

Meeting: EXECUTIVE

Agenda Item:

7

Portfolio Area: Resources

Date: 14 MARCH 2017



NEW HOMES BONUS – 2017/18 SCHEME ALLOCATIONS

KEY DECISION

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1 PURPOSE

- 1.1 To approve a range of schemes and initiatives to be funded from the 2017/18 New Homes Bonus allocation.
- 1.2 The Leader announced the proposals at the Council meeting on 28 February 2017 and this report was considered by a meeting of the Overview & Scrutiny Committee on 2 March as the proposals form part of the budget but had not been considered by that Committee. The comments from the Overview & Scrutiny Committee are set out in the summary of decisions at Appendix A. Typographical errors raised by the Committee have been addressed.

2 RECOMMENDATIONS

- 2.1 That an allocation of £445,191 from the 2017/18 New Homes Bonus allocation be approved for the implementation and delivery of the following schemes :

Initiative 1 - Enhancing Life Chances (Child poverty support, for vulnerable families in Stevenage) -£40,000;

Initiative 2 - Stevenage Festival of Cycling (CycleFest – First and Best) - £90,000;

Initiative 3 - Acknowledging the end of World War 1 -£3,000;

Initiative 4 - No More Service- £80,000;

Initiative 5 - Homelessness Initiative 'Next Steps' Neighbourhood -£46,491

Initiative 6 - Woodland Burials -£20,000

Initiative 7 - Neighbourhood wardens (extension of current provision)-
£36,200

Initiative 9 - Funding to facilitate new Residents Groups -£4,500

Initiative 10 (part) - Co-operative Neighbourhood Management (revenue) -
£120,000

Initiative 11 - Memorial for Councillor Sherma Batson -£5,000

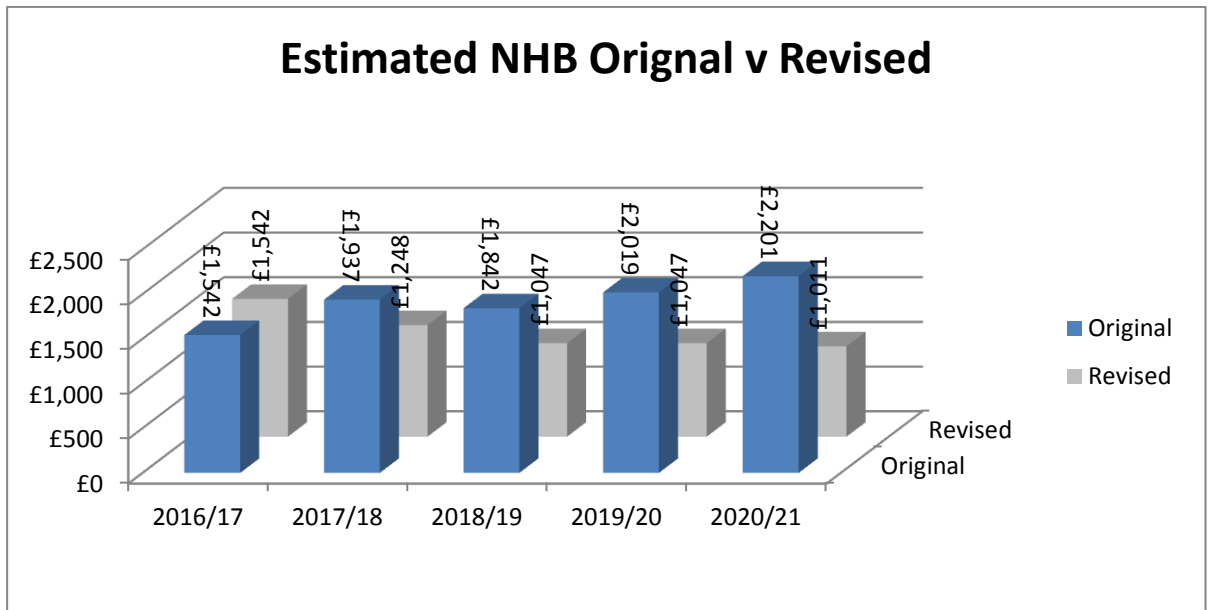
- 2.2 That an allocation of £100,000 be approved from New Homes Bonus funding to support the on-going apprenticeship programme for 2017/18 (Initiative 8).
- 2.3 That the 2017/18 contribution to the Capital Strategy for the Co-operative Neighbourhood programme as included in the 2017/18 Capital Strategy of £430,000 be noted.

3. BACKGROUND

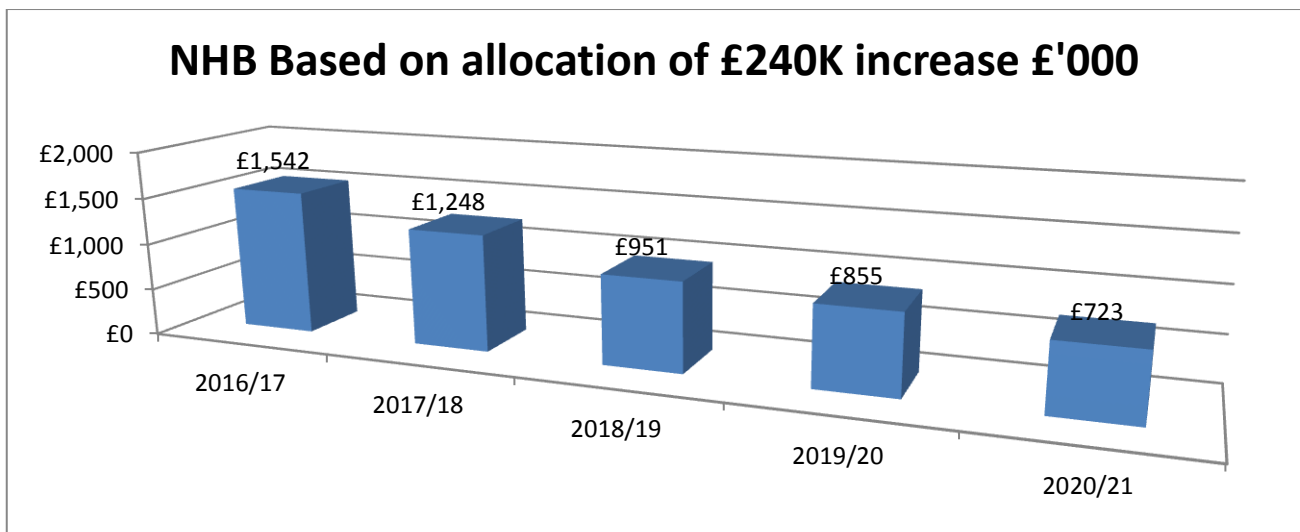
- 2.4 The New Homes Bonus scheme was originally designed to be a financial incentive for Council's to deliver housing growth and as such replaced the Housing and Planning Development Grant. It was also intended to make the link between growth and new finance more visible.
- 2.5 The original scheme started in April 2011 matching the additional Council Tax raised for new homes and properties brought back into use, with an additional amount of £350 for each affordable home for the following six years. In two tier areas the New Homes Bonus is split 80/20 between the District and County Councils.
- 2.6 The mechanism for determining the number of additional properties is to take the council tax base form completed by Council's in October, called the CTB1 and compare the number of properties between the current and previous year, less any long term empty properties. The value then applied is at 80% of the equivalent national average value Band D property.
- 2.7 The Government signalled its intent to reduce the number of years a NHB amount once awarded is given, from six to four years. The scheme had been consulted on in 2016 (closing date 10 March 2016) but no announcement was made until December 2016.
- 2.8 In December the new scheme was announced and it did reduce the amount of NHB from six to four years as indicated in the consultation, but with five years being awarded in 2017/18 reducing to four years in 2018/19 (this was not

explicit in the original consultation). But, when the scheme was announced in December 2016, the Government only awarded NHB above a 40% threshold and has top sliced some funding for adult social care, neither of which were consulted on.

2.9 The Final General Fund budget report to the February Executive summarised the difference between the original and revised scheme, based on £290K per year allocation (after a 40% reduction has been made), which is in line with the 2017/18 award.



2.10 However, in prior years the amount of annual award has been in the region of £250K before the 40% reduction, this would mean by 2020/21 an award of £723K compared to £1.011Million based on the chart above.



- 2.11 It has been the Council's policy to date not to transfer the NHB to the General Fund in total, only £200,000 has been added to the General Fund base budget from NHB (and £250,000 for capital). It continues to be the view of the Assistant Director (Finance and Estates) that it is prudent to use NHB funding to support one-off projects rather than support on-going revenue spend on services.
- 2.12 The NHB allocation has funded a number of priority initiatives over the last few years. These include the apprentice programme, prevention of domestic abuse, no more project, homelessness prevention and the Co-operative Neighbourhood Improvement Programme. The impact of the NHB funding reduction will mean a review of a number of schemes that have been supported in previous years to determine whether they should be a permanent service/activity funded via growth in the General Fund, or ceased.
- 2.13 New Homes Bonus is a un-ring fenced grant. However as any year's award is currently given for five years 2017/18 and thereafter four years (previously six years), this is the seventh year of the New Homes Bonus scheme. The grants awarded to Stevenage BC are as follows:

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Year 1	£84,562	£84,562	£84,562	£84,562	£84,562	£84,562	
Year 2		£495,367	£495,367	£495,367	£495,367	£495,367	
Year 3			£222,712	£222,712	£222,712	£222,712	£222,712
Year 4				£218,424	£218,424	£218,424	£218,424
Year 5					£240,228	£240,228	£240,228
Year 6						£275,661	£275,661
Year 7							£290,969
One off allocation			£19,048	£7,725	£7,570	£5,413	
Total	£84,562	£579,929	£821,689	£1,028,790	£1,268,863	£1,542,367	£1,247,994

- 2.14 Based on the allocations above, the total payments to the Council up to 2016/17 have been £6,574,194.

3 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

- 4.1 A number of New Homes Bonus proposals were announced as part of the Leader's Budget Speech at Council on 28 February 2017.
- 4.2 The following schemes for the 2017/18 New Homes Bonus have therefore been identified for implementation:

Initiative 1 : Enhancing Life Chances (Child poverty support, for vulnerable families in Stevenage)	
Lead Portfolio Holder : Children, Young People and Leisure	
Allocation : £40,000	Delivery Lead : Assistant Director Communities and Neighbourhoods
Timescales : Activity commencement to be confirmed post discussion with the agencies noted at 4.3 below.	
Priorities Supported : Connecting to our Customers, Partner of Choice	

- 4.3 This scheme will be working with groups like the Citizen’s Advice Bureau (CAB) and Money Advice Unit to provide bespoke financial and debt management planning, advice, support, benefits and housing advice and guidance to vulnerable families in Stevenage.
- 4.4 By way of example some of the funding could be used to work with families to ensure an increase take-up of disability benefits and child tax credit in advance of Universal Credit being implemented in 2018. Families who make claims in advance of the transfer will have a ‘protected’ level of income, not available to those with equivalent conditions who do not apply for benefits until after UC roll-out. There is likely to be an increased need given the benefit cap, 2-child limit and universal credit all taking effect in the next year or so, (starting May 2017).
- 4.5 In addition officers will explore the possibility of issuing baby boxes to vulnerable infants possibly in conjunction with centres such as children’s centres in Stevenage.

Initiative 2 : Stevenage Festival of Cycling (CycleFest – First and Best)	
Lead Portfolio Holder : Children, Young People and Leisure	
Allocation : £90,000	Delivery Lead : Assistant Director Communities and Neighbourhoods
Timescales : A wide range of events from Easter until October with a highlight of hosting a combined HCC Tarmac Tour Launch and final round of the Tour 2017 series on May 29 Bank Holiday Monday.	
Priorities Supported : Cooperative Neighbourhood Management	

- 4.6 The proposed Stevenage Cycling festival would include the following:
- Family Cycle training 5 sessions planned starting Easter school Holidays
 - Spring Rides Week 2nd or 3rd week of May rides every day

- Tarmac Tour Series May 29
- Bike Week Rides every Day 10-18 June 2017
- Teddy Bears Picnic Ride June
- Stevenage Circular Cycle 50 Mile challenge ride 18 June
- BBQ Bike Ride June
- Bikeability: A summer course (possibly) based in Town Centre
- Balance bikes/little bikes Come and try session Town Centre Bikeability publicise the schools in Stevenage that are joining in
- Curry Night ride at the end of September.

Regular weekly events:

- Easy Saturday Starter Rides for beginners and accompanied children
- Easy evening Pub rides.
- Friday Fling evening Pub rides
- Sunday rides – Varying distances and level of challenge

Final event proposed

- Emitremmus 2017 (Summertime reversed) 67km/101km challenge rides in October 2017

Other proposals

- Time trials for all
- Adult/commuter cycle training
- Ride buddy scheme
- Route maps for series of short rides
- Secondary schools linked events

Initiative 3 : Acknowledging the end of World War 1	
Lead Portfolio Holder : Children, Young People and Leisure	
Allocation : £3,000	Delivery Lead : Assistant Director Communities and Neighbourhoods
Timescales : During 2017 the Council will work with key partners such as the Royal British Legion, Hertfordshire County Council and the education sector to develop and provide a suitable range of events and programmes to mark the end of WW1. The money will be spent in 2018/19.	
Priorities Supported : Co-operative Neighbourhood Management	

4.9 The Council supported the community, Royal British Legion (Stevenage) and hosted a range of events and programmes marking the 100th anniversary of the start of World War 1 (WW1). In 2018 it will be 100 years since the end of the conflict and therefore the intention is provide a range of small but significant events and programmes to comemorate the end of the war. The Council and communities will work together, to co-produce public events and

programmes during the year. The allocation is required in 2017/18 to allow for events to be planned.

Initiative 4 : No More Service	
Lead Portfolio Holder : Children, Young People and Leisure	
Allocation : £80,000	Delivery Lead : Assistant Director Communities and Neighbourhoods
Timescales : April 2017-March	
Priorities Supported : Connecting to our Customers	

- 4.10 The 'No More' Service (NMS) was initially an idea brought forward because of an escalating problem with street drinkers in Stevenage town centre, there was evidence that many had ASB cases against them or were known to the police, this culminated into homelessness or a threat of eviction. All had alcohol or drug addictions or both which had not been addressed satisfactorily through criminal justice interventions, community sentences or being managed in the community by health and housing. Many had varying degrees of addiction, and many had some sort of learning disability or mental health problem. It is clear from the work the Council has carried out that this group of people benefit from intensive support, to reduce their use of alcohol and drug use which has impact on their offending, improves their quality of life and the quality of life of those living and working around them.
- 4.11 The No More Service deals proactively with those suffering from drug and alcohol misuse and their families. The service works closely with internal and external partners such as the Police, Families First, the Council's Family Intervention worker, CGL Spectrum, Citizens Advice Bureau, The Haven and other hostels. The service has seen an increase in referrals of clients over the past twelve months with both drug and alcohol addictions.
- 4.12 The service takes the client 'back to basics' guiding them in important life skills. A dedicated key worker is allocated to each individual. Their meetings allow the opportunity to express and explore thoughts and behaviours in a safe environment. Through 1-2-1 support some of the areas that have been worked on, aside from their substance misuse, include self-esteem, anger management, exploring emotions, behaviour management, finance and budgeting forecasting, education or employment and health issues.
- 4.13 Through tailored support plans, 1-2-1 meetings and 'team around the client' meetings the service aims to:
- *prevent homelessness and provide sustainable routes back to settled housing*
 - *decrease offending*
 - *improve health and wellbeing*
 - *tackle alcohol and drug misuse and provide opportunities to make change*

- *improve access to training and employment opportunities*
 - *improve family relationships*
 - *reduce the risk of poverty*
 - *reduce the risk of becoming a vulnerable victim of crime*
 - *increase social inclusion*
 - *reduce cost to partners that interact with the client*
 - *Increase the effectiveness of multi-agency working.*
- 4.14 Through the success of the service the initiative has managed to help individuals secure tenancy's, work for one of the most prestigious companies within Stevenage, put them on training courses to gain qualifications and experience and most importantly reduce ASB/crime by leading healthy chaotic-free lifestyles.
- 4.15 The table below identifies the number of clients helped by the scheme.

Time Frames	Clients Supported	Referrals
Jan 15 – Dec 15	52	
Jan 16 – Dec 16	59	
client groups Referred		
No More High Risk Offenders (including perpetrators of Domestic Abuse)		16
clients for victim support following reports of ASB		64
Referrals to the Multiple Needs Working Group		23

- 4.16 The New Homes Bonus monies will secure the service for a further 12 months. This would secure the alcohol and drugs support worker posts until March 2018. It would also allow the service, to continue to work with those clients who complex social issues including dual diagnosis of addiction and mental health diagnosis. The service could also continue supporting high risk or prolific offender.
- 4.17 The service, in conjunction with the museum is applying for different types of funding including Tesco plastic bags to help re-establish the sensory garden that already exists at the museum. A sensory garden is a garden environment that is designed with the purpose of stimulating the senses. This stimulation occurs courtesy of plants and the use of materials that engage one's senses of sight, smell, touch, taste, and sound. This will include some fencing around the garden area to prevent it being mis-used. This will enable local school children to use this area for play and lunchtime.

Initiative 5 : Homelessness Initiative ‘Next Steps’ – extension of 2016/17 initiative	
Lead Portfolio Holder : Housing	
Allocation : £46,491	Delivery Lead : Assistant Director Housing
Timescales : Quarter 1 – Post holders in post and project continuation until 31 March 2018	
Priorities Connecting to our Customers, Financial Security	

- 4.18 Local authorities nationwide are reporting difficulties procuring private sector accommodation for homeless clients, there are a number of factors that have contributed to this which include:
- New laws mean buy to let landlords now pay increased Stamp duty rates.
 - High market rents are significantly higher than the local housing allowance (LHA) rate.
- 4.19 Despite these challenges the Council has still been able to deliver an upturn in outcomes which supports the case for the homeless prevention initiative to continue. In the 12 months prior to the New Business Coordinator being in post, 51 properties were procured, in the 12 months since there has been a further 61 properties. Since the New Business officer started the Council regularly receives positive feedback from existing and new landlords, mainly about service delivery and professionalism.
- 4.20 Some of the things that have been introduced since December 1st include, having weekly progress meeting with the Private Sector and New Business Coordinator, launching a Forum for Letting Agents, re- evaluating the incentives package offered to letting agents/landlords and arranging for the Private Sector Coordinator to visit other local authorities who successfully procure high volumes of private sector accommodation.
- 4.21 There are currently 295 active tenancies created through the Next Steps Lets scheme and only 6 of those tenancies have come to an end since the introduction of Housing Advice Officer (Tenancy Sustainment). The early interventions and active tenant and landlord liaison has contributed to the low numbers of failed tenancies considering that there is an increasing amount of landlords selling their properties.
- 4.22 In addition to the current challenges there will be future challenges in 2017, with the enactment of Homelessness Reduction Bill. The bill will be approved in 2017 and this could have potentially major impact on the housing advice and homeless service. The Bill will put more pressure on Council officers to secure suitable private accommodation for single homeless clients for whom the Council do not owe a homeless duty.

Initiative 6 : Woodland Burials	
Lead Portfolio Holder : Environment & Regeneration	
Allocation : £20,000	Delivery Lead : Assistant Director Stevenage Direct Services
Timescales : Opening would be one year from NHB allocation, to allow for seeking planning permission, fencing and access, to starting the service offering to residents.	
Priorities Supported : Connecting to our Customers, Co-operative Neighbourhood Management	

- 4.23 In creating a woodland burial site, an area of land is needed that is not currently woodland. As internments are in lines of single depth burials marked by either electronic location tabs or appropriate markers, a woodland is created by planting appropriate species of trees over these graves. This does not mean a tree for every grave space, but appropriate spacing for the creation of memorial woodland.
- 4.24 The first steps would be to seek to change the use of land from a currently closely mown hillside amenity green space with some semi -matured trees around the perimeter and sparsely within it. This would require a planning request to change the use of land that is currently designated as part of the green corridor.
- 4.25 It is estimated that to fence a site to ensure that it is respected, would cost approximately £20,000 for a first phase.

Initiative 7 : Neighbourhood Wardens	
Lead Portfolio Holder : Neighbourhoods and Co-operative Council	
Allocation : £36,200	Delivery Lead : Assistant Director Communities and Neighbourhoods
Timescales : This cost would be required in last quarter 2017/18/first quarter 2018/19 to fund the third warden for a second year	
Priorities Supported : Co-operative Neighbourhood Management	

- 4.26 Three wardens have been employed in the last quarter of 2016/17 with two of them for a two year period with the third warden for one year. This funding secures all of the three wardens in post for two years. The neighbourhood wardens will champion the areas they are responsible for. These wardens will be the single point of contact to ensure a council-wide joined up approach to improving the environment for the residents of Stevenage.
- 4.27 The wardens will also report and help deal with problems caused by crime and anti-social behaviour. Neighbourhood wardens will predominantly spend their

time out on the streets, having a visible presence and reporting/resolving public realm disrepair issues. They will also investigate and deal with problems while on patrol in response to concerns from Members, the public and other council departments. They will play an active role in the community and help to improve resident's sense of place.

Initiative 8 : Apprenticeship Programme 2017/18 new cohort	
Lead Portfolio Holder : Resources	
Allocation : £100,000 per year	Delivery Lead : Interim Head of HR
Timescales : Quarter 1 Recruit five new apprentices	
Priorities Supported : Employer of Choice, Financial Security	

- 4.28 An amount of £100,000 per year has been ring fenced from the new homes bonus allocation to enable the apprenticeship programme to continue. For future years this will be dependent on the level of new homes bonus available. In addition the apprenticeship levy of 0.5% of the pay bill the Government introduced from April 2017 will provide a source to fund the training for the programme.
- 4.29 In 2016/17 using that year's allocation six apprentices have been recruited with a further two awaiting DBS checks. These apprentices will have completed their apprenticeship in February 2018 and a new cohort will be recruited using the 2017/18 allocation in May 2017.
- 4.30 There are currently 14 apprentices employed by Stevenage Borough Council of which six are supported by New Homes Bonus, the apprentice programme has grown from strength to strength and apprentices have been widely deployed throughout the Council's services, in a variety of roles, including; sport and leisure, finance, constitutional services, housing and customer services.

Initiative 9 : Funding to facilitate Residents Groups	
Lead Portfolio Holder : Neighbourhoods and Co-operative Council	
Allocation : £4,500	Delivery Lead : Assistant Director Communities and Neighbourhoods
Timescales : To be spent during 2017/18 as part of the Cooperative Neighbourhood Management	
Priorities Supported : Co-operative Neighbourhood Management	

- 4.31 This bid will be used to help support residents and voluntary groups as part of the Co-operative Neighbourhood Management programme. How the money will be spent has still to be finalised.

Initiative 10 : Co-operative Neighbourhood Management	
Lead Portfolio Holder : Neighbourhoods and Co-operative Council	
Allocation : £120,000 revenue £430,000 capital	Delivery Lead : Assistant Director Communities and Neighbourhoods
Timescales : .2017/18	
Priorities Supported : Co-operative Neighbourhood Management	

- 4.32 The revenue funding of £120,000 will be used to complete identified works to shrub beds, signage and infrastructure as identified in the targeted wards for 2017/18. The ward areas (including works to wards in future years) will be surveyed in 2017/18 to ascertain future costs. The cost of this post is being met from the insurance allocated reserve.

- 4.33 The Co-operative Neighbourhood Management programme includes both revenue and capital works. In addition to the revenue allocation (£120,000) there are capital works included in the capital programme, which are summarised in the table below.

CNM Capital Budgets	2017/18	2018/19	2019/20	2020/21	2021/22
Open Spaces furniture	£8,000	£8,000	£8,000	£8,000	£8,000
Additional Litter Bins	£91,000	£58,000	£125,000	£73,000	£83,000
Hard standings	£50,000	£50,000	£50,000	£0	£0
Play Area Improvements	£372,500	£232,700	£137,000	£243,000	£283,500
Neighbourhood Centres - The Glebe- replacement benches	£8,000	£0	£0	£0	£0
Asbestos Surveyor for Garages (one year contract)	£23,300	£0	£0	£0	£0
Garages	£1,032,930	£2,593,370	£2,815,720	£2,105,220	£375,000
Total	£1,585,730	£2,942,070	£3,135,720	£2,429,220	£749,500

- 4.34 The Capital Strategy includes a contribution to the capital programme of £430,000 to support the capital expenditure above. This means in total £1,705,730 will be spent on the Co-operative Neighbourhood Management programme of which £550,000 will be funded from new homes bonus in 2017/18.

- 4.35 The Co-operative Neighbourhood Management programme will see residents, Councillors and Council staff work together co-operatively to improve their neighbourhoods – play areas, open spaces, garages, shrub beds, whatever might need doing in that particular area.

Initiative 11 : Memorial for Cllr Sherma Batson	
Lead Portfolio Holder : The Leader	
Allocation : £5,000	Delivery Lead : Assistant Director Corporate Services and Transformation

- 4.36 In memory of Councillor Sherma Batson and in recognition of the work she has done in the services of the Council and Stevenage as a whole, it is recommended that a fitting permanent tribute is placed in the Town. The details of the memorial are still to be decided and in conjunction with the family.

5.1 Financial Implications

- 5.1.1 The final New Homes Bonus allocations for 2017/18 have now been announced. The total grant payments will be made monthly direct to councils with the first monthly payment will be made in April 2017.
- 5.1.2 As part of the budget setting process, Council approved a General Fund Revenue Account Contingency Sum in the Budget and Policy Framework for 2017/18 of £400,000 for expenditure determined by the Executive. This expenditure is funded from the New Homes Bonus reserve and the impact on the General Fund is neutral.
- 5.1.3 Part of the New Homes Bonus has been earmarked for previously approved budget policy commitments these summarised below:

Policy Commitments	2017/18
Contribution to the General Fund	£200,000
Contribution to the Capital Reserve	£250,000
Total	£450,000

- 5.1.4 The total new homes bonus expenditure for 2017/18 is summarised below.

2017/18 New Homes Bonus Allocation	
Balances from previous year unused/returned	£179,701
Total Possible allocation	£1,427,694
Less : Contribution to General Fund Budget	-£200,000
Less : Contribution to Capital Reserve	-£250,000
Less: Apprenticeship programme (initiative 8)	-£100,000

Less: Neighbourhood Improvements programme (initiative 10 (part) capital)	-£430,000
Less : Contingency left in reserve for scheme over-runs	-£2,503
Allocation Remaining to Support Schemes	£445,191

New Homes Bonus	£445,191	Spent 2017/18	Spent 2018/19
Initiative 1	£40,000	£40,000	
Initiative 2	£90,000	£90,000	
Initiative 3	£3,000		£3,000
Initiative 4	£80,000	£80,000	
Initiative 5	£46,491	£46,491	
Initiative 6	£20,000	£20,000	
Initiative 7	£36,200		£36,200
Initiative 9	£4,500	£4,500	
Initiative 10	£120,000	£120,000	
Initiative 11	£5,000	£5,000	
Total	£445,191	£405,991	£39,200

5.2 Legal Implications

- 5.2.1 The New Homes Bonus is paid through section 31 of the Local Government Act 2003 as a un-ringfenced grant. Local authorities and their communities will have the freedom to spend New Homes Bonus revenues according to local wishes.

5.3 Equalities and Diversity Implications

- 5.3.1 Stevenage Borough Council has committed itself to providing high quality services that are relevant to the needs and responsive to the views of all sections of the local community, irrespective of their race, gender, disability, culture, religion, age, sexual orientation or marital status. The General Equality Duty (Section 149 of the Equality Act 2010) requires the council to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations in the exercise of its functions. These considerations are the duty of decision makers. Initial Equality Impact Assessments (EqIAs) have been carried out on the recommended New Homes Bonus schemes and further full EqIAs will be carried out, where appropriate, if the schemes go ahead. It is anticipated that there will be a positive impact from the schemes and EqIAs will be used to ensure that all sections of the community can benefit from them.

BACKGROUND PAPERS

None

APPENDICES

Appendix A – Summary of Decisions – Overview & Scrutiny Committee – 2 March
2017