

STEVENAGE BOROUGH COUNCIL

EXECUTIVE
MINUTES

Date: Wednesday 22 February 2017

Time: 14.00 hrs.

Place: Shimkent Room, Daneshill House, Stevenage SG1 1HN

Present: Councillors S Taylor OBE CC (Chair), J Gardner (Vice-Chair), Mrs J Lloyd, R Raynor and J Thomas

Start/End Time: Start Time: 14.00 hrs.
End Time: 16.00 hrs.

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors R Henry CC and S Speller.

There were no declarations of interest.

2. MINUTES – EXECUTIVE – 24 JANUARY 2017

It was **RESOLVED** that the Minutes of the meeting held on 24 January 2017 are approved as a correct record for signature by the Chair.

3. MINUTES – OVERVIEW & SCRUTINY COMMITTEE AND SELECT COMMITTEES

The Executive thanked the Community Select Committee for its work on the Damp and Mould study. In relation to recommendation 2 of that report Members suggested that officers gave further thought to staff training with regards to dealing with sensitive issues for tenants and leaseholders in addition to damp and mould.

It was **RESOLVED** that the Minutes of the following meetings of the Overview & Scrutiny Committee and select Committee are noted -

- A. Community Select Committee – 11 January 2017
- B. Environment & Economy Select Committee – 18 January 2017
- C. Overview & Scrutiny Committee – 25 January 2017

4. TREASURY MANAGEMENT REVIEW INCLUDING PRUDENTIAL CODE INDICATORS 2017/18

The Executive considered a report for recommendation to Council that detailed a review of the current Treasury Management and Investment

Strategy including prudential indicators.

The Portfolio Holder for Resources expressed the view that Council should be recommended to implement the revised arrangements from 1 March 2017 rather than waiting for the new financial year.

Having considered the comments from the Audit Committee regarding the use of property funds, the Executive concurred that the Assistant Director (Finance & Estates) should also consult with that Committee, not just the Chair.

The Executive recorded its thanks to Clare Fletcher and her team for the review.

It was **RESOLVED** that Council be recommended to approve the following recommendations with effect from 1 March 2017 -

1. That the Treasury Management Review be approved.
2. That the increase in the Treasury Limit for "Fixed Rate more than 12 months to maturity" to £10Million when balances are in excess of £30Million be approved.
3. That the use of short term borrowing where appropriate be noted.
4. That the total limit on the amount of funds invested in Money Market Funds be removed.
5. That the use of property funds, subject to market conditions and following consultation with the Resources Portfolio holder and the Audit Committee, be approved up to a maximum of £3Million.
6. That the use of enhanced cash funds up to a limit of £3Million be approved.
7. That the opening of a custodian account and the use of the Certificates of Deposits (held to maturity) up to a maximum of £5Million be approved.
8. That the 2017/18 Treasury Management Strategy as set out Appendix A to this report be approved.

Reason for Decision: As contained in the report.

Other Options Considered: As contained in the report.

5. INVESTING IN PLAY AREAS

The Executive considered a report that set out the current play area provision and that sought views on future investment into unsupervised play spaces in Stevenage.

Following an introduction from the Portfolio Holder for Environment & Regeneration the Executive received a presentation from the Environmental Performance & Development Manager on the proposals.

The view was expressed that there should be an official opening event as there had been in Bedwell Park, for the other 5 play areas that had been subject to significant investment this year. Officers confirmed that this was in hand.

The Environmental Performance & Development Manager replied to a number of Members' questions and stated that colleagues were already working with Neighbourhood Wardens regarding the upkeep of sites. She explained that consultation had been undertaken for play areas at Leaves Spring and Archer Road so that, subject to the Executive's approval, work could be undertaken before the School Summer Holidays.

Concerning the play area at Bray Drive, officers were looking to resolve the issue of ownership and it was suggested that if it was the Council a Community Asset Transfer could be investigated.

In response to Members' questions the Environmental Performance & Development Manager stated that equipment would not be removed from sites until improvements were to be undertaken, unless it was on safety grounds.

The Executive was of the view that it was important to publicise this initiative and get people involved in the consultation. Additionally a Play Map should be developed showing the three types of sites and that there was comprehensive local signage to the play areas.

Members recorded their thanks to the officers who had been involved in this work, particularly Julia Hill and Gordon Drake.

It was **RESOLVED**:

1. That approval is given to Option 1 for the delivery of high quality equipped play spaces, which will:

- double the number of primary play spaces making provision for 0-16 year olds,
- increasing the number of play spaces suitable for teenagers,
- improving a further 10 local play spaces to provide play landscapes.

2. It is noted that a detailed play space strategy will be prepared on Option 1 that will be subject to consideration of the Environment and Economy Select Committee and reported to the Executive.

3. That it is noted that a major investment allocation of £1,488,700 is already included within the capital programme to support the delivery of these improved play areas.
4. That investment be delivered, over five years, as a module of the Future Town Future Council Co-Operative Neighbourhood Management (CNM) programme with the decision on the proposed future status of individual play spaces being subject to consultation with Ward Councillors and the development of a play space strategy.
5. That consultation on the content and design of play spaces be determined by local children, young people and residents as the investment programme is rolled out, and in line with co-operative neighbourhood management priorities.
6. That it is noted that a further capital investment allocation will be required in 10-15 years to ensure the continued delivery of high quality play areas for children and young people in Stevenage.
7. That it is noted that an additional £36,971 funding is included within the revenue budget to enable an additional, dedicated operative to improve the standard of cleanliness and maintenance and provide more timely repairs.

Reason for Decision: As contained in the report.

Other Options Considered: As contained in the report.

6. 2017/18 FINAL CAPITAL FORWARD PLAN & 5 YEAR CAPITAL STRATEGY UPDATE

The Executive considered a report that recommended revisions to the 2016/17 General Fund and Housing Revenue Account Capital Programme and approval of the Capital Programmes for 2017/18 for recommendation to Council.

Having considered the report the Executive was of the view that the proposals to fund drainage work at the golf course (£345,000) could not be viewed as a priority at this time.

It was **RESOLVED** that the following proposals be recommended to Council on the 28 February 2017;

1. That the revised General Fund and HRA 2016/17 capital programme, as detailed in Appendix A and Appendix C to this report be approved.
2. That the 2017/18 General Fund Capital Programme as detailed in Appendix A to this report be approved subject to the removal of the Golf Course drainage work project.
3. The 2017/18 HRA Capital Programme as detailed in Appendix C to this

report be approved.

4. That the updated forecast of resources as summarised in Appendix A (General Fund) and Appendix C (HRA) to this report be approved.

5. That the transfer of any unused General Fund borrowing costs to the Capital Reserve, (paragraph 4.4.3 refers) be approved.

6. That the growth bids identified for inclusion in the Capital Strategy (Appendix B and D) be approved subject to the removal of the Golf Course drainage work project.

7. That the work undertaken by LFSG on behalf of the Executive in reviewing and challenging the General Fund Capital Strategy be noted.

8. That a review of site disposals is carried out during 2017/18 to see if the timing of the sites in the programme can be brought forward for disposal and if any additional/alternative sites can be identified.

*Reason for Decision: As contained in the report and that the drainage work at the Golf Course was not considered to be a priority given the limited funds.
Other Options Considered: As contained in the report.*

7. 2017/2018 COUNCIL TAX SETTING AND GENERAL FUND BUDGET

The Executive considered a report concerning the Council's General Fund Budget for 2017/18 and projected 2016/17 General Fund Budget and proposals for the 2017/18 Council Tax for recommendation to Council.

The Executive recorded its thanks to the Assistant Director (Finance & Estates) and all her colleagues involved in drafting a balance budget.

The Chair indicated that she would be reporting on proposals for the New Homes Bonus at the Council meeting on 28 February although this had been much reduced by the Government.

It was **RESOLVED** that the following proposals be recommended to Council on 28 February 2017:

1. That the 2016/17 revised net expenditure on the General Fund of £10,139,310 be approved.

2. That General Fund Budget Requirement for 2017/18 of £8,950,125, with a contribution from balances of £432,095 and a Band D Council Tax of £198.52 (assuming a £5.00 on a band D or a 2.58% increase) be approved.

3. That the advice of the Assistant Director (Finance and Estates) on the robustness of the draft budget and the adequacy of reserves (Appendix C) be noted.

4. That a minimum level of General Fund reserves of £2,656,938, in line with the 2017/18 risk assessment of balances, as shown at Appendix H to this report, be approved.
5. That the contingency sum of £400,000 within which the Executive can approve supplementary estimates, be approved for 2017/18, (unchanged from 2016/17).
6. That the 2017/18 proposed Fees and Charges increase of £190,030 (Appendix F) be approved.
7. That the 2017/18 proposed concessions (Appendix G) be approved.
8. That the 2017/18 proposed Financial Security budget options of £226,190 (Appendix D) be approved.
9. That the 2017/18 proposed Growth options of £143,700 (Appendix E) be approved.
10. That it be noted that the General Fund Medium Term Financial Strategy continues to meet the financial objectives set by the Chief Finance Officer

Reason for Decision: As contained in the report

Other Options Considered: As contained in the report.

8. CORPORATE PROCUREMENT STRATEGY 2016-2020

The Executive considered a report that recommended the Corporate Procurement Strategy 2016 – 2020.

In reply to a Member's question the Assistant Director (Finance & Estates) confirmed that savings made on procurement would be monitored.

The Executive suggested that the Mission Statement and Procurement Vision should be revised to reference the importance of local procurement, recognising the relevant legal / procurement boundaries, with a view to encouraging investment within the Town's economy.

It was **RESOLVED** that the updated Procurement Strategy for 2016 – 2020 be adopted subject to the redrafting of the Mission Statement and Procurement Vision to be agreed by the Leader in consultation with the Portfolio Holders for Resources and Economy, Enterprise and Transport.

Reason for Decision: As contained in the report and to ensure that the Mission Statement and Procurement Vision reflect the Council's view on local procurement.

Other Options Considered: As contained in the report.

9. DRAFT PROPERTY INVESTMENT STRATEGY

The Executive considered a report that outlined proposals for a draft Property Investment Strategy for 2017/18 – 2019/20 and recommended an initial investment of £15m in Property Investment to be resourced from prudential borrowing.

It was RESOLVED:

1. That the draft Property Investment Strategy 2017/18 – 2019/20, attached at Appendix 1, be approved.
2. That the new Assets and Capital Board, as part of their terms of reference recommend/reject the purchase of investments including the sanctioning of formal offers and counter offers be approved (paragraph 4.3.2 refers).
3. That delegated authority be given to the Strategic Director (Environment) and the Assistant Director (Finance & Estates), following consultation with the Portfolio Holder for Resources and taking advice from the Borough Solicitor to approve completion of investment purchases.
4. That a capital budget of £15,000,000 to support the Investment Property Strategy be approved.
5. That the Treasury Management Strategy be amended to include prudential borrowing of £15,000,000 be approved.
6. That it is noted that if additional resources to manage the portfolio are required, then a supplementary bid will be made as part of the quarterly monitoring process.
7. That a target of £200,000 income contribution to the General Fund per year is approved in approving the capital budget of £15Million (para 7.3 refers).
8. That Financial Regulations are amended to exclude property investment purchases from reporting requirements as set out in section 2 of the regulations, (Budget Setting-Capital) if within the tolerances set out in the Investment Strategy and the sums approved.
9. That the income generated above the budgeted annual income amount generated from the Investment Strategy be set aside in an allocated reserve to allowing smoothing of peaks and troughs in income levels (paragraph 7.6 refers) and/or to fund any future property investments.
10. That that the proceeds from the sale of “property investment” assets sold within the life of the Strategy, including those within the existing commercial portfolio, be ring-fenced to refund any borrowing taken and/or support new investments.

11. That an annual report be presented to the Executive on the progress of the Strategy, and progress against the target reported as part of the quarterly monitoring process (paragraph 4.3.3 refers).

12. That the decisions taken by the Executive on the above recommendations be referred to the Overview & Scrutiny Committee for comment as a Budget and Policy Framework item.

Reason for Decision: As contained in the report

Other Options Considered: As contained in the report.

10. URGENT PART 1 BUSINESS

None

11. 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 it involves the likely disclosure of exempt information as described in paragraphs 1-7 of Part 1 of Schedule 12A of the Act, as amended by SI 2006 No. 88.

2. That having considered the reasons for the following items being in Part II it be determined that maintaining the exemption from disclosure of the information contained therein outweighs the public interest in disclosure.

12. STEVENAGE FOOTBALL CLUB – NORTH STAND

The Executive considered a Part II report concerning a proposal from Stevenage Football Club (SFC) regarding the development of the North Stand.

It was **RESOLVED** that the recommendation in the report be approved.

Reason for Decision: As contained in the report

Other Options Considered: As contained in the report.

13. LEASEHOLDER PAYMENT OPTIONS (MAJOR WORKS) POLICY

The Executive considered a Part II report that sought approval of the draft Leaseholder Payment Options (Major Works) Policy.

It was **RESOLVED** that the recommendations in the report be approved.

Reason for Decision: As contained in the report

Other Options Considered: As contained in the report.

14. URGENT PART II BUSINESS

None

Chair