

NOTICE OF DECISIONS TAKEN (PART I – FOR PUBLICATION)

MEETING: Executive
DATE: Tuesday 14 March 2017
PLACE: Shimkent Room, Daneshill House, Stevenage, SG1 1HN
MEMBERS PRESENT: Councillors: S Taylor OBE CC (Chair), J Gardner (Vice-Chair), R Henry , Mrs J Lloyd, R Raynor, and J Thomas.

**THE DEADLINE FOR CALL-IN OF ANY OF THE DECISIONS BELOW IS 23 MARCH 2017.
SUBJECT TO THERE BEING NO CALL-IN THE ATTACHED DECISIONS MAY BE IMPLEMENTED WITH EFFECT FROM
24 MARCH 2017.**

1.	APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST	J Cansick x 2216
An apology for absence was received from Councillor S Speller. There were no declarations of interest.		
2.	MINUTES – 22 FEBRUARY 2017	J Cansick x 2216
It was RESOLVED that the Minutes of the meeting of the Executive held on 22 February 2017 are approved as a correct record for signature by the Chair.		
3.	MINUTES OF OVERVIEW & SCRUTINY COMMITTEE	J Cansick x 2216
It was RESOLVED that the Minutes of the Overview and Scrutiny Committee held on 23 February 2017 are noted.		
4.	DISCRETIONARY RATE RELIEF POLICY	C Fletcher x.2933
It was reported that a list had been drawn up of organisations in Stevenage that may be affected by the new policy. This did require		

some updating and was to be circulated to all Members of the Executive.

Having noted that the Overview and Scrutiny Committee had expressed concern that some national charities that had a presence in the Town might be excluded from entitlement, it was requested that details of these organisations be submitted to that Committee to consider whether or not the provision of services to local people could be demonstrated and then make a recommendation to the Executive.

It was **RESOLVED**:

1. That the proposals made by the Members of the Overview and Scrutiny Committee (section 4.3 of the report) be included in the revised policy.
2. That the new policy and process as appended to the report is approved.
3. That the current maximum percentage of award continues.
4. That the Overview and Scrutiny Committee be given the opportunity to comment and make a recommendation to the Executive on the list of national charities that might be excluded from entitlement to consider whether it could be demonstrated that the services provided by each benefited local people.

Reason for Decision: As contained in the report and 4. To gauge views on whether or not entitlement should be extended to individual national charities that had a presence in the Town.

Other Options Considered: As contained in the report.

5. FINAL PROPERTY INVESTMENT STRATEGY
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C Fletcher x.2933

This initiative was welcomed by the Executive.

It was considered important that whilst this strategy focussed on commercial property it should be aligned with the Housing Investment Programme. The view was also expressed that the governance process should include consultation with the Leader and Portfolio Holder for Resources before any acquisition was finalised.

Members referred to the 'Functional Economic Market Areas' quoted in the report and officers undertook to circulate maps of the defined areas.

In response to a Member's question the Assistant Director (Finance & Estates) indicated that the monitoring of risks associated with this initiative was linked to the Medium Term Financial Strategy that was included in the Strategic Risk Register reported regularly to the Audit Committee.

It was **RESOLVED**:

That following recommendations be submitted to Council on 24 May 2017 -

1. That the 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 of the report refers).
3. That delegated authority be given to a Strategic Director and the Assistant Director (Finance & Estates), following consultation with the Leader and 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. Members note 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 (paragraph 7.3 of the report refers).
8. That Financial Regulations be 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 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 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 it be noted that the above recommendations were referred to the Overview & Scrutiny Committee on the 23 February for comment as a Budget and Policy Framework item (paragraph 4.1.10 refers).

Reason for Decision: As contained in the report.

Other Options Considered: As contained in the report.

6.	CORPORATE PERFORMANCE FOR QUARTER THREE 2016/17
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R Protheroe x 2938

The Chief Executive gave a presentation on the progress of delivery of the Future Town, Future Council (FTFC) programme and the Council's performance results for quarter 3 2016/2017. It was noted that whilst the reporting of performance had been revised the measures for 2016/2017 had not been changed, however these would be reviewed for 2017/2018.

In response to Members' questions concerning the delay in reporting performance the Chief Executive confirmed that the new InPhase system would allow for more timely reporting once implemented.

Regarding the FTFC programme Members questioned why only 70% of milestones had to be achieved for the performance on an individual strand to show as green and whether or not there was any weighting on individual milestones. The Chief Executive confirmed that this would be considered when compiling targets for 2017/2018.

It was explained that the milestones for the Connecting to our Customers strand had not been achieved due to a delay in setting up individual customer accounts. Members were of the view that comparison costs between on-line and telephone transactions should be publicised.

The Executive then addressed the Corporate Performance Suite where there were areas for improvement. It was considered that the performance for the time taken to re-let sheltered void properties was skewed by hard-to-let properties and the measure should be adjusted to time taken for works to be completed for a property to be ready for re-letting, not the time taken before it was actually re-let.

The measure for homelessness preventions was also underperforming. The Assistant Director (Housing & Investment) explained that cases coming forward had increased and were often more complex. The Executive was concerned that two families had been placed in bed and breakfast accommodation. The Executive Member for Housing, Health and Older People was monitoring this situation. Concern was also expressed that it was understood that the CAB were to withdraw its housing advice service and officers undertook to investigate this and consider what, if any action could be taken. There was also concern that new Government initiatives such as the removal of housing benefits for young people would have a huge impact on housing problems and officers were requested to provide a briefing paper for all Members on the detail of these new provisions and the potential impact.

The Interim Senior Human Resources Manager reported that the target for the use of agency staff was not going to be achieved as there a number of senior vacancies following the Senior Management Review and also covering for sickness, particularly in Direct Services. It had been suggested that the target be adjusted from 5% to 12% for quarter 4, however, the Executive considered that the target should remain unchanged.

Concerning sickness absence levels the Executive was concerned that having achieved improvements in the past, performance in this area should not be permitted to slip. Officers indicated that the new HR system being introduced would provide statistics and trend analysis in real time which would aid performance management in this area.

Whilst the quarter 3 performance for the percentage of complaints progressing to stages 2 and 3 did not reach target, figures to be confirmed for the end of February were within the target. It was recognised that the incoming Assistant Director (Direct Services) had to consider the resolution and management of complaints as a priority and it was noted that Scrutiny Members may wish to undertake a review of the complaints received.

It was noted that at its meeting in July the Executive would be receiving a detailed report on crime trends, including Anti-Social

Behaviour and the rate of violence against the person.

It was **RESOLVED**

1. That the overall performance results for quarter three 2016/17 are noted.
2. That progress on the delivery of Future Town, Future Council programme are noted.
3. That the corrective action being undertaken for those areas requiring improvement are noted.

Reason for Decision: As contained in the report

Other Options Considered: As contained in the report.

7.	NEW HOMES BONUS – 2017/18 SCHEME ALLOCATIONS
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C Fletcher x.2933

It was noted that the Overview and Scrutiny Committee had been unhappy that the report had not been received in good time due to the timing of the Committee meeting, however, the proposals were positively received.

There had been some confusion regarding initiative 9 – funding to facilitate Residents’ Groups. It was clarified that this funding was to focus on supporting those groups in the areas that the Co-operative Neighbourhood Management initiatives were to be developed.

It was **RESOLVED:**

1. That an allocation of £445,191 from the 2017/18 New Homes Bonus allocation is 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 support Residents Groups with Co-operative Neighbourhood Projects -£4,500

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

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

2. That an allocation of £100,000 is approved from New Homes Bonus funding to support the on-going apprenticeship programme for 2017/18 (Initiative 8).

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 is noted.

Reason for Decision: As contained in the report

Other Options Considered: As contained in the report.

8. 3RD QUARTER REVENUE MONITORING REPORT – GENERAL FUND AND HRA

C Fletcher x.2933

The Executive Portfolio Holder for Resources indicated that she would ensure that any agreed carry forwards would be monitored.

It was noted that at this stage only £35,980 was to be transferred to the Capital allocated reserve at this time (recommendation 2.6 of the report) but it was queried that the projected end of year figure was quoted as more than £300k. The Executive requested that the next monitor to Executive detail where significant underspends had emerged Quarter 3 and Quarter 4.

It was **RESOLVED:**

1. That the 2016/17 3rd quarter General Fund projected net decrease in expenditure of £383,130 is approved.
2. That the cumulative changes made to the General Fund net budget remain within the £400,000 (increase) variation limit delegated to the Executive is noted.
3. That the progress of the 2016/17 approved Financial Security options and growth bids, the carry forward requests and New Homes Bonus projects is noted.
4. That the 2017/18 ongoing net savings of £60,600 that will contribute to the General Fund Financial Security target for future years is approved.
5. That a transfer back to the New Homes Bonus Reserve (£9,940) and a transfer of £8,450 from the Town Centre reserve. (Para 3.10.3 – 3.10.4) is approved.
6. That a transfer of £35,980 to the Capital allocated reserve is approved.
7. That the new carry forward requests of £347,150 as listed in para 3.7.2. are approved.
8. That the 2016/17 3rd quarter net increase in HRA surplus of £733,960 is approved.
9. That the cumulative increases to the HRA net budget still remain within the £250,000 (increase) variation limit delegated to the Executive is noted.
10. That the progress of the 2016/17 approved Financial Security options, growth bids and the carry forward requests are noted.
11. That the 2017/18 ongoing net Financial Security options of £62,970 that will contribute to the HRA Financial Security target for future years are approved.
12. That the new carry forward requests of £317,250 as listed in para 4.3.3. are approved.

Reason for Decision: As contained in the report
Other Options Considered: As contained in the report.

9. 3rd QUARTER CAPITAL MONITORING REPORT - GENERAL FUND AND HRA

C Fletcher x 2933

Officers answered Members' questions regarding individual projects.

Concerning the impact of Right-to-Buy sales the view was expressed that there was little public awareness of the fact that the Council only received 30% of the receipt and this would not allow for one-for-one build of new homes. It was agreed that this should be addressed later in the year.

The Executive was concerned that contractors might not be achieving the profile spend agreed for individual contracts resulting in underspends at year end. It was considered that this often occurred at the beginning of a contract and it was therefore important, particularly with the new flat block contract, to ensure that bidders are asked what plans they would put in place to ensure that work started quickly. Officers should also consider penalty clauses for contractors not meeting the agreed annual spend/work profiles.

It was RESOLVED:

1. That the 2016/17 General Fund capital programme net decrease in expenditure of £1,265,670 (including re-profiling of spend to 2017/18 of £890,140) is approved, as summarised in paragraphs 4.1.1 – 4.1.2.
2. That the 2016/17 Housing Revenue Account capital programme net decrease in expenditure of £5,014,680 (including re-profiling of spend to 2017/18 of £4,999,680) is approved, as summarised in paragraph 4.2.6.
3. That the 2017/18 General Fund capital programme increase in expenditure of £1,052,140, is approved, as summarised in paragraph 4.3.1.
4. That the 2017/18 Housing Revenue Account capital programme increase in expenditure of £4,999,680 is approved, as summarised in paragraph 4.2.6.

Reason for Decision: As contained in the report
Other Options Considered: As contained in the report.

10. TOWN CENTRE REGENERATION

N O'Neill x2871

The Executive received a presentation from the Strategic Director (Tom Pike) on the progress of the first stage of the Town Centre regeneration, known as SG1. He explained that there would shortly be an event to launch the OJEU Notice for developers.

Members were of the view that the new scheme had to be sustainable and include innovative designs that would last. Also, to be viable the scheme had to provide income as the property was a public asset and the Council must get a return for its investment. The civic hub to be provided should be attractive and accessible and focus on general health facilities rather than specialist services and with options for locating the theatre and museum either in SG1 or nearby.

The Council and its partners including the LEP, the County Council and the NHS had all worked well together to get to this stage in development and this had resulted in the allocation of a further £19Mmillion of funding from the Government. Much of the preparation work on regeneration in the town had been supported by Stevenage First with input from both the public and private sector. The scheme was to be delivered via a contract between the Council and the development partner. The scheme met the Government's priorities of providing housing, economic growth and social regeneration.

As the Council owned much of the land, had completed detailed studies, engaged and worked with expert advisors on the scheme and as the local planning authority with an emerging Local Plan there was much confidence in the market and a procurement strategy had been produced.

The Strategic Director (Tom Pike) indicated that a briefing paper would be produced for Members and FAQs would be placed on the website to answer any concerns.

It was **RESOLVED:**

1. That the issue of a Contract Notice is approved to start the procurement process to seek a development partner for the development opportunity area in Stevenage Town Centre referred to as SG1.

2. That authority is delegated to the Strategic Director (TP) to select the shortlist of developers to be taken through from the selection questionnaire stage to enter the competitive dialogue process. A recommendation to close the competitive dialogue stage and seek final tenders is expected to be made to the October Executive.
3. That authority is delegated to the Strategic Director (TP) to finalise the selection stage and award stage evaluation criteria in the procurement documents in a manner consistent with the Objectives set out in Appendix C to this report.
4. That the procurement strategy for the SG1 development opportunity is approved, using and OJEU compliant Competitive Dialogue process with the preference to appoint a developer on the basis of a contractual partnership with a developer that will be governed by a Development Agreement (DA).
5. That the Council is willing in principle to exercise its use of CPO powers to facilitate the SG1 development opportunity area if necessary.
6. That the transfer of £300,000 from allocated reserves (ring fenced from 2017/18 business rate gains) to fund the procurement process and associated professional services to support town centre regeneration in 2017/18 is approved.
7. That the progress of the Growth Deal 3 applications for funding and the intention of the Council to work with key local partners to progress further town centre regeneration schemes in line with the Stevenage Central Framework regeneration plan is noted.

Reason for Decision: As contained in the report

Other Options Considered: As contained in the report.

11.	URGENT PART I BUSINESS
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None

12.	EXCLUSION OF PUBLIC AND PRESS
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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 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.

PART II

13. PART II MINUTES – WEDNESDAY 22 FEBRUARY 2017

J Cansick x 2216

It was RESOLVED that the Part II Minutes of the meeting of the Executive held on 22 February 2017 are approved as a correct record for signature by the Chair.

14. URGENT PART II BUSINESS

None