

**Meeting: OVERVIEW AND SCRUTINY /
EXECUTIVE**

Agenda Item:

4

Portfolio Area: Resources

Date: 23 June / 22 July 2014

NEW HOMES BONUS – 2013/14 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 2014/15 New Homes Bonus allocation.
- 1.2 To update Members on schemes previously approved.

2 RECOMMENDATIONS

- 2.1 That an allocation of £1,116,000 from the 2014/15 New Homes Bonus grant be approved for the implementation and delivery of the following schemes :
 - (a) Town Centre Walkway Improvements Project (Initiative 1) additional sum- £40,000;
 - (b) Town Centre Regeneration (initiative 2) - £800,000;
 - (c) Apprenticeship Scheme 2014/15 (Initiative 3) - £121,000;
 - (d) Skate Park (Initiative 4) - £125,000;
 - (e) Environmental Spring Clean (Initiative 5) -£20,000;
 - (f) World War 1 Memorial (initiative 6) -£10,000;

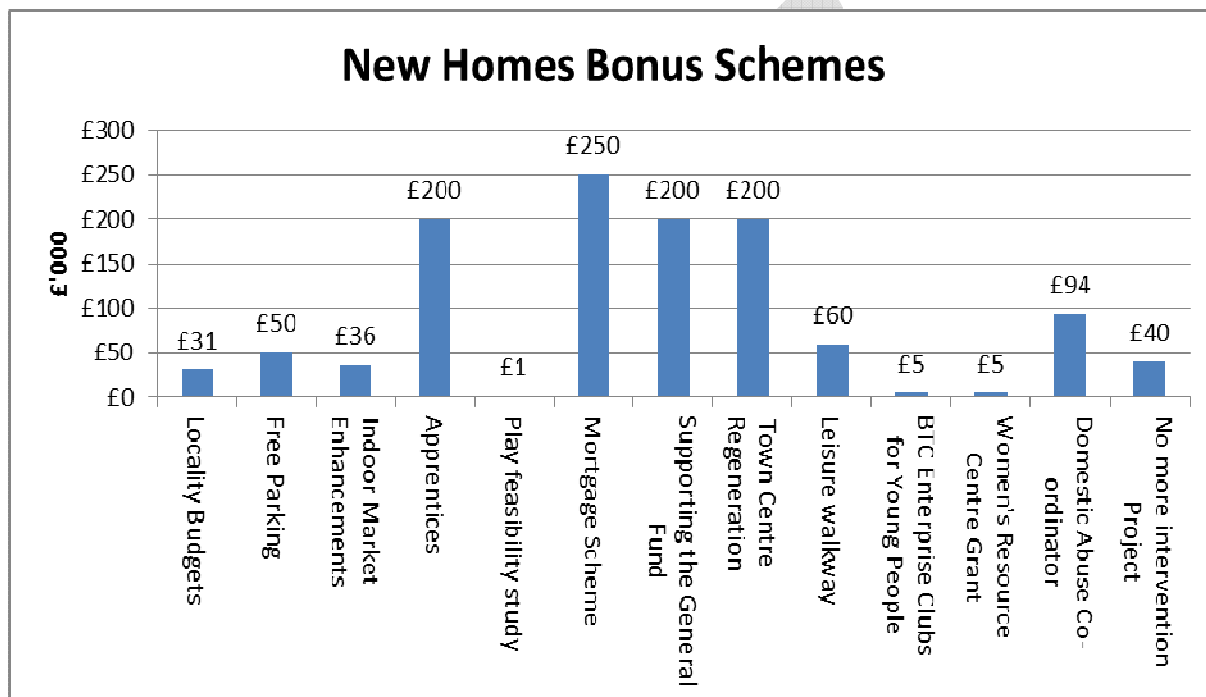
- 2.2 That it be noted the Apprenticeship scheme is the cost over two financial years (2014/15-2015/16).

3 BACKGROUND

- 3.1 The New Homes Bonus scheme is designed to be a financial incentive for Council's to deliver housing growth and as such replaces the Housing and Planning Development Grant. It is also intended to make the link between growth and new finance more visible.
- 3.2 New Homes Bonus commenced in April 2011, and will match the additional Council Tax raised for new homes and properties brought back into use, with an additional amount of £350 for each affordable homes, for the following six years. In two tier areas the New Homes Bonus is split 80/20 between the District and County Councils.
- 3.3 Until 2014/15, this was new money made available by the Government, subsequently the money comes from the Formula Grant as a permanent feature of local government funding. This means that councils that treat the scheme as an incentive to build and return empty properties to use will benefit and those that do not will lose money after 2015.
- 3.4 The Government has indicated that it is reviewing the New Homes Bonus Scheme (April 2014), however at the time of writing the report the outcome of that review was not known.
- 3.5 New Homes Bonus is an un-ringfenced grant. However as any year's award is only given for six years, the Chief Finance Officer has recommended that only £200,000 be built into the General Fund base budget, and a policy has been established to transfer the grant into a reserve for future political direction.
- 3.6 We are now in the fourth 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
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
Year 4				£218,424	£218,424	£218,424
One off allocation			£19,048	£7,725		
Total	£84,562	£579,929	£821,689	£1,028,790	£1,021,065	£1,021,065

- 3.7** Based on the allocations for the first four years, the total payment due to the Council up to 2016/17 will be £4.5 million.
- 3.8** In addition, there will be further allocations for future years based on annual new homes growth. The allocation for 2015/16 will be based on the net change in stock (as per Council Tax records) for the year to October 2014.
- 3.9** From 2011/12 to 2013/14 the Council has allocated £1,172,260 of New Homes Bonus on the following schemes:



4 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 26 February 2014. In addition two further initiatives have been added, (initiative one and six).
- The Town Centre Walkway (initiative one) was a 2013/14 approved bid, however the original allocation was insufficient to carry out the works and a further sum of £40,000 has been recommended for approval.
 - The Commemoration of the beginning of World War One (initiative six) has been added as there is no existing budget to carry out this work.
- 4.2** The following schemes for the 2014/15 New Homes Bonus have been identified for implementation:

Initiative 1 : Town Centre Walkway	
Lead Portfolio Holder : Environment and Regeneration	
Allocation : £40,000	Delivery Lead : Head of Planning, Regeneration and Transport
Timescales :	
Ambition(s) Supported : Shape our Community, Regenerate Stevenage, Create Sustainable Communities	

4.2.1 The proposal in 2013/14 was to refurbish the pedestrian walkway that runs through the Arts and Leisure Centre and links the Railway Station to the Town Centre. The walkway is an important gateway into, and first impression of, the Town but was last refurbished over ten years ago. It is looking tired and out dated so the scheme will focus on the elements that will have the greatest impact. This includes a complete overhaul and replacement of the ceiling, lighting and signage, and a deep clean of the walls and floor.

4.2.2 The original sum of £60,000 was not sufficient to commence the scheme and a further £40,000 has been allocated from the 2014/15 New Homes Bonus.

Initiative 2 : Town Centre Regeneration	
Lead Portfolio Holder : Environment and Regeneration	
Allocation : £1,000,000 (includes £200,000 from 2013/14)	Delivery Lead : Head of Planning, Regeneration and Transport
Timescales : March 2016	
Ambition(s) Supported : Shape our Community, Regenerate Stevenage, Create Sustainable Communities	

4.2.3 The regeneration of Stevenage town centre is a key priority for Stevenage Borough Council which has committed to invest in. Over the next year the Council will:

- develop a new masterplan for the town centre: setting out a spatial strategy and vision for the future development of the town centre;
- launch a Stevenage prospectus: which clearly sets out the key opportunities to invest in Stevenage and informs discussion with key investors; and,
- review regeneration opportunities: work with key stakeholders and partners to promote key sites for development.
- Facilitate works to start the regeneration of the Town Centre

4.2.4 This funding will pump prime the regeneration ambitions of the Council which should commence in 2015/16.

Initiative 3 : Apprentice Scheme 2014/15	
Lead Portfolio Holder : Resources	
Allocation : £121,000	Delivery Lead : Head of Human Resources and

	Organisational Development
Timescales : September 2014 to August 2016	
Ambition(s) Supported : Excellent Council	

4.2.5 There will be four apprentices appointed in departments across the Council. The purpose of the apprenticeship programme is threefold:

- To enable individuals to gain employment by supporting them in gaining training, and achieving a qualification in their chosen field, whilst working with SBC in an apprenticeship role over a two year period.
- To assist SBC with workforce planning by ensuring that we have potential candidates for future vacancies who are suitably trained and qualified.
- In addition, SBC also benefits from the work undertaken by apprentices during their two-year apprenticeship.

Initiative 4 : Skate Park	
Lead Portfolio Holder : Community, Health and Older People	
Allocation : £125,000	Delivery Lead : Head of Environmental Services
Timescales : March 2015	
Ambition(s) Supported : A vibrant Town, An Excellent Council	

4.2.6 To provide a skate park which has been a sought after facility for long period of time and will allow those who practice the sport and those who wish to begin to enjoy their chosen recreation within Stevenage.

4.2.7 Young residents of Stevenage have been discussing the need for this facility with Members and officers for some time. Currently a consultation is being undertaken with Sport Stevenage and Stake Stevenage to ascertain the best location and design.

Initiative 5 : Environmental Spring Clean	
Lead Portfolio Holder : Environment and Regeneration	
Allocation : £20,000	Delivery Lead : Head Environmental Services
Timescales	
Ambition(s) Supported : Shape Our Community, Regenerate Stevenage, Create Sustainable Communities	

4.2.8 To provide £20,000 for a Spring Clean of the Town, designed to benefit where areas that have been badly affected by the extreme storms and high winds over the winter period. With this in mind the following activities have been identified as priorities:

- To clear designated parking bay black spots throughout the town of detritus build-up particularly within the Neighbourhood shops/Housing areas. The designs of some of these parking bays (Particularly herring bone bays) do not lend themselves to mechanical sweeping. The build-

up of detritus after the winter winds and flooding is to be scraped out and swept by hand.

- To provide a targeted thorough cleanse to the Neighbourhood shops, their Underpasses, Ramps, Paths & Steps leading to them throughout the Town. Where feasible chewing gum white spots around waste bins and street furniture will also be removed.
- To clear bags from trees, particularly around the supermarket areas within the town, such as ASDA on Monkswood, Sainsburys off Gresley Way & Corey's Mill and Tesco's. The high winds during the winter and lack of foliage on the branches have caught bags that will be removed.
- To clear bramble/undergrowth of various sites across the town (Blyth Close, Symonds/Sainsburys path, Goddard End, Braemar, Cook Road etc.).

Initiative 6 : Commemoration of the beginning of World War One	
Lead Portfolio Holder : Community, Health and Older People, Children and Young People, Culture, Sport and Leisure and the Member with Special responsibility for the Armed Forces.	
Allocation : £10,000	Delivery Lead : Head of Leisure, Community & Childrens Services
Timescales : 2014	
Ambition(s) Supported : An Excellent Council	

4.2.9 In memory of those who gave their lives during WWI and specifically in remembrance of those residents of Stevenage who made that sacrifice the Council are planting a woodland of new and mature oaks, making lasting improvements to the War Memorial and have commissioned a piece of artwork by a local artist in their memory.

4.3 Progress of Previously Approved Schemes

4.3.1 An update on previously approved schemes is summarised in Appendix A. A number of the schemes will span more than one financial year as a result of recruitment timescales.

4.3.2 A further 2013/14 approved schemes totalling £260,000 have been deferred until 2014/15 when additional New Homes Bonus has been recommended for approval.

4.4 Resources Development & Scrutiny Committee

4.4.1 The Resources D&S Committee met on the 23 June 2014, and included on the agenda was the proposed New Homes Bonus allocations for 2014/15 as part of the Budget and Policy framework requirements.

4.4.2 To be updated following Overview and Scrutiny meeting.

5.1 Financial Implications

5.1.1 The final New Homes Bonus allocations for 2014/15 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 2014.

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 2013/14 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 The following schemes are recommended for approval within the Executive's contingency sum:

Initiative 1	Improvements to the Leisure Centre Walkway	£40,000
Initiative 2	Town Centre Regeneration (current year allocation)	£800,000
Initiative 3	Apprentice Scheme 2014/15	£121,000
Initiative 4	Skate Park	£125,000
Initiative 5	Town Centre Spring Clean	£20,000
Initiative 6	Commemoration of the beginning of World War One	£10,000
Total		£1,116,000

5.1.4 The balance of New Homes Bonus monies (2011/12-2014/15) which remains unallocated to schemes totals £26,710.

5.2 Legal Implications

5.2.1 The New Homes Bonus is paid through section 31 of the Local Government Act 2003 as an 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

- Progress on New Homes Bonus Schemes