIONS APPRAISAL**

The Executive considered a Part II report which outlined a comprehensive appraisal of management options for the Council's leisure, cultural and health and wellbeing

service delivery and which made a number of recommendations on proposed management arrangements from April 2023.

It was **RESOLVED** that the Recommendations contained in the report be approved.

*Reason for Decision: As contained in report.*

*Other Options considered: As contained in report.*

## **11 URGENT PART II BUSINESS**

None.

### **CHAIR**