

# Public Document Pack



## EXECUTIVE

**Date: Tuesday, 23 January 2018**

**Time: 2.00 pm,**

**Location: Shimkent Room - Daneshill House, Danestrete**

**Contact: Jackie Cansick on 01438 242216**

Members: Councillors: (Chair), (Vice-Chair), S Taylor, J Gardner, R Henry,  
J Hollywell, J Lloyd, R Raynor, S Speller and J Thomas

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## AGENDA

### **PART 1**

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

To receive any apologies for absence or declarations of interest by Members.

#### **2. MINUTES - EXECUTIVE - 12 DECEMBER 2017**

To approve as a correct record the Minutes of the meeting of the Executive held on 12 December 2017.

Minutes attached  
Pages 5 – 10

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

To note the following Minutes of the following meetings –

- A. Overview & Scrutiny Committee – 29 November 2017
- B. Overview & Scrutiny Committee – 13 December 2017

Minutes attached  
Pages 11 – 20

#### **4. COUNCIL TAX BASE 2018/2019**

To consider a report that seeks approval of the Council Tax Base for 2018/19 and an increase in the long term empty property premium from 1 April 2018 or such later date when the required regulations are introduced.

Report attached  
Pages 21 – 26

**5. COUNCIL TAX SUPPORT SCHEME 2018/2019**

To consider a report for recommendation to Council concerning the 2018/2019 Council Tax Support Scheme.

Report attached  
Pages 27 – 44

**6. DRAFT STEVENAGE CULTURAL STRATEGY (A 10 YEAR STRATEGY FOR ARTS & HERITAGE)**

To consider a report that outlines the development of a Cultural Strategy for the town and summarises a number of cultural ambitions over the next 10 years in order for Stevenage to become a destination creative town.

Report & Appendix attached  
Pages 45 - 76

**7. 2018/2019 HRA RENT SETTING AND BUDGET**

To consider a report for recommendation to Council concerning the 2018/2019 Housing Revenue Account and Budget.

Report & Appendices attached  
Pages 77 – 132

**8. DRAFT GENERAL FUND AND COUNCIL TAX SETTING 2018/2019**

To consider a report concerning the Council's draft General Fund Budget for 2018/19 and projected 2017/18 General Fund Budget and draft proposals for the 2018/19 Council Tax.

Report & Appendices attached

Pages 133 – 204



**9. DRAFT CAPITAL STRATEGY 2017/18-2022/23**

To consider a report that includes proposals for revisions to the 2017/18 General Fund and Housing Revenue Account Capital Programme and the draft Capital Programme for 2018/19 for consideration by the Overview & Scrutiny Committee.

Report & Appendices attached  
Pages 205 – 250

**10. URGENT PART 1 BUSINESS**

To consider any Part 1 business accepted by the Chair as urgent.

**11. EXCLUSION OF PUBLIC AND PRESS**

To consider the following motions –

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 Members consider the reasons for the following reports being in Part II and determine whether or not maintaining the exemption from disclosure of the information contained therein outweighs the public interest in disclosure.

**12. MAJOR REFURBISHMENT CONTRACT PROCUREMENT - CONTRACT AWARD**

To consider a Part II report that seeks approval to award the Major Refurbishment Contract (otherwise known as the “Flat Block” contract). This contract is one of the key deliverables highlighted within the HRA Business Plan, with approval given to commence the procurement for two contractors by the Executive in December 2016.

Report & Appendices attached for Members

**13. TOWN CENTRE REGENERATION - SELECTION OF A PREFERRED DEVELOPMENT PARTNER FOR SG1**

To consider a Part II report on the outcome of the EU compliant procurement for the selection of the Council's preferred development partner for the Stevenage SG1 development and that seeks approval to appoint the successful preferred bidder and arrangements going forward.

Report & Appendices attached

14. URGENT PART II BUSINESS

To consider any Part II business accepted by the Chair as urgent.

**NOTE: Links to Part 1 Background Documents are shown on the last page of the individual report, where this is not the case they may be viewed by using the following link to agendas for Executive meetings and then opening the agenda for Tuesday, 23 January 2018 –**

<http://www.stevenage.gov.uk/have-your-say/council-meetings/161153/>

Agenda Published 15 January 2018

## STEVENAGE BOROUGH COUNCIL

### EXECUTIVE MINUTES

Date: Tuesday, 12 December 2017

Time: 2.00 pm

Place: Shimkent Room - Daneshill House, Danestrete

**Present:** Councillors: S Taylor OBE CC (Chair), J Gardner (Vic-Chair), J Hollywell, Mrs J Lloyd, R Raynor, S Speller and J Thomas.

**Start / End Time:** Start Time: 2.00 p.m.  
End Time: 3.45 p.m.

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

An apology for absence was received from Councillor Richard Henry.

There were no declarations of interest.

#### 2. **MINUTES - EXECUTIVE - 28 NOVEMBER 2017**

It was **RESOLVED** that the Minutes of the meeting of the Executive held on 28 November 2017 are approved for signature by the Chair.

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

With reference to the Minutes of the Environment & Economy Select Committee, the Executive welcomed the focus on bus services and that the Committee had heard from representatives of the bus companies as well as the Bus User Group. It was considered that a number of residents might have been interested in this subject matter and if similar topics were to be addressed efforts should be made to publicise the meetings.

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

- A. Overview & Scrutiny Committee – 13 November 2017
- B. Environment & Economy Select Committee (draft) – 22 November 2017

#### 4. **COUNCIL TAX SUPPORT SCHEME**

The Executive considered a report that set out proposals for the 2018/2019 Council Tax Support Scheme.

It was **RESOLVED:**

1. That the impact of welfare reforms on the Council Tax Support scheme is noted (section 4.4 of the report refers).
2. That the options considered as part of changes in the scheme are noted (section 4.6 of the report refers).
3. That the work of the Members of Overview and Scrutiny in reviewing the scheme is noted.
4. That the timescale recommended by the Members of Overview and Scrutiny in reviewing the scheme for 2019/20 is noted (paragraph 4.1.15 of the report refers).
5. That subject to any further comments by the Overview & Scrutiny Committee, Council be recommended to approve the 2018/2019 Council Tax Support scheme proposed within the report.

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

*Other Options Considered: As contained in the report.*

5. **CONFIRMATION OF ARTICLE 4 DIRECTIONS TO REQUIRE CHANGES OF USE FROM B1A (OFFICE) TO C3 (RESIDENTIAL) TO GAIN PLANNING PERMISSION**

The Executive considered a report that detailed the outcome of the public consultation on the making of Article 4 Directions removing permitted development rights for office to residential conversions.

It was **RESOLVED:**

1. That the results of the public consultation as shown at Appendix 1 to the report are noted.
2. That the Article 4 Directions as shown at Appendix 2 to the report are confirmed.

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

*Other Options Considered: As contained in the report.*

6. **CONFIRMATION OF ARTICLE 4 DIRECTION TO REQUIRE CHANGES OF USE FROM B1C (LIGHT INDUSTRIAL) TO C3 (RESIDENTIAL) TO GAIN PLANNING PERMISSION**

The Executive considered a report that detailed the outcome of the public consultation on the making of an Article 4 Direction removing permitted development rights for the light industrial to residential conversions.



It was **RESOLVED:**

1. That the results of the public consultation as shown at Appendix 1 to the report are noted.
2. That the Article 4 Direction as shown at Appendix 2 to the report is confirmed

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

*Other Options Considered: As contained in the report.*

## 7. **DRAFT HRA RENT SETTING AND BUDGET REPORT**

The Executive considered a report on the draft proposals on the HRA Budgets and rent setting for 2018/2019, to be considered by Council on 30 January 2018.

Members were of the view that tenants should be given a clear understanding of how work undertaken related to the service charges paid, particularly as they were to be increased.

It was considered that, for historical reasons, there was not a consistent approach to caretaking across the board and this needed to be addressed in conjunction with the Service Charge Review that was to be undertaken. It was anticipated that when the draft HRA proposals for 2018/2019 came forward there should be a clear explanation of what tenants could expect for the service charges paid. It was noted that the timeline for completion of the service charge review during 2018/2019 would be shared with Members.

Concerning the setting of rents levels, it was noted that the LGA supported the argument for local determination and continued to raise this with the Government.

It was **RESOLVED:**

1. That HRA dwelling rents not subject to the 1% rent reduction (currently Low Start Shared Ownership LSSOs) be increased, week commencing 2 April 2018 by 4% i.e. £4.37 per week which has been calculated using the existing rent formula, CPI +1% in line with the Rent and Service Charge Policy approved at the January 2017 Council.
2. That it is noted that HRA dwelling rents, (other than those outlined in 2.1) are subject to the 1% rent reduction from week commencing 2 April 2018 or £0.96 and £1.62 per week for social and affordable rents respectively, as outlined in the Government's Welfare Reform and Work Act 2016.
3. That the draft 2018/19 HRA budget is approved, as set out in Appendix A to the report. This may be subject to change as a result of consultation and the finalisation of recharges from the General Fund.
4. That the final HRA rent setting budget for 2018/19 be presented to the Executive on the 23 January 2018 and then Council on 30 January 2018.
5. That key partners and other stakeholders be consulted and views fed back into

the 2018/19 budget setting process.

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

*Other Options Considered: As contained in the report.*

## 8. **CORPORATE PERFORMANCE FOR QUARTER TWO 2017/18**

The Executive considered a report that highlighted the Council's performance across key priorities and themes for quarter two 2017/2018.

The Chief Executive introduced the report and stated that in quarter two 30 performance measures had met or exceeded their targets (green), 4 had amber status and 13 required urgent improvement/action (red).

The Chief Executive addressed particular indicators where performance improvement was needed. Concerning the two Future Town, Future Council (FTFC) indicators that were red, the 'New Build spend against budget for schemes in contract' related to retention of monies held back until snagging had been completed on a particular scheme. The 'Percentage of HRA savings identified to meet three year target' had achieved only 34% against a target in the region of 50%. However, the 'Housing All Under One Roof' transformation programme would deliver efficiency savings and other improvements that would address the shortfall.

The Chief Executive then addressed the Corporate Performance. The turnaround for voids in both sheltered properties and general needs had not achieved their targets. It was explained that some sheltered accommodation had proved to be hard to let, although performance had improved in recent times following some scheme remodelling and targeted promotional activities. The letting of some General Needs voids had been delayed due to over specification which had been subsequently addressed.

Members stated that some tenants had not been able to bid for sheltered units as they had been 'under-occupying' their current homes. It was noted that this was an anomaly of the existing housing allocation policy. Members requested that such cases be referred to the Panel until such time that the allocation policy was reviewed.

The view was also expressed that where outstanding repairs had been transferred between contractors, affected tenants should be updated on what was happening. The Assistant Director (Housing & Investment) undertook to advise households on how the transfer was progressing.

The Customer Service Centre (CSC) red indicators were in the main due to the shortage of trained/skilled staff. Improved resource planning was needed with recruitment beyond the establishment along with condensing the training programme for new staff. It was noted that during the severe weather the service had reduced its opening hours, but it was explained that wherever possible in times of great demand or where there were difficulties due to snow etc. staff located elsewhere within the Council who were CSC trained were redirected to work in the Centre.

With reference to paragraph 3.118 of the report concerning the percentage of complaints progressing to stages two and three members requested that the actual number of complaints be quoted.

In response to a Member's question regarding ICT performance, the Assistant Director (Corporate Projects, Customer Services & Technology) stated that recruitment to the new Manager post agreed at the last meeting of the Executive would take place as soon as possible after Christmas.

There had been a spike in sickness absence to 9 days. The Chief Executive stated that this matter had been raised at the recent series of staff road shows. He explained that this was of great concern and needed close monitoring and intervention as the organisation could not sustain that level of sickness absence.

There had been a slight increase in anti-social behaviour and criminal damage per 1,000 population. Members were concerned that the Police might not always consider these matters a priority given other challenges they faced and because they could sometimes be difficult and time consuming to resolve, however these continued to be a great concern to people in Stevenage.

It was **RESOLVED:**

1. That the delivery of priorities which form the Future Town, Future Council Programme and performance of the Council across the key themes during quarter two 2017/18 together with latest achievements are noted.
2. That learning from phase one of the Repairs and Voids improvement programme be incorporated into the second phase of the programme to ensure the function operates successfully in the future (outlined in paragraphs 3.102 to 3.114 of the report).
3. That plans to increase the availability, skills and knowledge of Customer Service Advisers to improve performance in the Customer Service Centre are endorsed (outlined in paragraphs 3.116 to 3.123 of the report).

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

*Other Options Considered: As contained in the report.*

## 9. **URGENT PART 1 BUSINESS**

### Severe Weather – Service Update

At the request of a Member the Strategic Director (Matt Partridge) provided an update on the impact to services of the severe weather.

Many staff had worked hard to ensure that services were delivered, particularly to the most vulnerable. The Executive recorded its thanks to all staff, particularly those in Direct Service, Supported Housing and the CSC.

The view was expressed that it needed to be made clear that road gritting was an HCC function and that only main routes were gritted. This was of particular concern as a number of schools in Stevenage were not on main routes making access in recent days difficult, if not impossible.

10. **EXCLUSION OF PUBLIC AND PRESS**

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 involved the likely disclosure of exempt information as described in paragraphs 1 to 7 of Part 1 of Schedule 12A of the Act, as amended by SI 2006 No. 88; and
2. That having considered the reasons for the following item being in Part II, it be determined that maintaining the exemption from disclosure of the information contained therein outweighed the public interest in disclosure.

11. **PART II MINUTES - EXECUTIVE - 28 NOVEMBER 2017**

It was **RESOLVED** that the Part II Minutes of the meeting of the Executive held on 28 November 2017 are approved for signature by the Chair.

12. **URGENT PART II BUSINESS**

At this juncture the Leader took the opportunity to wish all colleagues and officers a Happy Christmas and she was sure that 2018 would be a very exciting year in Stevenage as the FTFC plans, particularly for the SG1 scheme would be starting.

**CHAIR**

## STEVENAGE BOROUGH COUNCIL

### OVERVIEW AND SCRUTINY COMMITTEE MINUTES

**Date:** Wednesday 29 November 2017

**Time:** 6.00 pm

**Place:** Shimkent Room - Daneshill House, Danestrete

**Present:** Councillors Lin Martin-Haugh (Chair), Phil Bibby CC (Vice-Chair), Jim Brown, Howard Burrell, Michael Downing, Alex Farquharson, Michelle Gardner, Sarah Mead, Adam Mitchell CC and Robin Parker CC.

**Start / End Time:** Start Time: 6.00 pm  
End Time: 7.30pm

#### 1. **THE LOCAL GOVERNMENT AND HOUSING ACT 1989 – POLITICAL BALANCE ON COMMITTEES**

At the invitation of the Chair, the Council's Constitutional Services Manager advised that Councillor Saunders was no longer a member of the Committee and, as such, a vacancy had arose which, in accordance with proportionality rules, lay with the Conservative Group to nominate a member of that Group to fill the vacancy.

#### 2. **APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were received on behalf of Councillors Liz Harrington and John Lloyd.

There were no declarations of interest.

#### 3. **MINUTES**

It was **RESOLVED** that the Minutes of the meeting of the Overview and Scrutiny Committee held on held on 13 November 2017 are approved as a correct record and signed by the Chair.

#### 4. **PART I DECISIONS OF THE EXECUTIVE**

This report had not been circulated to Members five clear days before the meeting nor had it been made available for public inspection. The Chair determined however that given the short time left before the end of the call-in period on 7 December 2017, it could be considered on this occasion.

##### **(i) 2017/18 Mid-Year Treasury Management Review (Agenda Item No.3(4))**

The Council's Assistant Director (CF) introduced the report.

In response to a Member's question, it was noted that the Council had the power to operate within its strategy for the procurement of vacant properties

elsewhere and outside of the Borough and that the use of this power by officers was dependent upon what was on the market at any given time.

It was **RESOLVED** that the following Part 1 decisions taken by the Executive at its meeting on 28 November 2017 be noted:

- **2017/18 Mid-Year Treasury Management Review**

- (ii) **Permit Parking Scheme in Burymead (Agenda Item No.3(5))**

The Council's Traffic and Parking Enforcement Manager (PH) introduced the report.

Members raised a number of questions in relation to the following:

- Where within the controlled parking zone (CPZ) could people who had paid to use it, park.
- The number of properties and resultant spaces to be created within the CPZ.
- The likelihood of other such schemes being introduced.
- The number of responses required to effect the introduction of the CPZ.
- How the CPZ would be policed.
- Did residents affected have all of the details required to make an informed choice in terms of supporting a CPZ there.
- Whether higher charges should be imposed on households with additional cars.
- Restrictions in terms of size of vehicles permitted to park there.
- Visitor vouchers and restrictions that would apply.
- The potential for charging businesses which may need to park there to carry out works to the properties.

Given the Committee's concerns as to the required number of residents required to support the proposal, assurances were given that the wording used in the next phase of the consultation would clarify this.

It was **RESOLVED** that the Part 1 decisions taken by the Executive at its meeting on 28 November 2017 be noted.

- **Permit Parking Scheme in Burymead**

- (iii) **2nd Quarter Monitoring Capital Programme Report – General Fund and HRA (Agenda Item No.3(6))**

The Council's Assistant Director (CF) introduced the report.

It was **RESOLVED** that the following Part 1 decisions taken by the Executive at its meeting on 28 November 2017 be noted:

- **2nd Quarter Monitoring Capital Programme Report – General Fund and HRA**

4. **URGENT PART I DECISIONS AUTHORISED BY THE CHAIR OF OVERVIEW AND SCRUTINY COMMITTEE**

None.

5. **URGENT PART 1 BUSINESS**

None.

6. **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 to 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 outweighed the public interest in disclosure.

7. **PART II DECISIONS OF THE EXECUTIVE**

This report had not been circulated to Members five clear days before the meeting. The Chair determined however that given the short time left before the end of the call-in period on 6 December 2017, it could be considered on this occasion.

**(i) Business Unit Reviews Growth Funding**

It was **RESOLVED** that the Part II decisions taken by the Executive at its meeting on 28 November 2017 be noted.

**(ii) Financial Security Options and Overarching Capital Strategy**

It was **RESOLVED** that the Part II decisions taken by the Executive at its meeting on 28 November 2017 be noted.

**(iii) Technology Improvement Plan**

It was **RESOLVED** that the Part II decisions taken by the Executive at its meeting on 28 November 2017 be noted.

8. **URGENT PART II BUSINESS**

**NONE**

**CHAIR**

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**STEVENAGE BOROUGH COUNCIL**  
**OVERVIEW AND SCRUTINY COMMITTEE**  
**MINUTES**

**Date:** Wednesday 13 December 2017

**Time:** 6.00 pm

**Place:** Shimkent Room - Daneshill House, Danestrete

**Present:** Councillors L Martin-Haugh (Chair), P Bibby CC (Vice-Chair), J Brown, M Downing, A Farquharson, J Fraser, ME Gardner, J Lloyd, S Mead, A Mitchell CC and R Parker CC

**Start and End** Start Time: 6.00pm

**Time:** End Time: 7.27pm

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

Apologies for absence were received from Councillors H Burrell and L Harrington.

There were no declarations of interest received from Members.

**2. MINUTES**

It was **RESOLVED** that the Minutes of the meeting of the Overview and Scrutiny Committee, held on held on 29 November 2017, are approved as a correct record and signed by the Chair.

**3. PART I DECISIONS OF THE EXECUTIVE**

This report had not been circulated to Members five clear days before the meeting nor had it been made available for public inspection. The Chair determined however that given the short time left before the end of the call-in period on 20 December 2017, it could be considered on this occasion.

**(i) Budget and Policy Framework Item – Council Tax Support Scheme (Agenda Item No.3(4))**

The Council's Assistant Director (CF) introduced the report.

It was reported that it had been confirmed to the Executive that the Council would be maintaining the existing scheme and that a description of the scheme would be detailed in future reports. A Member asked that it be highlighted that the current scheme was assessed on 91.5% of maximum liability and that, for all working age customers, this meant that they had to pay at least 8.5% of their liability, as demonstrated in the report.

It was **RESOLVED** that the Part 1 decisions taken by the Executive at its meeting on 12 December 2017 be noted:

- (ii) **Article 4 Directions – Change of Use from Office to Residential (Agenda Item No.3(5))**
- (iii) **Article 4 Directions – Change of Use from Light Industrial to Residential (Agenda Item No.3(6))**

The Council's Assistant Director (ZA) introduced both reports simultaneously as each set out to inform Members of the outcome of the public consultation on the making of an Article 4 Direction, removing permitted development rights for office to residential conversions and light industrial to residential conversions. In response to a Member's question, officers confirmed that a separate article 4 direction had been granted by the Council with regards to the licensing of houses of multiple occupation.

It was **RESOLVED** that the Part 1 decisions taken by the Executive at its meeting on 12 December 2017 be noted:

- (iv) **Budget and Policy Framework Item – Draft HRA Rent-Setting and Budget Report (Agenda Item No.3(7))**

The Council's Assistant Director (CF) introduced the report, which updated Members on the draft proposals in respect of the HRA budgets and rent-setting for 2018/19, to be considered by Council on 30 January 2018. It was reported that, as part of the review, the Executive had asked for transparency around caretaking and other charges. Officers clarified what "caretaking" charges related to.

In response to Members' questions in respect of the level of service charge increases applied and interest rates applicable to borrowing on the HRA, it was stated that service charge increases were applied on a block-by-block basis dependent upon the caretaking requirements required in each case and that fixed interest rates were applied on maturity. In response to a supplementary question, officers advised Members that the average rate applied was 3.4% as this allowed headroom in borrowing in case of emergencies, which effectively would allow the Council to borrow, if required.

It was **RESOLVED** that the Part 1 decisions taken by the Executive at its meeting on 12 December 2017 be noted.

- (v) **Corporate Performance – Quarter Two 2017/18 (Agenda Item No.3(8))**

The Council's Assistant Director (RP) introduced the report, which highlighted the Council's performance across key priorities and themes for Quarter Two 2017/18.

Members raised questions in respect of the following:

Whether voids were open to all bands at all times

What, if anything, had changed in approaching Quarter Three?

Was the Council performing better or not (Quarter 1 figures as a comparison

would have been helpful)?

Sickness levels within the Council and whether or not dentist and GP appointments were classed as sickness leave

Who decided where new play equipment is erected?

Repairs to general and sheltered housing stock and yearly void turnover figures

How the Council's three-stage complaints process operated and was managed

What did "housing all under one roof mean"?

Levels of sick pay paid to full-time, part-time and temporary staff

Responsible authority for clearing roads and pathways in times of severe weather

In response, Members were advised as follows:

With regard to voids, these were not open to all bands at all times for the reasons as stated. It was noted that Quarter 3 performance should benefit from the appointment of a new empty homes project officer and that they would be working closely on voids and re-letting times.

In response to whether the Council was performing better or not, it was noted that performance in quarters one and two was broadly similar.

With regard to the number of points raised in respect of sickness levels in the Council, it was noted that levels of sickness absence were going in the wrong direction, that dentist and GP appointments were not classed as sickness leave and that the main areas of recorded sickness amongst staff were stress-related illness and short-term ailments such as colds and flu. In addition, it was confirmed that the Council's flexi-time policy was to be used in those instances where dentist and GP appointments were necessary.

Members were advised that the Executive had discussed how the County Council dealt with sickness levels there and it was highlighted that the County Council did not pay an employee for the first two days sickness recorded. It was noted that the Council was to sign-up to the "time to change" pledge and to review its current policy to identify ways in which the levels of sickness recorded could be reduced.

With regard to levels of pay received by staff recorded as sick, it was confirmed that full-time employees received full pay for up to an initial six-months' leave, followed by half-pay thereafter and that this was pro-rata for part-time employees.

Members considered the possible addition of a scrutiny of sickness levels within the Council. In response, the Council's Strategic Director (MP) suggested that Members may wish to consider Quarter 3 and 4 figures prior to committing to a scrutiny noting that the quarter 2 figures may represent a blip in performance and that a new sickness / absence policy was being implemented which would take some time to bed in prior to an assessment being made regarding its effectiveness. Further to this the Chief Executive had indicated at last week's staff roadshows that a conversation concerning this matter would have to take place to understand what officers could collectively

do to improve performance.

With regard to who decided as to where new play equipment was to be erected, it was confirmed that this was determined by the ward order previously presented post the Member Ward tours, which determined the priority areas. It was **agreed** that the order approved would be circulated to Members along with a list of those areas still to be done and that the Residents' Survey 2017 results would be looked at as this may influence a change in priority areas. )

In response to the issue of repairs to general and sheltered housing stock and yearly void turnover figures, it was reported that the yearly void turnover figure was around 400. It was stated that significant remodelling, particularly around bedsits, was being carried out as was the reconfiguration of the interiors of such properties. In relation to tenancy termination on void sheltered property, it was noted that 23.5 days was required to make the property good for re-letting but that the problem lay on the side of demand in that in some cases the length of time to re-let these was longer than projected.

Officers advised Members as to how the Council's three-stage complaints process was operated and managed. It was stated that, at Stage One, a complaint would ordinarily be sent to the relevant service manager to look into and respond to within a prescribed period of time. If the complainant was unhappy with the response received, they could escalate the complaint to Stage Two, where it would be referred to the relevant Assistant Director to respond to. Again, if the complainant remained unsatisfied with the response given, the complaint could be further escalated to Stage Three, at which, it would be referred to another Assistant Director or Strategic Director to respond to.

Whilst the number of complaints received by the Council was comparatively low, it was recognised that there was a need to give clarity to managers about making the right judgement in such instances. The Assistant Director (CW) who was responsible for managing the Council's complaints procedures advised Members that a scrutiny review was ongoing and the findings would be reported to a future meeting. She added that a business review of Customer Services was being undertaken and although the level of complaints received was low this was still a serious matter.

Officers confirmed that "housing all under one roof" (HAUOR) was the former "excellent council homes for life FTFC programme". HAUOR was made up of a number of projects, with outcomes. The CSC would receive an update on progress at its meeting to be held on 8 January 2018.

Strategic Director (MP) provided an update as to how the Council's services were recovering from the effects of the recent severe weather, in particular, refuse collection services, which had been hit as dustcarts could not access some residential roads and streets with heavy snow and ice.

A Member asked that it be made clear in future that the responsibility for

clearing of snow and gritting of roads lay with the County Council and not the Borough Council. In recognising this, the Vice-Chair, who was Deputy Cabinet Member with responsibility for Highways, said that the County Council's vehicles, and volunteers, began gritting roads on Saturday 9 December, the day before the heavy snowfalls and had to continue to do so until now.

It was **RESOLVED** that the Part 1 decisions taken by the Executive at its meeting on 12 December 2017 be noted.

4. **URGENT PART I DECISIONS AUTHORISED BY THE CHAIR OF OVERVIEW AND SCRUTINY COMMITTEE**

None.

5. **URGENT PART 1 BUSINESS**

None.

6. **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 item of business on the grounds that it involved the likely disclosure of exempt information as described in paragraphs 1 to 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 item being in Part II, it be determined that maintaining the exemption from disclosure of the information contained therein outweighed the public interest in disclosure.

7. **PART II DECISIONS OF THE EXECUTIVE**

This report had not been circulated to Members five clear days before the meeting. The Chair determined however that given the short time left before the end of the call-in period on 21 December 2017, it could be considered on this occasion.

(i) **Part II Minutes of the Executive of 28 November 2017**

It was **RESOLVED** that the Part II decisions taken by the Executive at its meeting on 28 November 2017 be noted.

8. **URGENT PART II BUSINESS**

**NONE**

**CHAIR**

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Meeting: **EXECUTIVE**



Portfolio Area: Resources

Date: 23 **JANUARY** 2018

## **COUNCIL TAX BASE 2018/19**

### **KEY DECISION**

Author – Su Tarran Ext EHC 2075  
Contributors- Clare Fletcher Ext 2933  
Lead Officer – Clare Fletcher Ext 2933  
Contact Officer – Su Tarran Ext EHC 2075

#### **1. PURPOSE**

- 1.1 To seek members approval of the Council Tax Base for 2018/19.
- 1.2 To seek members approval of an increase in the long term empty property premium from 1 April 2018 or such later date when the required regulations are introduced.

#### **2. RECOMMENDATIONS**

- 2.1 That in accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012, the amount calculated by Stevenage Borough Council for the year 2018/19 shall be 27,610.7 equivalent "Band D" properties reduced to 27058.5 equivalent "Band D" properties after making allowances for a 98% collection rate.
- 2.2 That the 2018/19 Council Tax Base be approved subject to any changes made to the Council Tax Support Scheme (CTS) for 2018/19. The Executive approved the CTS scheme at its meeting on 12 December 2017 for recommendation to Council.
- 2.3 That the long term empty property premium be increased from 50% to 100% from 1 April 2018, or such later date as determined by regulation.

#### **3. BACKGROUND**

- 3.1 Under the provisions of the Local Government Finance Act 1992 as amended by the 2012 Act, and the accompanying secondary legislation, local authorities are required to notify preceptors and levying bodies of their Council Tax Base for the forthcoming financial year. The notification must be made between the 1 December and the 31 January.

- 3.2 The Council has a statutory duty to make a resolution in respect of the Council Tax Base before the precepting and levying bodies are notified.
- 3.3 The Government announced in the November 2017 budget, its intention to give local authorities authority to increase the long term empty homes premium from 50% to 100%. This requires new regulations to be laid which are unlikely to be enacted in time for 2018/19. The taxbase for 2018/19 has therefore not included any changes arising from this proposal. There is no requirement to consult on changing the level or premium but members are required to approve it.
- 3.4 As part of the Government's localism agenda, councils were given discretion to change the level of discount on a small range of reliefs from April 2013. At that time Council determined to remove discounts for second homes, and reduce the discount available on each of the empty property discounts. No changes were made to the qualifying conditions or duration of the discount, and no premium was added to long term empty properties.
- 3.5 On 14 December 2016, and with effect from April 2017, the Executive recommended to remove empty discounts and to add the 50% premium to long term empty properties which had been empty for 2 or more years.

#### 4. **REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS**

##### 4.1 **Taxbase**

- 4.1.1 The actual number of domestic dwellings in the borough, as shown in the Valuation Officers list on 11 September 2017, was 37204, compared to 36,740 as at 12 September 2016, an increase of 464 properties. One of the reasons for the increase in the number of properties will be partly due to the conversion of office buildings in the town to residential units.
- 4.1.2 For each of the Council Tax bands, the tax base figure is then adjusted to take account of actual and estimated, newly constructed dwellings, exemptions, disabled reductions and discounts, (including the Council Tax Reduction Scheme discounts) to arrive at the net number of chargeable dwellings for each band.
- 4.1.3 This net figure is then multiplied by the relevant proportions for the particular band (e.g. Band A is 6/9 in relation to Band D) in order to convert it to the estimated number of equivalent "Band D" properties for each band.
- 4.1.4 The relevant proportion for each band are:

Band	Charge ratio	Valuation (at 1/1/91 prices)
A	6/9	Up to £40,000
B	7/9	Over £40,000 and up to £52,000



C	8/9	Over £52,000 and up to £68,000
D	9/9	Over £68,000 and up to £88,000
E	11/9	Over £88,000 and up to £120,000
F	13/9	Over £120,000 and up to £160,000
G	15/9	Over £160,000 and up to £320,000
H	18/9	Over £320,000

- 4.1.5 These “Band D” equivalents are aggregated to give the total number of the equivalent “Band D” dwellings for the authority as a whole. For Stevenage this is 27,610.7, which is less than the actual number of dwellings. This is because the majority of dwellings in Stevenage are in Band C.
- 4.1.6 The Council Tax Base for 2018/19 after making allowances for a collection rate of 98% is 27058.5 equivalent “Band D” properties. (The comparative figure for 2017/18 was 26695.1 (at 98%))
- 4.1.7 The proposed 2018/19 collection rate percentage remains the same as 2017/18 at 98% as Council Tax Support costs are reducing more slowly.
- 4.1.8 The Council Tax Base proposed is based on the current Council tax Support Scheme liability of 8.5%.

## 4.2 Long term empty homes premium

- 4.2.1 Reducing the number and duration of empty homes in the district is a focus of activity and the discounts and premium are tools which can be used to encourage owners to minimize these.
- 4.2.2 There are currently (1.12.2017) 23 properties (21 band D equivalents) which are charged a 50% long term empty premium. This generates approximately £16,761 additional income, which is allocated through the tax base according to the precept shares, of which Stevenage’s share is £2,083.
- 4.2.3 At first of April 2017 there were 31 properties subject to the premium. This has reduced to 23 by 1<sup>st</sup> December 2017, a reduction of 25%. Increasing this premium to 100%, and subject to any reduction in the number of properties liable for the charge, would double this income.
- 4.2.4 Increasing the premium from 50% to 100% should act as a further incentive to bring long term empty property back into use. The average band D property council tax in 2017/18 is £1596.35. A band D property subject to the current 50% premium would pay an additional £798.17. Introducing the higher empty homes premium from 1<sup>st</sup> April 2018 (subject to regulations) would add a further £798.17 to a band D property.
- 4.2.5 It should be noted that the level and duration of awards within the scheme vary during each year.

- 4.2.6 HRA properties are also subject to the premium, and currently there are 6 HRA properties affected. Further HRA properties will attract the charge in 2018/19 at the current or enhanced rate as there are two schemes which are awaiting redevelopment.
- 4.2.7 The long term empty premium impact on the council tax base has not been included for 2018/19 as the regulations are currently not in place to allow the change to happen.

## 5 IMPLICATIONS

### 5.1 Financial Implications

- 5.1.1 The increase in the taxbase has been included in the draft 2018/19 Council Tax Setting and General Fund Report. The increase in assumed property numbers and the discount assumptions including Council Tax Support is the equivalent to a total additional 363.36 equivalent Band D properties or £72,135 before any council tax increase is considered. The reason for the increased council tax income is shown in the table below.

Increased income from 2018/19 taxbase compared to 2017/18 before any council tax increase			
	2017/18 Estimate £	2018/19 Estimate £	Increase /(decrease) £
Properties numbers	6,730,088	6,765,911	35,822
Council Tax Support Scheme	(767,190)	(735,451)	31,739
Changes to other discounts & Premium	(555,227)	(549,181)	6,046
Reduction in reduction for bad debt	(108,153)	(109,626)	(1,472)
<b>Total</b>	<b>£5,299,518</b>	<b>£5,371,653</b>	<b>£72,135</b>

### 5.2 Legal Implications

- 5.2.1 The increase in long term empty homes premium from 50% to 100% requires secondary legislation which is currently not in place. The increase in the premium cannot be implemented until the government introduces this.

### 5.3 Risk Implications

- 5.3.1 The assumptions made are reasonable at the current time but, if the level of anticipated growth in the 2018/19 Tax Base is not realised and/or the council tax support caseload increases, there could be an in year deficit on the Collection Fund.

## **5.4 Equalities and Diversity Implications**

5.4.1 There are no direct equality and diversity implications arising from the recommendations in this report.

## **5.5 Other Implications.**

5.9.1 There are no other direct implications to report at this time.

## **BACKGROUND DOCUMENTS**

BD1 – Council Tax Support Scheme –

<http://www.stevenage.gov.uk/content/15953/56494/19341/Stevenage-S13a-2017-18-Scheme-v1-2.pdf>

## **APPENDICES**

Appendix A - 2018/19 Council Tax Base

Appendix A BAND	Disabled	A	B	C	D	E	F	G	H	TOTALS
AS AT CTB1	0	1581	6421	21409	3285	3162	909	422	15	37204
ADD EXPECTED NEW PROPERTIES	0	0.08	111.01	28.04	10.91	2.9	6.99	0	0	159.93
EXEMPTIONS	0	-35	-117	-145	-25	-20	-2	-1	-5	-350
DISABLED RELIEF	0	0	-11	-78	-10	-30	-6	-7	-2	-144
DISABLED RELIEF ADJ		11	78	10	30	6	7	2	0	144
DWELLINGS SUB-TOTAL	0	1557.08	6482.01	21224.04	3290.91	3120.9	914.99	416	8	37013.93
ASSUMED DISCOUNTS 25% (SINGLE PERSON DISCOUNT)	0	1,109.06	3,919.61	6,303.24	750.48	511.47	104.80	53.00	0.00	12,751.67
50% (EMPTY WORK-RELATED AND ALL PERSONS DISREGARDED)	0	2	7	12	2	2	6	7	5	43
Council Tax Support (Reduction Scheme)	0.00	374.22	1365.58	2339.27	227.04	52.47	12.44	2.75	0.00	4373.77
total discounts	0.00	1485.28	5292.19	8654.51	979.52	565.94	123.24	62.75	5.00	17168.44
TOTAL DWELLINGS charged at 100%	0.00	71.80	1189.82	12569.53	2311.39	2554.96	791.75	353.25	3.00	19845.49
Long term empty premium @ 50%	0.00	6.00	6.00	6.00	3.00	2.00	1.00	1.00	0.00	25.00
Value of discounted properties		832.79	2943.21	4733.43	563.86	384.60	81.60	43.25	2.50	9585.25
DWELLINGS AFTER DISCOUNTS	0.00	907.60	4136.03	17305.96	2876.75	2940.56	873.85	397.00	5.50	29443.24
RATIO TO BAND D	0.56	0.67	0.78	0.89	1.00	1.22	1.44	1.67	2.00	
NO OF BAND D EQUIVALENT	0.00	605.06	3216.91	15383.07	2876.75	3594.02	1262.23	661.67	11.00	27610.71
								TAXBASE		27610.7
								98.00%		27058.5

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**Meeting:** EXECUTIVE / COUNCIL

Portfolio Area: RESOURCES

**Date:** 23 JANUARY / 30 JANUARY 2018

## **COUNCIL TAX SUPPORT SCHEME**

Authors – Su Tarran 01279 502076

Contributor – Clare Fletcher Ext. 2933

Lead Officers – Su Tarran 01279 502076

### **1. PURPOSE**

- 1.1 To propose a Council Tax Support scheme for 2018/19.

### **2. RECOMMENDATIONS**

- 2.1 That Executive makes the following recommendations to Council -

- 2.1.1 That the impact of welfare reforms on the CTS scheme (section 4.4 of the report refers) be noted.
- 2.1.2 That the options considered as part of changes in the scheme (section 4.6 of the report refers) be noted.
- 2.1.3 That the work of the Members of Overview and Scrutiny in reviewing the scheme be noted.
- 2.1.4 That the timescale recommended by the Members of Overview and Scrutiny in reviewing the scheme for 2019/20 (paragraph 4.1.15 of the report refers) be noted.
- 2.1.5 That the 2018/19 CTS Scheme proposed within this report (based on a 8.5% liability) as set in section 4.5. of the report be approved.

### **3. BACKGROUND**

- 3.1 The Government made provision within the Local Government Finance Act 2012 to replace the national Council Tax Benefit (CTB) scheme from 1st April 2013 with localised schemes for CTS devised by individual local authorities (LAs).
- 3.2 A local CTS scheme cannot be revised for at least one financial year. A Billing Authority (SBC) must consider whether to revise or replace its scheme with another on an annual basis.
- 3.4 Any revision to a scheme must be made by the Council by the 31 January, immediately preceding the financial year in which it is to take effect and will

require consultation with those affected. Additionally consideration should be given to providing transitional protection where the support is to be reduced or removed.

- 3.5 The Council must, in the following order, consult with major precepting authorities (i.e. Hertfordshire County Council and Police and Crime Commissioner for Hertfordshire), publish a draft scheme in such manner as it thinks fit, and consult such other persons as it considers are likely to have an interest in the operation of the scheme. Both organisations have indicated their support of the proposed scheme for 2018/19.
- 3.6 Each year a report is brought to Members to determine whether any changes should be made to the current scheme as outlined above and if so to start consultation during the summer.

#### **4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS**

##### **4.1 Review in 2016/17**

- 4.1.1 Last year both the Overview & Scrutiny Committee and the Executive considered a number of possible changes to the Council Tax Support scheme (CTS) and concluded that these would make the scheme more complex and increase the risk of non-payment.
- 4.1.2 The following report details each of the areas that are relevant to a consideration of changes to the CTS, and intends to demonstrate that a recommendation to keep the scheme the same for 2018/19 should be made.
- 4.1.3 At a policy development meeting of the Overview and Scrutiny Members on the 5 September 2017, Members reviewed the areas considered for the 2017/18 scheme and agreed to recommend no change to the existing scheme for 2018/19.
- 4.1.4 Members asked for an early consideration of option for the 2019/20 scheme in March 2018, to give time for any consultation required on proposals.

##### **4.2. Tax base**

- 4.2.1 The tax base is an estimate of the number of properties on which a council tax charge can be levied in the financial year. In simple terms it is a sum of all the residential properties in the borough, less those which qualify for exemptions and discounts, (including council tax support), plus those new properties which will be chargeable during the coming year. Consideration then has to be given to how much of the tax base will be paid.
- 4.2.2 The tax base for 2016/17 was set at 25,888.5 Band D equivalent properties based on a 97.7% collection rate. This reflected assumptions about the number of each of the discounts and exemptions that would be granted during

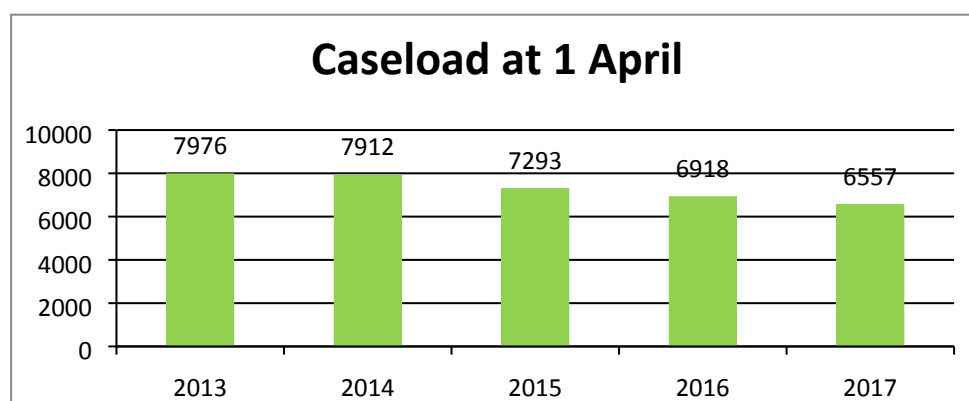
the year, as well as the inclusion of forecasted new properties. A major component of the tax base is the cost of the council tax support scheme, which reduces the collectable income in the same way as the other discounts and exemptions.

- 4.2.3 At 31 March 2017 the tax base was 823.99 Band D equivalents higher than the original estimate for 2016/17. Of which 293 Band D equivalents related to lower than estimated spend on CTS, (the remainder reflecting changes in other discounts, and new properties coming in to rating more quickly than estimated). The tax base for 2017/18 has been set assuming the spend on CTS to be the equivalent of 3865 band D properties or a cost of £6,169,095. At 1.11.2017 the cost is lower at £5,905,993 or 3,700 band D equivalents, (165 Band D equivalents lower), If this trend continues the lower level of spend will generate a surplus on the Collection Fund at year end. This is summarised in the table below.

	Estimated cost of CTS	Band D	Number of Band D equivalents
2017/18 tax base	£6,169,095	£1,596.35	3,865
01/11/2017	£5,905,993	£1,596.35	3,700
(Less than)/more than 2017/18 tax base	(£263,102)		(165)

- 4.2.4 Since the introduction of CTS in April 2013 it has become more difficult to project the tax base on which to levy council tax on. Estimates of the number and values of claims have to be made, which is then calculated as a reduction to the number of properties chargeable for council tax (less discounts). This is exacerbated when planned for Government policies are delayed or amended after the tax base is determined. Examples include proposed changes to tax credits, and the introduction of the new lower benefit cap. The CTS scheme can be a volatile and distorting factor in the tax base calculation. The Table below shows the reduction in the caseload.

### Reducing caseloads



The caseload number at 1.11.17 is 6,492

- 4.2.6 Setting the tax base is an estimate calculated and approved at the January Executive, the value of precepts levied is £42 Million plus and some variations are likely to occur. In considering any changes to the CTS discount to be awarded, an allowance is made for the estimated impact of any government welfare reforms based on the current caseload levels.

### 4.3 Arrears

- 4.3.1 The tax base collection rate recognises that not all of the estimated total liability will be collectable. This could be as a result of changes in the number and value of discounts granted, but mostly despite robust recovery processes not everybody will pay promptly.
- 4.3.2 The table below demonstrates the arrears position at 31 March 2017 for each council tax bill year. The CTS column shows that part of the total arrears (pre and post CTS introduction) relates to customers who have been in receipt of CTS for any period since April 2013. Consequently the CTS column includes arrears accumulated before or after an entitlement to CTS.

**Council Tax arrears at 31.3.2017 are detailed below by year.**

Year	All Customers	CTS customers arrears at 31.3.17
	Arrears at 31.3.17	
2001/02	£ 777.83	
2002/03	£ 2,389.77	£ 163.34
2003/04	£ 5,555.51	£ 339.40
2004/05	£ 14,322.89	£ 1,363.01
2005/06	£ 26,372.65	£ 2,360.73
2006/07	£ 32,433.09	£ 2,586.96
2007/08	£ 52,191.18	£ 3,780.55
2008/09	£ 78,928.11	£ 10,562.40
2009/10	£ 105,134.25	£ 18,882.64
2010/11	£ 129,710.59	£ 32,320.55
2011/12	£ 163,901.74	£ 49,727.42
2012/13	£ 221,903.29	£ 62,866.78
2013/14	£ 327,153.90	£ 123,695.91
2014/15	£ 471,041.52	£ 187,725.74
2015/16	£ 658,574.99	£ 229,784.91
2016/17	£ 1,550,591.62	£ 403,675.62
Totals at 31.3.2017	£ 3,840,982.93	£ 1,129,835.96

Totals at 31.3.16	£ 3,936,737.13	£ 1,154,054.15
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- 4.3.3 Considering just those customers who have at any time been in receipt of CTS, the following table shows the value split between elderly and working age customers, (elderly claimants have entitlement to Council Tax support assessed on 100% of the net liability). Net liability refers to the liability after reductions for single person discount etc.

#### **Split of arrears between Working Age and Elderly**

	<b>Working age</b>	<b>Elderly</b>	<b>Total</b>
2002/03	£ 158.89	£ 4.45	£ 163.34
2003/04	£ 339.40		£ 339.40
2004/05	£ 1,363.01		£ 1,363.01
2005/06	£ 2,360.73		£ 2,360.73
2006/07	£ 2,586.96		£ 2,586.96
2007/08	£ 3,776.89	£ 3.66	£ 3,780.55
2008/09	£ 9,037.12	£ 1,525.28	£ 10,562.40
2009/10	£ 17,213.40	£ 1,669.24	£ 18,882.64
2010/11	£ 30,371.52	£ 1,949.03	£ 32,320.55
2011/12	£ 46,727.14	£ 3,000.28	£ 49,727.42
2012/13	£ 60,831.79	£ 2,034.99	£ 62,866.78
2013/14	£ 119,529.86	£ 4,166.05	£ 123,695.91
2014/15	£ 183,333.50	£ 4,392.24	£ 187,725.74
2015/16	£ 224,939.16	£ 4,845.75	£ 229,784.91
2016/17	£ 387,759.32	£ 15,916.30	£ 403,675.62
<b>Totals</b>	<b>£ 1,090,328.69</b>	<b>£ 39,507.27</b>	<b>£ 1,129,835.96</b>

- 4.3.4 The change in arrears outstanding for working age residents who have at some time been in receipt of CTS is shown below. A small amount of the debt will have been written off.

#### **Change in arrears for Working Age customers**

<b>Liability outstanding from</b>	<b>WA CTS - outstanding liability at 31.3.15</b>	<b>WA CTS - outstanding liability at 31.3.16</b>	<b>WA CTS - outstanding liability at 31.3.17</b>
2013/14	£272,947.80	£171,160.75	£ 119,529.86
2014/15	£481,756.77	£284,141.11	£ 183,333.50
2015/16		£430,393.45	£ 224,939.16
2016/17			£ 387,759.32
<b>Totals</b>	<b>£754,704.57</b>	<b>£885,695.31</b>	<b>£915,561.84</b>

- 4.3.5 This means that whilst recovery is being achieved on these outstanding balances, there is an increasing level of arrears to be collected from customers who have at some time received CTS.

- 4.3.6 At 31 March 2016 there were 657 working age CTS households where the outstanding liability is equal to or greater than their initial net liability for 2015/16, indicating they had not paid their liability and/or had incurred additional costs of recovery. However at 31 March 2017 this had fallen to 445 households.
- 4.3.7 CTS customers are most likely to have also been affected by other welfare reforms:
- 702 homes are currently (as at 1 April 2017) subject to the spare room subsidy restriction in the Housing Benefit (HB) regulations.
  - 475 of these are working age CTS claimants as well.
  - 61 of these households (12.8%) had CTS arrears equal to or greater than their liability for Council Tax in 2016/17. This means that they had not paid anything towards their Council Tax liability and or had costs added for failing to pay.
- 4.3.8 Based on the level of estimated arrears as a result of CTS the tax base only assumes that 70% of the in-year liability of working age CTS customers will be paid, compared to 98% of other council tax.
- 4.3.9 In 2016/17 The overall collection rate for Working Age customers in receipt of CTS at 31.3.17 was 76.5%. The collection rate for those working age customers who only had to pay 8.5% of their liability was 73.69%. The overall in year collection rate for all tax payers was 96.6%.
- 4.3.10 Officers will review the deduction of 30% for non payment of CTS for 18/19 based on current trends and the number of cases not having paid any council tax.

#### 4.4 **Wider welfare reforms**

- 4.4.1 The welfare reform agenda is constantly changing, with planned for changes being modified and reviewed, and this is why it is so difficult to predict the level of CTS spend (see also section 4.3). Some of the recent changes have included;
- From April 16 changes to Housing Benefit have been introduced to reduce entitlement for new claims (removal of the family premium) and for the period claims can be backdated. An example is given below.
- BEFORE: A couple with one child living in a band D property, with a net weekly income of £274.90, would qualify for £11.65 per week CTS when getting the family premium.*
- AFTER: The same family would only qualify for £8.16 per week CTS when assessed without the family premium. A difference of £3.00 per week.*
- The new lower Benefit CAP went live in November 2016, and has further reduced the income of families who claim benefit.

- Customers moving on to Universal Credit are experiencing a different form of entitlement with the added challenge of responsibility of paying their own rent. Rent arrears are increasing.
- Local Housing Allowance rates are frozen – so rent increases in the private sector may not be eligible for additional help through Housing Benefit/universal credit.
- HB working age allowances are frozen, so in real terms these entitlements are falling against other cost of living increases in income.
- April 2017 – new claimants to HB and UC's allowances are limited to 2 children (exceptions do apply).

4.4.2 The impact of these reforms and others is likely to reduce the income of residents affected by them and accordingly put increased pressure on their ability to pay any Council Tax liability. This will lead to increased costs of recovery for both the resident and the Council.

4.4.3 In considering changes to the CTS scheme the impact of other welfare reforms and therefore the ability to collect any increases in CTS liability needs to be taken into account.

## 4.5 CTS scheme income & expenditure

4.5.1 The current scheme is assessed on 91.5% of maximum liability. For all working age customers this means that they have to pay at least 8.5% of their liability. This is demonstrated below.

### Annual value of 8.5% of liability by band

8.5% per year	2013/14/ 2014/15	2015/16	2016/17	2017/18
<b>Band A</b>	£82.46	£83.72	£86.54	£ 90.46
<b>Band B</b>	£96.20	£97.67	£100.96	£ 105.54
<b>Band C</b>	£109.95	£111.63	£115.38	£ 120.61
<b>Band D</b>	£123.69	£125.58	£129.81	£ 135.69
<b>Band E</b>	£151.18	£153.49	£158.65	£ 165.84
<b>Band F</b>	£178.66	£181.40	£187.50	£ 196.00
<b>Band G</b>	£206.15	£209.30	£216.34	£ 226.15
<b>Band H</b>	£247.38	£251.16	£259.61	£ 271.38

### Weekly value of 8.5% of liability by band

8.5% per week	2013/14/ 2014/15	2015/16	2016/17		2017/18
<b>Band A</b>	£1.59	£1.61	£1.66	£	1.74
<b>Band B</b>	£1.85	£1.88	£1.94	£	2.03
<b>Band C</b>	£2.11	£2.15	£2.22	£	2.32
<b>Band D</b>	£2.38	£2.42	£2.50	£	2.61
<b>Band E</b>	£2.91	£2.95	£3.05	£	3.19
<b>Band F</b>	£3.44	£3.49	£3.61	£	3.77
<b>Band G</b>	£3.96	£4.03	£4.16	£	4.35
<b>Band H</b>	£4.76	£4.83	£4.99	£	5.22

- 4.5.2 Before the introduction of CTS the case load applying for council tax benefit was increasing. The caseload has since stabilised and begun to reduce and estimates versus actual costs of discount granted are shown below.

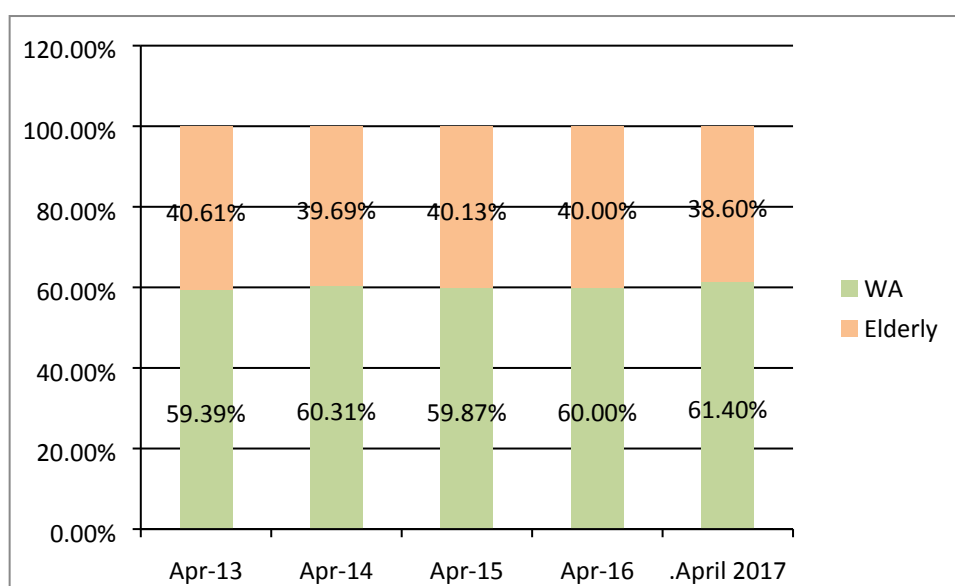
### Estimate and Actual spend on CTS

Year	Estimated cost of CTS scheme	Actual cost of CTS scheme	Value of variance	SBC share	Total Collection fund surplus
<b>2013/14</b>	£7,002,424	£6,605,773	£396,650	£51,406	£111,748
<b>2014/15</b>	£6,892,704	£6,137,922	£754,782	£97,819	£176,710
<b>2015/16</b>	£6,700,958	£5,755,876	£945,082	£120,592	£203,468
<b>2016/17</b>	£6,236,794	£5,683,162	£553,632	£70,157	£179,403
<b>2017/18</b>	£6,169,174				

- 4.5.3 Putting these variances into context, they represent between 6% -14 % of actual spend. The 2017/18 scheme is estimated to cost £6.17 million, which is an increase of £486k over the actual costs for 2016/17, but reflects an increase of 4.53% in the council tax in Stevenage (total all preceptors) between 2016/17 and 2017/18.
- 4.5.4 Calculating the total scheme cost, i.e. the cost of the CTS scheme versus the CTS grant given by the government is now impossible, as the grant has been subsumed within total RSG and NDR figures. RSG has been cut over the past few years and will be totally removed from 2019/20 for Stevenage Borough Council. Members need to be mindful of the councils overall financial budgetary position in the context of requiring General Fund savings of £1.464Million and that central government funding has reduced from over £6Million to an estimated £2.5Million by 2019/20.

- 4.5.5 The amount of CTS discount awarded could increase if there was an increase in the proportion of Elderly customers. The scheme for Elderly claimants (of state pension age) is still controlled by central government through prescribed regulations. It is important therefore to be conscious of the movement in each caseload.
- 4.5.6 The proportion has changed marginally over time with 40.61% of claims in April 2013 being for elderly customers, and at 1 April 2017 only 38.6% from this group. The reduction may be attributed to the raising retirement age.

#### Caseload movement and split between working age and elderly



- 4.5.7 The proportion of elderly claimants is monitored during the year and is a consideration when calculating the value of CTS discount for the year.

#### 4.6 Options considered to amend the Council Tax Support scheme in 2017/18 and 2018/19.

- 4.6.1 A number of options were considered in detail and rejected last year. All revisions would affect working age customers only and would require consultation with all taxpayers.

In brief the following areas were considered and rejected.

Area considered	Explanation
<b>Re align the schemes</b>	Changing the Council Tax support scheme to match reductions in entitlement built into the Housing Benefit scheme
<b>Changing the level of “minimum payment” for all working age customers</b>	Consideration was given to the impact of increasing the minimum % paid from 8.5% to 10%\15%\20% and 25%, as well as reducing the amount paid to 5%.
<b>Introducing a band cap</b>	This would limit the amount that we would pay to a value of a lower property band, for example Band C
<b>Introducing a minimum amount that the council would fund</b>	For example the minimum award would be £5 per week, if you qualified for less, you would not be granted the relief.
<b>Changes around discretions for Disability, Children and other Dependents</b>	Introducing or amending the existing weighting of awards in favour of these groups
<b>Non dependents</b>	Increasing the amount of benefit lost when there is a non-dependant resident in the home.
<b>Capital Limits – reduce the level of Capital that excludes from entitlement.</b>	Claimants with capital (savings/property etc) in excess of £16,000 are ineligible for Council Tax Support.
<b>Other adjustments</b>	There are a number of other component elements of the scheme that could be adjusted including income tapers, income disregards etc.

#### 4.7 Other factors to consider

- 4.7.1 All the above changes carry the same risk to bad debt provisions, potential recovery costs and costs of administration. The more complex the scheme, the more difficult it is to comply with and customers' levels of understanding could be compromised

4.7.2 The CTS should comply with the Government's key principles of protecting pensioner claimants from changes, supporting work incentives, and has is drafted with regard to appropriate consideration to vulnerable groups. The manner in which this is achieved in relation to the DCLG policy Statement of Intent is set out below.

4.7.3 **Armed Forces Covenant** – The Covenant sets out the relationship between the Nation, the State and the Armed Forces and recognises that the whole nation has a moral obligation to members of the Armed Forces and their families, and it establishes how they should expect to be treated. It exists to redress the disadvantages that the Armed Forces community faces in comparison to other citizens, and to recognise sacrifices made. In some cases this will require special consideration, especially for those who have given the most such as the injured and the bereaved. In consideration of the above the recommended scheme reaffirms that in addition to war widow's, war widower's and war disablement pensions, guaranteed income payments (including survivor's guaranteed income payments under the Armed Forces Compensation Scheme) be disregarded in full for working age claimants thus ensuring that receipt of these incomes does not impact upon their Council Tax Support entitlement.

It is also important to note that under Government regulations for pensionable age claimants, which will apply to all LAs, only £10 per week can be disregarded from the receipt of the above pensions. SBC currently exercises its discretion within the current legislation whereby these pensions are disregarded in full, and there is no proposal to change this.

4.7.4 **Child Poverty Act 2010** - The principles enshrined within the recommended CTS Scheme should support the objectives of reducing and mitigating the effects of child poverty through the following means:

- a) Child Benefit be completely disregarded as a claimant's income thus ensuring that their entitlement to CTS is unaffected by the receipt of this income.
- b) Premiums and allowances shall be used to determine a claimant's basic living needs, with amounts being determined for each child and young person resident in the claimant's household.
- c) The provision of disregards for child care costs will be applied within the scheme, up to a maximum prescribed level.

4.7.5 **Incentivising Work** – There is no proposal to change the provision of extended payments for the first four weeks after a claimant commences work, where they meet certain prescribed requirements through the recommended scheme.

4.7.6 **Equalities Implications** - The Equality Act 2010 S149 sets out the public sector equality duty which requires the Council, when exercising its functions (including those as an employer) to have 'due regard' to the need to eliminate discrimination (both direct and indirect discrimination), harassment

and victimization and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who share a 'protected characteristic' and those who do not share that protected characteristic.

4.7.7 If the scheme is amended in anyway an EQIA will be completed to consider the impact on any of the protected characteristics. At the same time, the Council must also pay regard to any countervailing factors, which it is proper and reasonable for them to consider. Budgetary pressures faced by the Council form part of the analysis shown in the equality impact assessment.

4.7.8 Councils have introduced differing schemes across the County depending on the demographic of the CTS claimants, the financial position of the council and its political views. This is shown in the table below

**Table 10: What other councils are doing – (*these are subject to change*)**

Local authority	Scheme
<b>Watford</b>	Default national scheme ie <ul style="list-style-type: none"> <li><input type="checkbox"/> No band capping</li> <li>• Maximum benefit is 100% of liability</li> <li>• Second adult rebate retained</li> </ul>
<b>St Albans</b>	Default national scheme i.e <ul style="list-style-type: none"> <li>• Maximum benefit is 100% of liability</li> </ul>
<b>Welwyn/Hatfield</b>	<ul style="list-style-type: none"> <li>• Maximum benefit is 75% of liability</li> <li>• 100% to protected groups               <ul style="list-style-type: none"> <li><input type="checkbox"/> Disability premium</li> <li><input type="checkbox"/> Enhanced disability premium</li> <li><input type="checkbox"/> Severe disability premium</li> <li><input type="checkbox"/> Disabled child premium</li> <li><input type="checkbox"/> Child under 5</li> <li><input type="checkbox"/> ESA support group</li> <li><input type="checkbox"/> DLA/PIP</li> <li><input type="checkbox"/> War widow/ers</li> </ul> </li> </ul> <p>Removal of Second Adult Rebate for working Age</p> <p>Removal of Family Premium</p> <p>Backdating limited to 1 Month</p>



Local authority	Scheme
<b>North Herts</b>	<ul style="list-style-type: none"> <li>• Maximum benefit is 75% of liability</li> <li>• 100% to protected groups <ul style="list-style-type: none"> <li><input type="checkbox"/> Disability premium</li> <li><input type="checkbox"/> Enhanced disability premium</li> <li><input type="checkbox"/> ESA support component</li> <li><input type="checkbox"/> Disabled child premium</li> </ul> </li> <li><input type="checkbox"/> Earnings disregard increased to £7.50 (single); £15 (couple); £30 (disabled/carer/auxiliary occupation); £37.50 (lone parent)</li> </ul>
<b>Dacorum</b>	<ul style="list-style-type: none"> <li>• Restriction of liability to Band D</li> <li>• Protected groups <ul style="list-style-type: none"> <li><input type="checkbox"/> Disabled child premium</li> <li><input type="checkbox"/> Disability premium or underlying DP for those with limited capability for work</li> <li><input type="checkbox"/> ESA work related activity group</li> <li><input type="checkbox"/> ESA support group</li> <li><input type="checkbox"/> Child under 5</li> <li><input type="checkbox"/> War widow/ers or war disablement pension</li> </ul> </li> <li>• Maximum benefit is 75% of liability <ul style="list-style-type: none"> <li><input type="checkbox"/> 100% to protected groups as above</li> </ul> </li> <li>• Non dependant deductions modified</li> <li>• Second adult rebate - those over pension credit age only</li> <li>• Backdating - 3 months for pensioners and 1 month for everyone else</li> </ul>
<b>Three Rivers</b>	<ul style="list-style-type: none"> <li>• Restriction of liability to Band D</li> <li>• Capital limit reduced to £8,000</li> <li>• Non dependant deductions increased</li> <li>• Second adult rebate – those over pension credit age only</li> </ul>

Local authority	Scheme
<b>Hertsmere</b>	<ul style="list-style-type: none"> <li>• Restriction of liability to Band D*</li> <li>• Protected groups <ul style="list-style-type: none"> <li><input type="checkbox"/> Claimant, partner or child gets DLA, AA or PIP</li> <li><input type="checkbox"/> ESA support group</li> <li><input type="checkbox"/> Lone parent with child under 5</li> </ul> </li> </ul> <p>May align scheme to HB rules from 2018/19</p> <ul style="list-style-type: none"> <li>• Maximum benefit is 80% of liability* <ul style="list-style-type: none"> <li><input type="checkbox"/> 100% of liability to protected groups as above</li> </ul> </li> <li>• Non dependant deductions modified <ul style="list-style-type: none"> <li><input type="checkbox"/> Protection from non dependant charges to groups as above</li> </ul> </li> </ul> <p>*ie liability is actually restricted to 80% of Band D or 80% of actual liability (whichever is lower) except for protected groups</p>
<b>Stevenage</b>	<ul style="list-style-type: none"> <li>• Maximum benefit is 91.5% of liability</li> </ul>
<b>East Herts</b>	<ul style="list-style-type: none"> <li>• Maximum benefit is 91.5% of liability</li> </ul>
<b>Broxbourne</b>	<ul style="list-style-type: none"> <li>• Restriction of liability to Band E</li> <li>• Protected groups – claimant, partner, child <ul style="list-style-type: none"> <li><input type="checkbox"/> Disability premium</li> <li><input type="checkbox"/> Enhanced disability premium</li> <li><input type="checkbox"/> Severe disability premium</li> <li><input type="checkbox"/> DLA/PIP</li> <li><input type="checkbox"/> ESA support component</li> <li><input type="checkbox"/> Incapacity benefit long term rate</li> <li><input type="checkbox"/> War disablement pension</li> <li><input type="checkbox"/> War widow/ers</li> </ul> </li> <li>• Maximum benefit is 80% liability</li> <li>• 100% of liability to protected groups as above</li> <li>• Income taper increased from 20-25%</li> <li>• Protected groups as above</li> </ul>

Local authority	Scheme
	<ul style="list-style-type: none"> <li>• Non dependant deductions modified</li> <li>• Earnings disregard increased to £10.00 (single); £15 (couple); £25 (disabled/carer/auxiliary occupation); £30.00 (lone parent)</li> <li>• Back to work 'run on ' increased from 4-6 weeks</li> <li>• Backdating replaced by automatic 3 month start date prior to claim if satisfies rules in that period.</li> </ul>

- 4.7.9 Stevenage Borough Council has previously agreed no additional protection for individual groups, other than that required in law (pensionable aged claimants) is still valid. An example below demonstrates how the scheme differentiates.

**Table 11: Example of scheme differentiation**

Couple, with two children – one of which is entitled to Disability living allowance, with a weekly income of £496.70, made up of earnings and disability benefits, would qualify for £21.19 per week CTS if living in a band D property. The same household without a disability with the same income, would not qualify for any help. This is because the scheme disregards more of the income as well as using higher applicable amounts for the disabled household.

	Disabled	Not disabled
<b>Income</b>		
<b>Earnings</b>	379.20	462.3
<b>DLA @ high rate</b>	83.10	
<b>Child benefit</b>	34.4	34.4
<b>Gross Income</b>	<b>496.7</b>	<b>496.7</b>
<b>Income disregarded</b>	141.7	59.4
<b>Net income used in assessment</b>	327.00	437.3
<b>Applicable Amounts</b>	334.2	224.35
<b>Income in excess of applicable amounts</b>	28.00	212.95
<b>Council Tax liability</b>	<b>29.28</b>	<b>29.28</b>
<b>91.5% of liability</b>	<b>26.79</b>	<b>26.79</b>
<b>taper</b>	<b>5.60</b>	<b>42.59</b>
<b>Weekly entitlement</b>	<b>21.19</b>	<b>0</b>

## **4.8 Feedback from Overview and Scrutiny**

4.8.1 Overview and Scrutiny Members completed some policy work on potential changes to the CTS scheme on the 5 September 2017 and Members agreed that the scheme should remain at an 8.5% liability (as set out in section 4.5) for 2018/19. However the members did request that the review for 2019/20 was commenced earlier and officers have a meeting planned with Overview and Scrutiny members on the 29 March 2018.

4.8.2 As this matter is a Budget & Policy Framework matter the Overview and Scrutiny committee considered what was then the draft proposals on the 13 December and had no further comments to make other than contained in paragraph 4.8.1.

## **5. IMPLICATIONS**

### **5.1 Financial Implications**

5.1.1 As detailed in the report.

### **5.2 Legal Implications**

5.2.1 As detailed in the report

### **5.3 Equalities and Diversity Implications**

5.3.1 An Equality Impact Assessment will be undertaken if there are proposals to amend the Council Tax support scheme.

### **5.4 Risk Implications**

5.4.1 As detailed in the report

### **5.5 Policy Implications**

5.5.1 As detailed in the report

## **BACKGROUND PAPERS**

None

## **APPENDICES**

Appendix A - Glossary

## **Appendix A GLOSSARY**

IS	Income support
JSA (IB)	Job seekers allowance (Income based)
UC	Universal Credit
PC	Pension credit
GC	Guaranteed credit
SC	Savings credit
ESA (IR)	Employment support allowance (Income related)

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Part I – Release to Press



**Meeting** Executive  
**Portfolio Area** Children, Young People and Leisure  
**Date** 23 January 2017



## DRAFT STEVENAGE CULTURAL STRATEGY (A 10 YEAR STRATEGY FOR ARTS & HERITAGE)

### KEY DECISION

<b>Authors</b>	Rob Gregory	x 2568
<b>Contributor</b>	Geoff Caine	x 2206
<b>Lead Officers</b>	Rob Gregory	x 2568
<b>Contact Officer</b>	Rob Gregory	x 2568

### 1. PURPOSE

- 1.1 The report outlines the development of a Cultural Strategy for the town and summarises a number of cultural ambitions over the next 10 years in order for Stevenage to become a destination creative town.

### 2. RECOMMENDATIONS

- 2.1 That the draft cultural strategy be approved and the final draft be developed through the Community Select Committee.
- 2.2 That this draft be subject to further cultural stakeholder consultation and the final draft be submitted to the Executive for approval in March 2018.

### 3. BACKGROUND

- 3.1 The Council has been working with Arts Council England to develop an overall vision for the town as a cultural destination, building on both its unique heritage and the opportunities to further develop its cultural offer.

- 3.2 In August 2017 both organisations co-commissioned Arts Reach to assist in the development of a 10 year cultural strategy for the town. The creation of a dedicated strategy is recognised as a strong commitment to place-shaping and cultural regeneration. It recognises both the economic and social benefits a strong cultural offer brings to a place.
- 3.3 Arts Reach engaged with a range of cultural stakeholders and partner organisations as part of the process and captured the council's ambitions as part of the Future Town Future Council programme – particularly linked to Town Centre Regeneration and the opportunities to re-imagine Stevenage as a cultural destination.
- 3.4 As a consequence the strategy focuses on a number of key themes in order to build the profile of Stevenage as a destination creative town.
- Widening the Cultural Offer
  - Increasing Cultural Engagement
  - Connecting and Advocating Cultural Opportunities
  - Celebrating the Heritage of Stevenage
  - Developing Opportunities for Children and Young People
  - Improving Health and Wellbeing
- 3.5 Through stakeholder engagement the strategy outlines a number of cultural ambitions over the next 10 years. The draft strategy is attached to this report as an appendix. The ambitions are summarised below:
- Create an extensive new trail of public art, with a focus on interactive artwork, to draw residents and visitors to the cycle network and to Fairlands Valley Park and to enhance the regenerated town centre, also helping to revitalise the existing heritage sculpture trail
  - Facilitate new creative spaces for artists (studios), musicians (practice rooms/recording facilities) and creative/digital industry SMEs to build the local pool of artists, practitioners and creatives
  - Develop existing Outdoor Festivals and events to increase the cultural offer, and develop new Outdoor Arts and heritage offers that together create volunteering and other opportunities for local people and added value attraction for visitors
  - Maximise skills and personal development opportunities for Stevenage residents through engagement with cultural activity
  - Upgrade and improve the Gordon Craig Theatre offer and maximise other performance spaces to meet the 21st century needs of the Stevenage community
  - Relocate and revitalise the Stevenage Borough Museum to widen access and increase footfall, incorporating a USP as the First New Town Museum
  - Increase provision of music making, recording and performance facilities



- Support development of new focused Arts and Health initiatives and programmes (supporting the Borough Plan for Health and Well-Being)
  - Deliver the Cultural Education Challenge by supporting and enabling cultural entitlement for all children and young people
  - Create a Borough wide Arts and Heritage Forum to act as a platform for communication and cultural advocacy, encompassing professional, amateur and community sectors
- 3.6 The ambitions are underpinned by a strong emphasis on culture being accessible to and valued by everyone and as a key driver for economic development and the broader benefits of Stevenage as a cultural destination.

#### **4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS**

- 4.1 In order to progress the finalisation of the Cultural Strategy Members' views are now sought to ascertain maximum buy-in for the ambitions outlined.
- 4.2 It is clear that the Council cannot deliver these cultural ambitions alone and further dialogue will continue with the Arts Council and other stakeholders as a delivery plan is developed.
- 4.3 A policy development session is due to be held with the Community Select Committee on 17<sup>th</sup> January 2018.

#### **5. IMPLICATIONS**

##### **5.1 Financial Implications**

- 5.1.1 At this stage there are no immediate financial implications to the council, although the delivery of key ambitions will require financial investment. The Council will seek to work with other co-investors such as Arts Council England, Heritage Lottery Fund and Hertfordshire LEP to help to realise these ambitions and resources will be required to help to facilitate and mobilise this. There may be some match-funding or pump priming requirements related to progressing certain initiatives. A clear and realistic delivery plan will be developed as part of the final strategy.

##### **5.2 Legal Implications**

- 5.2.1 There are no immediate legal implications highlighted through the draft strategy.

##### **5.3 Risk Implications**

- 5.3.1 The Council will need to consider associated risks in relation to key deliverables in the final strategy.

##### **5.4 Policy Implications**

- 5.4.1 The strategy links to the development of the Health and Wellbeing Strategy for the town in the recognition that engagement in arts and culture supports

wellbeing. The strategy will also link to the Capital Strategy with reference to physical cultural assets such as the Gordon Craig Theatre, Stevenage Museum and Stevenage Arts Centre.

## **5.5 Planning Implications**

- 5.5.1 Policies HC6 and HC7 of the Local Plan outline the council's commitment to protect existing and provide new cultural facilities.

## **5.6 Equalities and Diversity Implications**

- 5.6.1 The development of further cultural opportunities and initiatives through the strategy will consider equality and diversity implications with an underlying value that culture should be accessible to and valued by everyone.

## **5.7 Service Delivery Implications**

- 5.7.1 The strategy references aspirations to replace the Stevenage Museum and aspirations to improve the current Gordon Craig Theatre offer. Operational implications will be considered as these aspirations progress.

## **5.8 Safeguarding Children Implications**

- 5.8.1 The development of further cultural education opportunities for children and young people will need to include appropriate safeguarding considerations.

## **5.9 Other Corporate Implications**

- 5.9.1 The strategy will link to the Town Centre Regeneration and Co-operative Neighbourhood Management strands of the Future Town, Future Council programme.

## **BACKGROUND DOCUMENTS**

BD1 - Consultants Brief

## **APPENDICES**

Appendix A - Draft Stevenage Cultural Strategy



# Stevenage Re-Imagined

A Ten-Year Arts and Heritage (Cultural) Strategy for Stevenage

Making Stevenage a destination creative town



Supported using public funding by  
**ARTS COUNCIL  
ENGLAND**

# Stevenage Re-Imagined

## A Ten-Year Arts and Heritage (Cultural) Strategy for Stevenage

### Vision

#### **Making Stevenage a destination creative town**

As the first New Town Re-Imagined, Stevenage aims to offer:

- Flagship performing arts, museum and heritage facilities
- An iconic public realm arts programme
- Extensive creative industries spaces and hubs, including digital, to attract and develop talent and to support economic growth

Through this Strategy a developed, enhanced and sustainable cultural offer, complementing town centre regeneration, will substantially improve local quality of life and health; benefit businesses and the economy; engage children and young people; and attract visitors from the County, London and beyond to a thriving, busy and accessible creative environment.

## Big Ideas

A series of focused and connected ambitions provide developmental aims that are embedded in this Strategy, a Strategy which belongs to the people and the creative sector, as well as to Stevenage Borough Council and its partners. Through Stevenage Re-Imagined the Borough will:

- Plan and deliver a major public art programme and trail, enhancing the town centre and Old Town public realm, parks and opens spaces, and the extensive network of cycle paths in the Borough, helping build an exceptional creative profile for Stevenage
- Encourage the establishment of artist studios and creative industry hubs, including digital media, to support local talent, stimulate employment, and build a strong local pool of creative practitioners and artisans
- Enhance the depth and artistic quality of Festivals and events, maximising the opportunity to enliven the town centre, the Old Town and Fairlands Valley Park, and promoting a unique Festival offer for Stevenage
- Enable a major upgrading of the Gordon Craig Theatre to meet the needs of the 21<sup>st</sup> century Stevenage population and creating a facility to attract and inspire visitors
- Facilitate a new central Stevenage home for the Borough Museum, with an aspiration to develop the First New Town Museum
- Encourage the provision of high quality music facilities for the town that build on Stevenage's musical traditions and enable young talent to access skills development and career opportunities
- Link arts and heritage with sport to build on the town's substantial sporting heritage, and encourage joined-up events, activities and festivals
- Support innovative Arts and Health projects that use creativity to enhance well-being and quality of life, and support the Borough's Health and Well-Being Strategy – Healthy Stevenage
- Ensure the Hertfordshire Cultural Education Partnership is able to widen levels and richness of engagement to maximise opportunities to engage all of the Borough's children and young people

**In Stevenage the arts and heritage will be accessed and valued by everyone in the community and will become a magnet to attract visitors.**

## Contents

1. Supporting Borough and Partner Strategies and Policies
2. Complementing partner and stakeholder organisations
3. Themes
4. Key Aims
5. Resources and resource requirements
6. Key milestones
7. Delivery responsibility
8. Evaluation

## 1. Supporting Borough and Partner Strategies and Policies

The Strategy's Vision, and the identified themes and aims, support key priorities within other strategies, policies and plans that align with Stevenage Re-Imagined, and in particular goals within:

### **Stevenage Future Town Future Council – Corporate Plan**

From a cultural perspective the intended outcomes of the Future Town Future Council Programme are:

- A. A sustainable high quality cultural offer
- B. Sustained growth of cultural engagement
- C. Improving life chances of local people, including health and wellbeing
- D. The most vulnerable are supported by arts and cultural activities
- E. Direct business growth for arts and cultural organisations, with a positive impact on town centre businesses

### **Stevenage Borough Local Plan**

The Strategy recognises three key elements:

- Regeneration
- Housing provision
- Employment growth

Top priority is regeneration of the town centre to help stimulate interest in Stevenage as an attractive place to live, work, visit and invest and to deliver a step-change in perception. Opportunity areas are designated to deliver high-calibre, mixed use schemes of homes, offices, retailing, sporting, cultural, civic, and leisure uses.

### Stevenage Regeneration Plan - Stevenage Central Framework Vision

The Regeneration Plan has identified six major Opportunity Areas for investment to transform Stevenage into an attractive, sustainable and thriving place, within a positive environment appropriate for 21<sup>st</sup> century living. The aspirations for Stevenage Central (Opportunity Area 1) are to “create a vibrant town centre where people want to live, work and play”:

- A town centre with a vibrant evening economy
- Increased numbers of homes
- A hub for public sector services
- High quality design and greener, better integrated public space
- A transport hub and improved connectivity
- Clear public transport, cycle and walking links with the High Street, Leisure Park and Roaring Meg

This Strategy also references the **Community Strategy - Stevenage 2021 – Our Town Our Future and the Borough’s Health and Well-Being Strategy**

The Community Strategy links to the wider Hertfordshire Community Strategy and identifies priorities as:

- Children and young people
- Healthier communities and older people
- Safer and stronger communities
- Economy, enterprise and the environment



## **Hertfordshire County Council Corporate Plan 2017-2021 – County of Opportunity**

The Corporate Plan has four key ambitions:

- Opportunity to Thrive  
A cleaner, greener county with children and adults given the support they need.
- Opportunity to Prosper  
Successful businesses, with plenty of job and education opportunities.
- Opportunity to be Healthy and Safe  
Healthier lifestyles, tailored social care and less crime.
- Opportunity to Take Part  
More volunteers and residents getting involved with their community.

## **HLEP Strategic Economic Plan for Hertfordshire**

Four Priorities are identified:

- Maintaining global excellence in science and technology
- Harnessing relationships with London and elsewhere
- Reinvigorating places for the 21<sup>st</sup> Century
- Foundations for Growth

Stevenage is particularly referenced for investment support towards regeneration with the note that “place-based regeneration needs to go hand-in-hand with the commercialisation of the town’s science-based assets, particularly when the latter are amongst the finest in the UK.”

### **Arts Council England Great Art and Culture for Everyone**

- Excellence is thriving and celebrated in the arts, museums and libraries
- Everyone has the opportunity to experience and to be inspired by the arts, museums and libraries
- The arts museums and libraries are resilient and environmentally sustainable
- The leadership and workforce in the arts, museums and libraries are diverse and appropriately skilled
- Every child and young person has the opportunity to experience the richness of the arts, museums and libraries

### **Complementing partner and stakeholder organisations**

We know that this Strategy will complement and support the work of partner and stakeholder organisations because, in addition to Stevenage Borough Council Officers and Members, there has been intensive consultation with the following organisations and initiatives:

- Stevenage Leisure Ltd (SLL) – Gordon Craig Theatre team
- Stevenage Museum
- Stevenage Arts Guild
- Hertfordshire County Council via Hertfordshire Music Service and Music Education Hub
- Stevenage Schools
- North Hertfordshire College
- University of Hertfordshire
- UH Arts
- Creative Hertfordshire
- Royal Opera House Bridge
- East and North Hertfordshire NHS Trust
- Hertfordshire Public Health Service
- The Practice Roomz
- Stevenage Lytton Players
- Stevenage Festival
- Hertfordshire Local Enterprise Partnership (HLEP)

- Hertfordshire Cultural Education Partnership (HCEP)\*
- Arts and Horticulture in the Hospital Project

\*Hertfordshire Cultural Education Partnership has identified three key priorities as development goals:

- Advocating for the value of cultural learning
- Enhancing local relationships between schools, the education sector and cultural activity
- Ensuring access and entitlement for all young people to a high quality, diverse, creative and cultural education (prioritising children with protected characteristics)

Strategic partner and stakeholder consultation has taken the form of individual meetings, group meetings and telephone conversations. The development of the Strategy has also involved workshops and discussions with a range of local community groups and survey activity to seek views from individual schools, community groups and artists/practitioners. It was particularly important to seek the views of representative samples of local people, and this was undertaken by arranging music and visual arts workshops that would subsequently allow feedback discussion and debate. In some cases, attendance at community group meetings facilitated group discussion and comment, in order for future aspirations for arts and heritage development to be shared.

A detailed report on the Strategy consultation process is attached as Appendix A. Highlighted below are some of the common and consistent comments shared during the consultation process:

- Lack of connectivity between existing activity (including that in schools) and absence of a joined-up approach to marketing and promoting arts and heritage activity

“There is a lot going on in the town but the various groups need to work together to get the maximum results”

- The aspiration for more and a wider range of participatory activity that is accessible and affordable (and inclusive e.g. for young people with special educational needs)
- The need for studio performing arts space/theatre provision that can be used by both community groups and for a different touring, professional product. There is also a strong aspiration to see music performance space in the town centre

“A properly run live music venue has been much needed within Stevenage in all my years of living here. It would provide a home venue to showcase the talent that Stevenage has in abundance, but end up playing further afield due to lack of local opportunity/platform.”

- A desire for enhanced and additional Festival activity, incorporating music plus arts and crafts. This aspiration includes a desire for more events at Fairlands Valley Park.
- The need to maximise and build on the town's sculpture trail and Mondrian heritage and to create space for exhibition
- Importance of enhancing and relocating the Stevenage Museum and of using empty buildings for creative activity and engagement

## Themes

The themes that drive Stevenage Re-Imagined have emerged from the aspirations inherent in Borough Strategies, Policies and Plans, and from the priorities identified by the cultural sector and by other stakeholders in the town, including the local community.

### **1. Widening the cultural offer**

There is a need to respond to a changing demographic (anticipated 10,000 new town centre residents, primarily young adults), to provide a wider mix of cultural activity to attract visitors, and to offer Stevenage residents a range of cultural opportunities that better support skills development, improve health and well-being and enhance the environment. Stevenage residents benefit from:

- Permanent and temporary exhibitions in the Borough Museum
- The main theatre programme offered by the Gordon Craig Theatre\*
- Occasional shows and cultural events in the Leisure Centre Main Hall
- The Stevenage Leisure Ltd Theatre Academy and Outreach programme (for children and young people)
- Performances from The Lytton Players at the 80 seat Lytton Theatre
- Musical events and concerts in the Music Centre at Nobel School
- Occasional performances in the Valley School theatre space
- Participatory opportunities available through the 20 groups that are members of Stevenage Arts Guild
- Stevenage Festival (biennial)
- Stevenage Day (annual)
- Stevenage Charter Fair (annual)
- Other events, not directly with arts content, such as the annual Fireworks, the Celebrate event hosted by the World Forum, and Cycling Festivals

\*The programme offered by the Gordon Craig Theatre is strongly focused on music (Tribute bands), comedy, popular dance, popular entertainment and family shows (including the Christmas show). In addition, the theatre produces three in-house shows annually, incorporating musicals and drama.

Whilst Stevenage has an existing and relatively vibrant cultural offer, levels of engagement are comparatively low and the town and its inhabitants are ambitious for more, recognising the impact culture can play on quality of life. There are relatively few professional artists and practitioners living and working in Stevenage. There is an aspiration to offer a full range of performing arts activity, to build on the town's traditions of music engagement and performance, and to revive the commitment to public realm art which saw Stevenage as an early pioneer in placing exceptional artworks in public space.

## 2. Increasing cultural engagement

The 2016 survey of Hertfordshire residents included sample responses from 100 people from within each Local Authority area. The survey sample indicated that Stevenage had the lowest cultural engagement in the County with only 30% of those responding indicating they had engaged with arts and culture over the previous twelve months. The Taking Part Survey (2010) indicated Stevenage was in the bottom 20-30% of Local Authority areas for cultural engagement with only 41% of the population indicating an engagement of three times per annum or more (the highest Local Authority area engagement level was 65%). The Borough Museum is reporting reducing engagement from Stevenage schools and there is a risk that children and young people are missing out on important creative opportunities to enhance their learning and future employment opportunities.

Despite these statistics there is focused cultural engagement through Stevenage facilities and initiatives:

- The Gordon Craig Theatre (500 seats) is popular, selling to an average 67.5% capacity (91% for a long-running Christmas pantomime) and the theatre's Academy is engaging 230 children and young people each week
- The Practice Roomz attracts 80 or more musicians/bands each week (many coming into Stevenage from other locations) to use its six recording studios and practice rooms
- The Community Arts Centre (managed by Stevenage Arts Guild with 20 organisations as members) is in substantial demand to host the activities of local community and amateur arts groups, but its current location on the Roaring Meg Retail Park may not be the most obvious location for an arts centre in the town.
- The Lytton Theatre delivers a programme of amateur theatre, with supporting youth theatre and has its own venue with 80 seats and an aspiration to update and improve the facilities.
- The County Music Service, with its Music Centre base at Nobel School, serves many children and young people with music tuition and ensemble performance opportunities
- Stevenage Festival provides a ten-day biennial programme of activity delivered entirely by volunteers and community arts groups
- Stevenage Day is a vibrant one-day Festival event each June, with a substantial live music programme

However, with a population of 90,000 there is considerable scope to improve local cultural engagement, and in particular to ensure that there are accessible opportunities for the whole Borough community, including those from more disadvantaged backgrounds and those with protected characteristics.

### **3. Connecting and advocating cultural opportunities**

Whilst there are focused cultural opportunities in Stevenage, local organisations report a lack of connection and visibility. Activity is often offered and delivered in isolation, and there is little sense of the overarching cultural offer, reducing impact and advocacy for engagement. This issue is reflected in under use of facilities such as the Borough Museum, Nobel Music Centre and Valley School Theatre, underuse of cycle paths, and declining attendances at some local amateur and community theatre and music performances.

The Community Arts Centre is well used but lacks profile in its location on the Roaring Meg Retail Park. Those in the sector report lack of collaborative initiatives and joined-up publicity and advocacy, which together might provide stronger marketing and promotion than individual organisations and practitioners are able to deliver.

Delivery of the Stevenage Regeneration Plan and implementation of the Cultural Strategy provides the platform to raise the profile of arts and heritage activity and opportunities, and to position culture as a central ingredient of life in Stevenage. Creation of a new forum to bring representatives from the sector together, and to enable regular communication and collaboration, will also bring impetus to a new and high level cultural advocacy.

### **4. Celebrating the heritage of Stevenage**

Stevenage has a longstanding history and heritage, in addition to the heritage status of being the country's first New Town. The original Roman Way, which became the Great North Road, passes through the town and alongside the Six Hills, the largest surviving Roman Barrow group in England and a scheduled Ancient Monument. Stevenage town centre is a Conservation Area, reflecting the value placed on the architecture and town layout that created the first New Town development in the late 1950's/early 1960's. Current regeneration plans place value on the New Town heritage and will see restoration and regeneration to make a vibrant and iconic environment that complements a changing town centre demographic and ambience.

Stevenage Old Town celebrates a Victorian and Edwardian past that encompasses the era of the Vincent motorcycle design and manufacture. Fairlands Valley Park offers an exceptional landscape environment of 120 acres, cementing the extraordinary network of cycle pathways (45 km) – a visionary resource unmatched by other UK towns. Natural heritage includes Whitney Wood and Stevenage also boasts the heritage of public art (primarily sculpture) commissioned and installed in the late 1950's as part of the New Town development and including work from Henry Moore (relocated inside Barclay School) and the Joy Ride in the Town Square.

The town was also an early embracer of the Mondrian art style in the 1960s – with much of this still visible in and around the town centre. Public art also includes work presented in the many underpasses that support the cycle network. Various sculpture trails have been initiated to encourage public engagement.

Stevenage regeneration includes a commitment to relocate and refresh Stevenage Museum, providing additional focus on the First New Town heritage and ensuring a central location, with drop-off and close proximity parking, making the Museum more widely accessible. There is an important opportunity to redress the underuse of the cycle network resource, encouraging a new approach to public art and stimulating substantial new engagement with walkways and cycle paths, enhancing cultural contribution to health and well-being. Development of Outdoor Festivals and events will provide a catalyst to increased use of Fairlands Valley Park, as well as to enlivening the regenerated town centre, maximising visitor footfall. Heritage Lottery Fund has initiatives that offer opportunities to maximise the heritage of Stevenage.

## **5. Developing opportunities for children and young people**

It is particularly important for the Borough's children and young people, including those with special educational needs, to have regular access to creative learning opportunities. Valley School has an existing performing arts presentation space, Barclay School aspires to a new Drama Centre and Nobel School hosts the Music Centre with rehearsal, practice and performance facilities. However, curriculum and budget pressures are reducing the emphasis on creative arts subjects and extra-curricular activity, and Hertfordshire Music Service (the Music Education Hub lead) reports lower take-up of music opportunities in Stevenage, making it necessary to partner with other areas in order to provide the full range of music learning. Stevenage Arts Guild is mindful that its membership is primarily older people and whilst the Gordon Craig Theatre has a vibrant and popular Academy (and undertakes important outreach work) the benefit reaches a small proportion of the Borough's children and young people.

The establishment of the Hertfordshire Cultural Education Partnership (HCEP) provides an opportunity to deliver focused targets to increase the engagement of the town's children and young people. Stevenage will be a priority focus for HCEP to pilot work and initiatives that test new activity to meet identified targets. Building on the demand for music practice and recording space for young bands and musicians, there is an opportunity to enhance local music facility provision (and to maximise facilities already available) encouraging new levels of engagement. Widening the cultural offer, and encouraging increased family engagement through participative opportunities at outdoor festivals (e.g. Stevenage Day and the Charter Fair) and as part of public art design and development, will also build aspiration and a commitment to taking part for children and young people of all ages and backgrounds.

## 6. Improving health and well-being

Over the last twenty years Stevenage has suffered from increasing levels of deprivation (economic and social), in common with other New Towns across the UK. This has been exacerbated by decline in the defence and manufacturing industries, leaving high unemployment amongst lower skilled households. Stevenage currently falls within the bottom half of the Indices of Multiple Deprivation with disadvantages including:

- Higher unemployment rates (3.4%) than the average for Hertfordshire and England
- Higher dependency on benefits (13.5%) than the average for Hertfordshire
- Poorer levels of health (4.57% bad or very bad) compared to the average for Hertfordshire
- More people in social grades C2 and DE (48%) than the average for Hertfordshire or England
- High levels of teenage pregnancy and lone parents

The people of Stevenage are determined this will change and cultural activity can play a significant part in transformation of expectation, and engagement in activity leading to improved health, increased skills and opportunity, and better quality of life. This Strategy has a strong focus on building cultural capital, and encouraging people to take part through participation and voluntary involvement in a wide range of cultural activity, and supports the new Borough Strategy for Health and Well-Being – Healthy Stevenage

Engagement with interactive public art; increasing opportunities through Outdoor Festivals and events, including sporting events such as the cycling festival; enhancement of creative activity delivered through and with schools; initiation of Arts and Health projects (including Arts on Prescription or social prescribing); a widened cultural offer; and better advocacy and marketing, will together play a substantial role in improving local health and well-being (mental and physical) and enhancing quality of life. It is important these initiatives create opportunities for older people with failing health.

**There are two cross-cutting themes that are embedded across all six themes identified above:**

- **Access for All**
- **Economic development**

**Stevenage Re-Imagined has a commitment to equality of opportunity and to ensuring that all Borough residents are able and actively encouraged to access arts and heritage opportunities, irrespective of background, social or economic circumstances, health issues, or any disability.**

**The Strategy is also firmly connected to the economic development and well-being of the town. The Themes and identified Key Aims all play a role in supporting economic development and prosperity, by improving the environment, enhancing leisure and recreation opportunities for employees, making Stevenage a better place to live and work, and by enhancing the skills of local people to contribute to the economy.**



## Key Aims

Ten Aims have been identified to underpin the Stevenage Re-Imagined Vision and to enable delivery to the six identified themes. The Action Plan supplied as Appendix C provides SMART Objectives that link to each Aim and will present the detailed delivery route map.

Aim	Themes and SBC Corporate Plan Goals supported	Activity and Outcomes
1. Create an extensive new trail of public art, with a focus on interactive artwork, to draw residents and visitors to the cycle network and to Fairlands Valley Park and to enhance the regenerated town centre, also helping to revitalise the existing heritage sculpture trail	Themes - 1,2,4,5 and 6  Goals – A, B and C	<p>Develop a programme of artwork commissioning (which may have focused stages of intensive delivery, but also ongoing commissioning opportunities) to facilitate extraordinary, interactive artwork, building on the town’s cultural heritage to be sited on cycle paths, key routes from the two centre (e.g. Gunnels Wood Rd), in Fairlands Valley Park and in town centre locations (initiated as part of Stevenage central regeneration and including Mondrian style installations) and the Old Town in order to:</p> <ul style="list-style-type: none"> <li>• Attract local people to walk and cycle and to experience local heritage</li> <li>• Make the public realm more attractive for major business employees</li> <li>• Encourage visitors</li> </ul> <p>“Interactive” is the key word. By commissioning work that actively engages audiences then people will be encouraged to visit the artworks to experience them, rather than seeing the works simply as decorative elements of the route. Interactivity can also ensure people visit again and again, the experience is never the same. The regeneration programme, and HLEP support, provides a credible opportunity to deliver this initiative which can also revitalise and re-profile the existing sculpture trail.</p> <p>This programme will align with Aim 2. As more artists choose Stevenage as a base the pool of local talent will bring more drive and ideas for developing new work and more imaginative ideas for locations. The programme will encourage engagement and involvement of schools, children and young people, with opportunities for community participation with artists, in design, development and installation processes (bringing skills development opportunities and activity that provides potential for engagement to support health and well-being).</p>

Aim	Themes and SBC Corporate Plan Goals supported	Activity and Outcomes
2. Facilitate new creative spaces for artists (studios), musicians (practice rooms/recording facilities) and creative/digital industry SMEs to build the local pool of artists, practitioners and creatives	Themes - 1,5 and 6  Goals – A, C and E	There are empty spaces in Stevenage town centre that can be used to incentivise and facilitate temporary and permanent artist studios and creative industry spaces. Identifying and promoting opportunities will draw artists and creatives (in a range of disciplines) from London, especially when aligned to opportunities such as a new public realm commissioning programme, and will also provide opportunities that support developing local talent. It is well documented that providing affordable studio space for artists (and for creative companies) contributes to urban regeneration. There is also potential to explore the development of a creative industries/artist hub with a bespoke building development/refurbishment that would focus this creative development and create the kind of joined-up and visible initiative that would contribute to highlighting the creative offer and improving the cultural profile of Stevenage. This brings further opportunities to develop a range of SMEs for community benefit, including artist co-operatives and social enterprises. An outcome of creating a strong local artist and creative industry sector is that more opportunities will be developed for local participation, including through activities in schools. Artists (including performing and digital artists) will drive the development of new activity and initiatives. The success of The Practice Roomz can be developed further (aligning with Aim 7) with more rehearsal and recording facilities increasing the engagement of young musicians and the opportunities for local talent development.
3. Develop existing Outdoor Festivals and events to increase the cultural offer, and develop new Outdoor Arts and heritage offers that together create volunteering and other opportunities for local people and added value attraction for visitors	Themes - 1,2,4,5 and 6  Goals – A,B,C and D	There are three key existing Festivals that provide a unique offer linked to Stevenage heritage and traditions. The Charter Fair is part of the history of the town, and has been held every year since King Edward I granted a charter in 1281, giving Stevenage the right to hold a weekly market and yearly fair for all time. This important two day event focuses attention on the Old Town but currently does not include any substantial arts and heritage ingredients. There is an opportunity to enhance the Charter Fair for the benefit of residents and visitors, with potential for participatory activity in advance engaging Stevenage Arts Guild member organisations, local schools and the wider public. Similarly there is an opportunity to further build the range and quality of arts within the Stevenage Day event, in particular benefitting from establishment of a stronger local artist community and utilising the acknowledged Stevenage tradition of band development and performance.

Aim	Themes and SBC Corporate Plan Goals supported	Activity and Outcomes
		<p>The Stevenage Festival is led by a strong volunteer team and will benefit from resourcing as part of a programme to enhance festivals delivery. In particular it offers an opportunity to build engagement of young people in local arts and to further develop volunteering.</p> <p>There will be value in exploring the establishment of a new Arts Festival for Stevenage, located in Fairlands Valley Park (and Stevenage Woodlands) and providing a rich and high quality multi art form event (that also provides heritage interest) to profile the natural heritage in addition to providing an arts platform and encouraging increased family use of the Park. The annual Fireworks display and emerging Cycle Festival also provide an opportunity to extend an arts and cultural offer.</p>
4. Maximise skills and personal development opportunities for Stevenage residents through engagement with cultural activity	Themes - 2,5 and 6 Goals B, C and D	<p>Many of the Key Aims will contribute to providing skills and personal development opportunities for Stevenage residents. This Strategy has a particular commitment to facilitating the participation of children and young people, the engagement of those from more disadvantaged social and economic backgrounds, and the engagement of those with protected characteristics. This aim will be achieved by building participation activity into programme delivery e.g. inviting community participants to work with artists on the design and delivery of public realm artwork, and by encouraging participation programmes and paid employment opportunities (e.g. stewarding) as part of, and in the build up to Festival events.</p> <p>Enhanced volunteering will be a priority, with a newly established Arts and Heritage Forum able to coordinate a local volunteer pool to join-up opportunities and to maximise the learning and experience that can be achieved.</p>
5. Upgrade the Gordon Craig Theatre and maximise other performance spaces to meet the 21 <sup>st</sup> century needs of the Stevenage community	Themes - 1,3 and 5 Goals – A and E	<p>Stevenage Borough Council is committed to upgrading the town's theatre facilities, a process that requires further feasibility work to assess the most appropriate scale and range of spaces, and level of technical fit-out, and to determine the best governance and operating option. Alongside the upgrade of the Gordon Craig Theatre, whether on the same site or an alternative location, partners will seek to enhance and maximise other performance facilities across the town.</p> <p>Delivery of a visiting performance programme will be developed across facilities with the</p>

Aim	Themes and SBC Corporate Plan Goals supported	Activity and Outcomes
		combination of performance facilities developed to ensure there is studio theatre space to house more adventurous and cutting-edge performances and rehearsal space available to meet increasing demand from locally based practitioners.
6. Relocate and revitalise the Stevenage Borough Museum to widen access and increase footfall, incorporating a USP as the First New Town Museum	Themes - 2, 4 and 5 Goals – A, B, D and E	The location for the new Stevenage Borough Museum will be selected to maximise profile, visibility and access. In particular it will occupy a site allowing for easy disabled access and for school party drop-off to encourage visits. The relocation of the Museum will facilitate new exhibitions and a sustainable approach to changing exhibitions as well as the opportunity for pop-up exhibitions to be presented in community locations. An important ingredient of the new Museum, within the regenerated town centre, will be a focus on Stevenage's heritage as the First New Town, the town centre itself also acting as an open-air exhibition of the town's heritage. This USP will be exploited to explore a role for the Museum in sharing the heritage of the wider New Town movement. The development of the new Museum will focus and profile Stevenage's heritage, encouraging wider and increased engagement, including for people to participate in heritage activity and become actively involved as volunteers. It will foster pride in Stevenage and contribute to a joined-up sense of Stevenage as a destination creative town.
7. Increase provision of music making, recording and performance facilities and activity	Themes 1,5 and 6 Goals – A, C and E	The Practice Roomz has established a significant and sustainable music practice and recording studio facility close to Stevenage Old Town. It is attracting and supporting young musicians and bands, but also attracting a range of musicians who regularly use the facilities to develop and record their work. There is capacity within the facility to undertake a range of participatory and education work during daytimes and this will capacity will be better exploited. There is potential to create additional space for practice and recording either as an extension of The Practice Roomz or as a partnership project. There is demand for town centre performance space for a range of music activity which might either be incorporated in a redeveloped Gordon Craig Theatre, or established as bespoke space as part of town centre regeneration. A music performance space will build on the traditions of the former Locarno and provide cultural opportunities particularly relevant to the changing demographic of the town.
8. Support development of new	Themes - 1,2 and 6	Stevenage suffers from an above average level of poor health. Cultural activity provides an

Aim	Themes and SBC Corporate Plan Goals supported	Activity and Outcomes
focused Arts and Health initiatives and programmes (supporting the Borough Plan for Health and Well-Being)	Goals C, D and E	<p>important opportunity to improve health and well-being through:</p> <ul style="list-style-type: none"> <li>• Engagement with physical activity such as dance</li> <li>• Enabling people to make new contacts and friends</li> <li>• Providing purposeful creative activity, often with a satisfying outcome</li> <li>• Giving people a voice and opportunity for self-expression</li> </ul> <p>In addition to health and well-being benefits that come indirectly through engagement and participation, this Strategy will implement specific Arts and Health initiatives, in collaboration with health partners, to focus on creative ways to improve mental and physical health and well-being.</p> <p>In conjunction with Public Health, the local NHS Trust and the University of Hertfordshire, bespoke projects and programmes will be developed and delivered and this will include establishing an Arts on Prescription scheme. The programme will maximise the opportunity to involve students from the University's pioneering Art Therapy degree programme and will build on the success of local initiatives such as the Healthy Hub at Stevenage Arts and Leisure Centre.</p> <p>Participatory projects will be created that include both regular programmes and discreet, self-contained projects that link to</p> <ul style="list-style-type: none"> <li>- an engagement with interactive public art design and installation</li> <li>- increasing opportunities through Outdoor Festivals and events</li> <li>- enhancement of creative activity delivered through and with schools</li> </ul> <p>Stevenage will create a flagship Arts and Health programme with a national reputation.</p>
9. Deliver the Cultural Education Challenge by supporting and	Themes - 2,3, 5 and 6	Pilot activity delivered through the Hertfordshire Cultural Education Partnership will be delivered in Stevenage as part of a commitment to change the low levels of cultural engagement from the

Aim	Themes and SBC Corporate Plan Goals supported	Activity and Outcomes
enabling cultural entitlement for all children and young people	Goals – B, C and D	<p>Borough's children and young people. This will lead to a long-term planned programme of targeted initiatives in particular to ensure involvement and engagement from children and young people with protected characteristics. All Stevenage schools will be encouraged to seek Artsmark status and to become accredited centres for Arts Award. The Arts and Heritage Forum will play a role in encouraging organisations and individual artists/practitioners to achieve accreditation to deliver Arts Awards and to support Artsmark development as Artsmark Partners. A number of other Key Aims in this Strategy will support an increase in opportunities for children and young people. Including the development of Outdoor Festivals and events, the development of artworks in the public realm and a commitment to increasing volunteering opportunities.</p> <p>Stevenage Arts Guild will be proactive in seeking to increase membership from young people and Young Champions will be sought from each school to play an active role in promoting culture to their peers. The support for children with Special Educational Needs will be focused through encouragement of visiting work from companies such as Anjali, Mind the Gap and Headway Arts, potentially creating a focused mini-Festival at Valley School.</p>
10. Create a Borough-wide Arts and Heritage Forum to act as a platform for communication and cultural advocacy, encompassing professional, amateur and community sectors	Themes - 2 and 3 Goals B and E	<p>Local cultural organisations highlight a tendency towards silo activity and a lack of connectivity across the sector. There is also an absence of joined-up marketing of cultural activity which means opportunities to more effectively promote the cultural offer are lost. Absence of connectivity also means that collaboration is not explored and new ideas emerging from regular communication and sharing of aspirations are not identified and developed. A new Arts and Heritage Forum will be established in Stevenage, with a formal Terms of Reference, meeting on a quarterly basis, and providing an accessible platform for representatives from across all parts of the cultural sector.</p> <p>The Forum will create an opportunity for effective communication, for training and skills development, for collaborative working and for connected marketing. Participation will be open to all organisations involved or with an interest in culture and to individual artists and practitioners. It</p>

Aim	Themes and SBC Corporate Plan Goals supported	Activity and Outcomes
		will primarily be self-led (with volunteers sought through the Forum to coordinate its agenda and activities), though initially supported by an appropriate SBC Officer.

### Resources and resource requirements

Big Ideas are important, but they do need resourcing. Implementation of the aims in this Strategy requires:

- Funds for public art commissioning
- Provision of space for artist and creative industry studios
- Funds and personnel to develop the Festivals offer
- Support-in-kind time and space from schools to build cultural entitlement for children and young people
- Funds to enhance participatory opportunities as part of HCEP initiatives
- Funds to facilitate Arts and Health initiatives
- Support-in-kind time from arts and heritage sector organisations to facilitate a Stevenage Forum
- Capital funds for theatre redevelopment, museum relocation, music facility enhancement and for any space refurbishment or new build to make a creative hub
- Some personnel expertise and support to help drive Strategy implementation (an early priority)

In a time of reducing public finances the aspirations to undertake new initiatives need to be informed by robust identification of funding opportunities. The resources to initiate the Big Ideas highlighted in the Stevenage Re-Imagined Strategy can be sourced through the following:

- A. Partnership working
- B. Commercial contributions
- C. Collaborative fundraising
- D. Regeneration funds
- E. Lottery applications

*A. Partnership working*

Stevenage Re-Imagined is dependent on partnership working. Key local partners include:

- Stevenage Borough Council
- Hertfordshire County Council
- Hertfordshire LEP
- Stevenage Leisure Ltd
- Stevenage Museum
- All Stevenage schools
- Royal Opera House Bridge
- Hertfordshire Music Service
- North Hertfordshire College
- University of Hertfordshire
- Creative Hertfordshire
- Stevenage Arts Guild
- The Practice Roomz
- The Lytton Players

In addition, there are a range of partnerships that can be initiated or further developed in order to support implementation of this Strategy.

Potential partnerships include:

- Contracted developers
- Sustrans UK
- Digswell Arts Trust
- Hertfordshire Health and Wellbeing Board
- East and North Hertfordshire NHS Trust
- The Woodlands Trust
- ACME Studios



The role of partners in supporting resource development comprises:

1. Driving and delivering initiatives that are partner led but contribute to Strategy delivery
2. Contributing (with finance or support-in-kind) to the delivery of projects and programmes
3. Acting as applicants for funds that contribute towards projects and programmes (e.g. local community budgets from SBC and HCC)
4. Advocacy and promotion

#### *B. Commercial contributions*

The regeneration of Stevenage brings opportunity to secure contributions from contracted developers, including through CIL and Section 106 contributions, and associated commercial organisations with an interest in the town.

The impact of regeneration and the positive effect on existing business located in the town (or relocating to Stevenage) means that there is an opportunity to source Corporate Social Responsibility and sponsorship sums to support projects, programmes and activities. Cultivation of business to access such contributions may be achieved through HLEP support and/or through contact initiated as part of regeneration planning. In particular there is alignment of the Cultural Strategy with enhancement of the science and technology sector.

#### *C. Collaborative fundraising*

Partnership working, as identified above, can involve a collaborative approach to fundraising. There are funds that are not accessible to a Local Authority (e.g. Charitable Trust and Foundation monies and Research Council funds) that can be the subject of applications from partners, sometimes through consortium bidding. One example is the local Follett Trust which might support new Arts and Health initiatives. In particular there is a need to have registered charity partners to apply to the Trust and Foundation sector and University support to access, for example, Arts and Humanities Research Council funds. The NHS Trust may be in a position to seek funds for Arts and Health projects that are not accessible to creative sector applicants, as well as potentially providing resources in its own right through clinical commissioning. Currently there are still opportunities available through the European Union e.g. Creative Europe that require a collaborative approach. Access to European funds may change after March 2019 but until UK arrangements are clarified there remains a possibility of ongoing opportunity.

#### *D. Regeneration Funds*

Capital investment from Stevenage Borough Council and Hertfordshire Local Enterprise Partnership is playing a key role in driving the regeneration programme.

Once delivery of initial projects (Stevenage Central) is underway, there is strong potential to engage further support to contribute towards complementary projects defined in this Strategy, especially focused on enhancement of the public realm through public art initiatives, and economic development through encouragement of creative industry relocation.

#### *E. Lottery applications*

A substantial opportunity continues to be available through the key Lottery distributors:

- Arts Council England
- Heritage Lottery Fund
- BIG Lottery
- UK Sport

The first three distributors identified above are the most relevant and all offer opportunities that can provide resources both at a smaller scale and upwards of £90,000. A number of the initiatives highlighted in this Strategy will be eligible for Lottery funding/applications, in particular – public art projects; Outdoor Festivals development; Artist Studio development; Museum relocation; Heritage Trail development; Arts and Health initiatives; and projects focusing on children and young people. Modest resources may be achieved, in partnership with Stevenage Borough Council, to enable support to help drive this Strategy implementation e.g. with a cultural “enabler” position.

A Stage 2 project that is part of the process of initiating Stevenage Re-Imagined will involve funding applications (as defined in the Fundraising Strategy at Appendix B) to support immediate Strategy implementation.

### Key milestones

Stevenage Re-Imagined will be the subject of endorsement by Stevenage Borough Council for Launch before the end of March 2018.

The first key milestone (June 2018) will focus on:

- Seeking support to contribute towards resources to initiate the strategy which includes specialist cultural “enabler” expertise
- Development of two funding bids to contribute to implementation of the Fundraising Strategy
- Establishment of the Arts and Heritage Forum for the town

Key milestones thereafter (looking to the first five years of the Strategy 2018- 2022) will include:

2019

- Putting a forward plan for a museum offer in place
- Definitive decisions on plans to upgrade the Gordon Craig Theatre
- Establishment of temporary artist studio facilities in empty space
- Stage One commissioning of Art in the Public Realm
- Pilot Arts and Health/Arts on Prescription programmes
- Stage One enhancement of the Stevenage Day, Stevenage Festival and Charter Fair events

2020

- Potential introduction of a new Outdoor event/festival in Fairlands Valley Park
- Enhanced programme of performance activity in the Valley School Theatre, Nobel Music Centre and Barclay School Drama Centre
- Focus on new initiatives to support cultural entitlement for children and young people
- Further enhancement of Stevenage Day and the Charter Fair
- Full programme of Arts and Health activity
- Revitalisation of existing sculpture trail and link to heritage, with the potential for heritage guided walks

2021

- Stage Two commissioning of Art in the Public Realm
- Further enhancement of the Stevenage Festival

- Creation of more substantial and permanent/semi-permanent artist and creative industry spaces
- Development of music facilities in the town (including facilities for performance)
- Focused festival of work at Valley School from companies engaging learning disabled artists

2022

- Progression of new Gordon Craig Theatre offer.
- Vibrant programme of theatre and music within other facilities to complement Gordon Craig delivery
- Review Strategy achievements over the first five years

### Delivery responsibility

The Stevenage Re-Imagined Strategy belongs to the people of the Borough and the creative sector, as well as to Stevenage Borough Council and its partners. As such there is shared responsibility to ensure delivery, and this includes commitment to fundraising.

An Arts and Heritage Forum, open widely to the sector, and including professional, amateur and community organisations, will be initiated to launch the Cultural Strategy. It will subsequently be self-managed/coordinated by member groups, initially supported by an SBC Officer with specialist cultural expertise.

The Strategy implementation will be monitored by the appointed Officer at Stevenage Borough Council. Individual strands of activity, projects and programmes will be the responsibility of organisations as identified in the accompanying Action Plan.

The Action Plan will be reviewed and updated annually by the SBC Officer in dialogue with the established Arts and Heritage Forum.

Increasingly it is anticipated actions to implement projects and activities identified in the Strategy will be driven by partner organisations and by individual artists or practitioners, or by collaborative action.

### Evaluation

The establishment of a Borough-wide Arts and Heritage Forum provides an opportunity, in addition to joined-up marketing and promotion, to collaborate on the development of standardised evaluation tools for arts, heritage and creative industries organisations, so that evaluation data can be effectively

collated and compared. Social Return on Investment criteria will be used to analyse the benefit of Stevenage Re-Imagined implementation to local people and to the local economy.

A basic logic model has been created (attached as Appendix D) to summarise the benefits and outcomes that can be expected from delivery to this Strategy. Key Performance Indicators (KPIs) can be used to measure progress and achievement for the arts, heritage and creative industries at key milestones during implementation of the Ten-Year Stevenage Re-Imagined Strategy, relating to the Themes and Key Aims identified.

KPIs will focus on:

- Quality of cultural infrastructure in Stevenage
- Membership of and engagement with the Arts and Heritage Forum
- Numbers of arts and creative industries organisations and artists/practitioners based in and operating from Stevenage
- Percentage of Stevenage residents effectively engaging with arts and heritage each year (using three engagements per annum as the benchmark)
- Number of cultural engagements experienced each year by Stevenage children and young people (aged 5-18)
- Numbers attending Festivals with an arts and heritage component
- Numbers participating in Arts and Health/Arts on Prescription programmes
- Achievement of Arts Awards
- Number of schools with Artsmark status
- Stevenage status in the national Active Lives survey
- Perceptions of local people towards Stevenage as a place to live
- Visitor numbers attending arts and heritage events and activities in the town
- Level of engagement and support from the corporate sector in arts and heritage development and delivery
- Sums achieved for inward investment to support arts, heritage and creative industries activity

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Part I – Release to Press



**Meeting** EXECUTIVE  
**Portfolio Area** Resources/Housing  
**Date** 23 JANUARY 2018



## 2018/2019 HRA RENT SETTING AND BUDGET

### KEY DECISION

**Authors** Clare Fletcher | 2933  
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### 1. PURPOSE

- 1.1 To update Members on the final proposals on the HRA budgets and rent setting for 2018/19, to be considered by Council on 30 January 2018.
- 1.2 To propose the HRA rents for 2018/19.
- 1.3 To propose the HRA service charges for 2018/19.
- 1.4 To update Members on the 2017/18 and 2018/19 HRA budget, incorporating the Financial Security options, growth bids and fees and charges included in the November Financial Security report, together with any revised income and expenditure assumptions identified since that report.

### 2. RECOMMENDATIONS

- 2.1 That Council be recommended to approve that HRA dwelling rents not subject to the 1% rent reduction (currently Low Start Shared Ownership LSSOs) be increased, week commencing 2 April 2018 by 4% i.e. £4.37 per week which has been calculated using the existing rent formula, CPI +1% in line with the Rent and Service Charge Policy approved at the January 2017 Council.
- 2.2 That Council be recommended to note that HRA dwelling rents, (other than those outlined in 2.1) are subject to the 1% rent reduction from week

commencing 2 April 2018 or £0.95 and £1.62 per week for social and affordable rents respectively, as outlined in the Government's Welfare Reform and Work Act 2016.

- 2.3 That Council be recommended to approve the Final 2018/19 HRA budget, as set out in Appendix A and the revised 2017/18 budget of £2,802,250, (surplus).
- 2.4 That Council be recommended to approve the HRA Financial Savings options as outlined in Appendix B.
- 2.5 That Council be recommended to approve the HRA Growth options as outlined in Appendix C.
- 2.6 That Council be recommended to approve the HRA Fees and Charges as outlined in Appendix D.
- 2.7 That Council be recommended to approve the 2018/19 service charges.
- 2.8 That Council be recommended to approve the minimum level of reserves for 2018/19 as shown in Appendix E to this report.
- 2.9 That the contingency sum of £250,000 within which the Executive can approve supplementary estimates, be approved for 2018/19 (unchanged from 2017/18).

### **3. BACKGROUND**

- 3.1 In November 2017, the Executive approved a revised HRA Business Plan which was an update on earlier versions approved in 2016 and 2014. Since the initial 2014 Business Plan update, the projections have undergone a number of reiterations, mainly due to the significantly negative financial impact on the HRA of the four year 1% rent reduction and other government legislation in the Welfare Reform and Work Act 2016 and the Housing and Planning Act 2016. Members will be aware that the single biggest financial impact on the HRA was the four year rent reduction with an estimated £225Million loss of income over a 30 year period. 2018/19 represents year three of the four year rent reduction.
- 3.2 The Government has indicated that after 2019/20, rent increases will be based on the formula CPI+1%. If this policy had been in force for 2018/19 this would have equated to a 4% rent increase rather than the 1% rent reduction for social and affordable rents for the coming year.
- 3.3 In terms of other Government legislation the financial landscape still looks uncertain for housing. However the government has announced that the introduction of Higher Value Asset levy (HVV) on councils has been deferred for another year (2018/19) but as of yet no decision has been announced on whether the government will introduce it. The 2017 Autumn budget confirmed that the government will proceed with a £200 million large scale regional pilot of the Right to Buy for housing association tenants in the Midlands. The Autumn budget costs, include an £85m sum for this pilot in 2019/20, but the accompanying policy costings document doesn't explain how this has been arrived at. The HRA business plan to the September Executive had assumed a cost of £732K to the HRA in 2018/19 which has been removed and for the 30 year business plan a total cost of £29Million.



- 3.4 Secondly the end of lifetime tenancies, replaced with a two to five year fixed term (with some exceptions). The DCLG had indicated it was ready to consult prior to the General Election but this hasn't materialised since then and there has been no decision on an implementation date. Both of these Government initiatives require the approval of regulations by Parliament.
- 3.5 In summary the current regulations in force require the Council to set a 1% rent reduction for social and affordable rents, the exception being low start shared ownership (LSSOs). There are 90 LSSO properties which equate to 85 full house equivalents. Any service charges can be charged at cost and sit outside the rent reduction regulations.
- 3.6 The total number of HRA homes in management at the 18 December 2017 is summarised in the table below. The average rents for 2018/19 are based on this housing stock, however any right to buys or new schemes subsequent to the 18 December may change the average rent per property type. This is 11 properties less than that reported in the Draft HRA report to the December Executive.

Stock Numbers at 18/12/2017	Social	Affordable	Sheltered	LSSO	Homeless	Total
Number of Properties	6,851	10	858	85	130	7,934

- 3.7 The HRA Business Plan presented to the September Executive has been adjusted for the Financial Security Options and Fees and Charges approved at the November Executive. A summary of the assumptions for the budget are shown in the table below.

Financial Assumptions included in the HRA BP and November FS report	2017/18	2018/19
<b>Rent &amp; Service Charge Increases</b>	1% rent reduction for general stock and 1%+CPI (3%) for LSSO's and re-lets to formula rent	
<b>New Build</b>	50% Affordable 50% Social	
<b>Right-to-Buys</b>	42	50
<b>Bad debt rates</b>	0.60%	0.60%
<b>2018/19 Financial Security options</b>	0	(£225,959)
<b>2018/19 Growth bids</b>	£154,751	£365,092
<b>New Build - Number of Units (HRA BP)</b>	56	37
<b>Repayment of Debt</b>	3,741,000	0
<b>New loans</b>	3,500,000	
<b>Capital Deficit in the Business Plan</b>	0	0

- 3.8 The Budget and Policy Framework Procedure Rules in the Constitution prescribe the Budget setting process, which includes a minimum consultation period of three weeks. Under Article 4 of the Constitution, the Budget also includes: the allocation of financial resources to different services and projects; proposed contingency funds; setting the rents; decisions relating to the control of the Council's borrowing requirement; the control of its capital expenditure; and the setting of virement limits. The timescale required to implement this process is outlined overleaf.

Date	Meeting	Report
Dec-17	Executive	Draft HRA 2018/19 Budget (incorporating Financial Security Options)
	Overview and Scrutiny	Draft HRA 2018/19 Budget (incorporating Financial Security Options)
Jan-18	Executive	Final HRA rent setting and 2018/19 Budget
	Overview and Scrutiny	Final HRA rent setting and 2018/19 Budget
	Council	Final HRA rent setting and 2018/19 Budget

- 3.9 The Draft HRA budget was presented to the December Executive and Overview and Scrutiny Committee which was a 2018/19 Deficit of £2,618,690 with an average 2018/19 social rent of £95.75, affordable rent £160.21 and LSSO of £113.55. There were 141 properties with an increase of between £4.00-£5.50, this included 90 LSSO properties with the remaining 51 being social rented homes.

## 4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

### 4.1 Rents

- 4.1.1 The continuing impact of the 1% rent reduction on an average rent is illustrated in the table below. Over the four year period a CPI+1% increase is estimated to be a 10.78% increase in average rents, compared to a 3.94% loss of a 1% rent reduction for four years. This gives an overall difference between the two rents of 14.72% and an estimated rent loss by year four of £5.9Million and in total £12.6Million. The impact over a 30 year business plan has been estimated at £225Million.

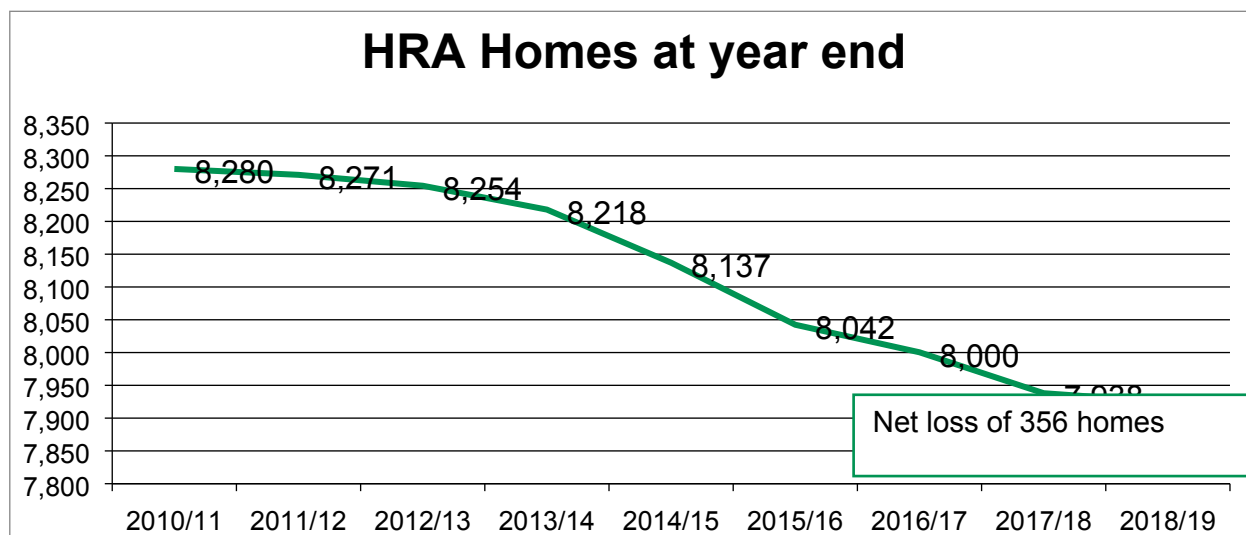
Impact of 1% rent reduction (starting rent £98.59)	2016/17	2017/18	2018/19	2019/20	Incr.(decr.) 4 years £	Incr./(decr.) 4 years
<b>Rent based on CPI+1%</b>	£99.48	£101.47	£105.53	£109.22		
<b>Increase per year</b>	£0.89	£1.99	£4.06	£3.69	£10.63	10.78%
<b>Rent with 1% rent reduction</b>	£97.60	£96.62	£95.66	£94.70		
<b>Decrease per year</b>	(£0.99)	(£0.98)	(£0.97)	(£0.96)	(£3.88)	(3.94%)
<b>Overall loss per average property</b>	£1.88	£4.85	£9.87	£14.52	£31.11	<b>(14.72%)</b>
<b>Rent loss in £'000</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>Incr.(decr) 4 years £</b>	
<b>Estimated rent loss per year £'000</b>	£771	£1,960	£3,975	£5,940	£12,647	

- 4.1.2 The legislation governing the rent reduction states that it should be based on a tenant's rent in the 12 months prior to the first relevant year. The starting point should be the rent on 8 July 2015 – the date on which the intention to legislate regarding rent reductions was announced. The link to rent on 8 July 2015 was an anti-avoidance provision. There are a few exceptions to that including where no tenancy existed (new properties etc.), however in accordance with the Act it ensures that rents for tenancies beginning after the 8 July 2015 will track down in parallel with those of established tenancies.
- 4.1.3 The exceptions to the 1% rent reduction for Stevenage Borough Council, is Low Start Shared Ownership properties (LSSOs). The Council has 90 LSSO properties and owns 85 full house equivalents. This report recommends that these rents are set in line with the rent policy CPI+1% or a 4% increase for 2018/19, (2017/18 increase 2%).
- 4.1.4 The proposed average rents for 2018/19 are set out in the table below, there are currently 10 affordable rented properties (ranging from 4 bedroom-2 bedroom houses and flats).

Average Rents 2018/19	LSSO	Incr./ (decr.) %	social	Increase/ (decrease) %	Affordable	Incr./ (decr.) %
Average Rent 2017/18	£109.18		£96.71		£161.83	
Add rent impact 2018/19	£4.37	4.00%	(£0.95)	(1.00%)	(£1.62)	(1.00%)
<b>Total 52 week Rent 2018/19</b>	<b>£113.55</b>		<b>£95.76</b>		<b>£160.21</b>	

- 4.1.5 The only change between the Draft and Final proposed rents is that the average social rent for 2018/19 is now £95.76 per week compared to an average draft rent of £95.75 a difference of £0.01. This as a result of void properties being re-let at formula rents and removal of right to buy sales between October and December. Net rental income decrease for 2018/19 is

estimated to be £566,000, which includes the impacts of the rent reduction and estimated right to buys, offset by estimated new properties. The total number of properties in management is estimated to have reduced by 356 homes between 2010/11 and 2018/19, the 2017/18 numbers have been temporarily impacted by sheltered properties out of management ready for scheme redevelopment. **This remains unchanged from the Draft HRA report to the December Executive.**



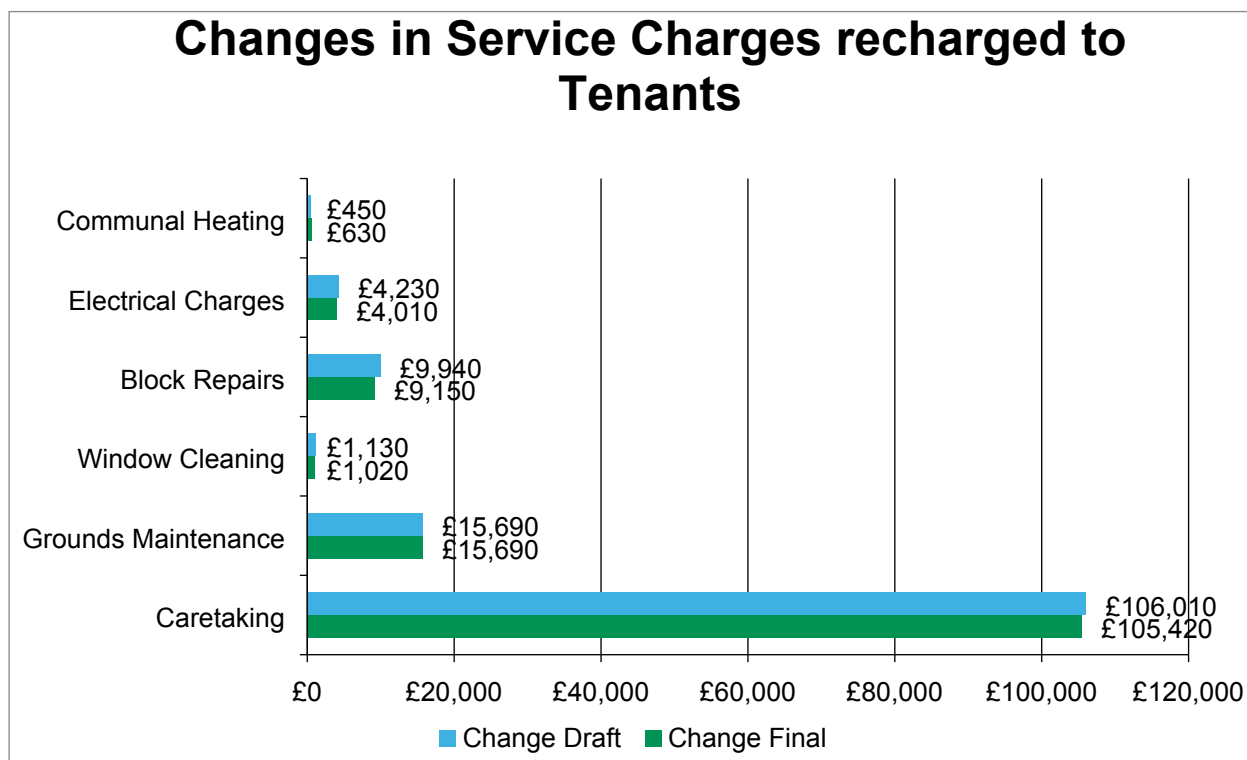
## 4.2 Service Charges

4.2.1 Service charges are calculated for each block individually for 2,925 properties, (2017/18 2,885) or 37% of current SBC tenanted properties. A review of service charges was trailed in the 2017/18 HRA rent setting report, however the review was not concluded in time for the 2018/19 rent setting and still requires tenant and Member consultation. The Executive will receive a report in the spring/summer with a view to necessary action / consultation being undertaken in time to inform the 2019/20 budget. Service charges currently provided, (eligible for housing benefit) are shown below.

Service Charges:
Caretaking
Grounds maintenance
Window cleaning
Block repairs (including pest control)
Electrical charges
Communal heating

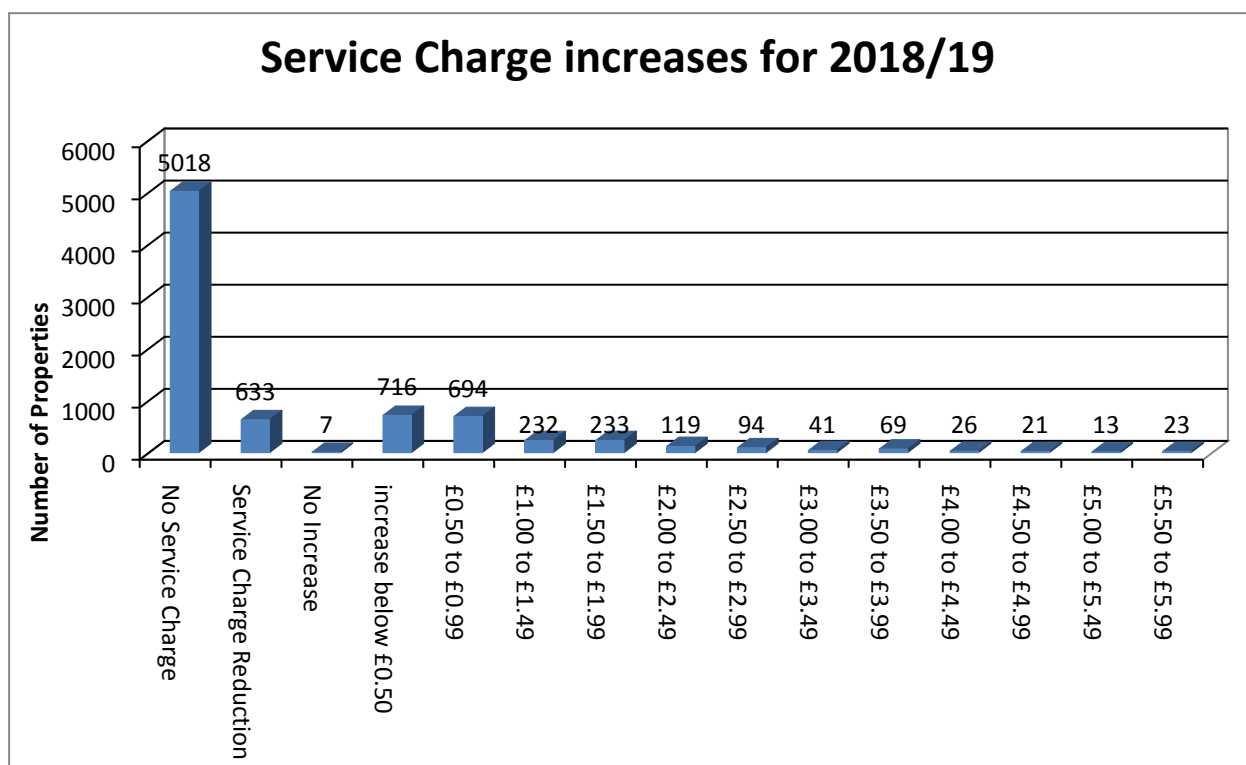
4.2.2 Service charges are not subject to the 1% rent reduction regulations, but are based on cost recovery. For 2018/19, service charge costs will increase with inflationary pressures and changes in usage. Both the draft and final estimates of service charge costs to be charged to tenants are shown in the chart below. The recharge to tenants has been amended to reflect RTB

properties and any adjustments to service charges. The reduction in tenant income will be recouped via leaseholder service charges.



4.2.3 In the draft HRA report caretaking costs were shown to have increased by £106,010, this has reduced slightly to £105,420. As reported previously the reason for the increase is because historically reactive work undertaken by the caretakers has not been charged to tenants and leaseholders, meaning that only 58% of caretaking costs have been recovered. Including the reactive work (not on the normal schedule for removal of debris etc.) in chargeable time means that 84% compared to 58% of productive hours are estimated to be paid for in 2018/19.

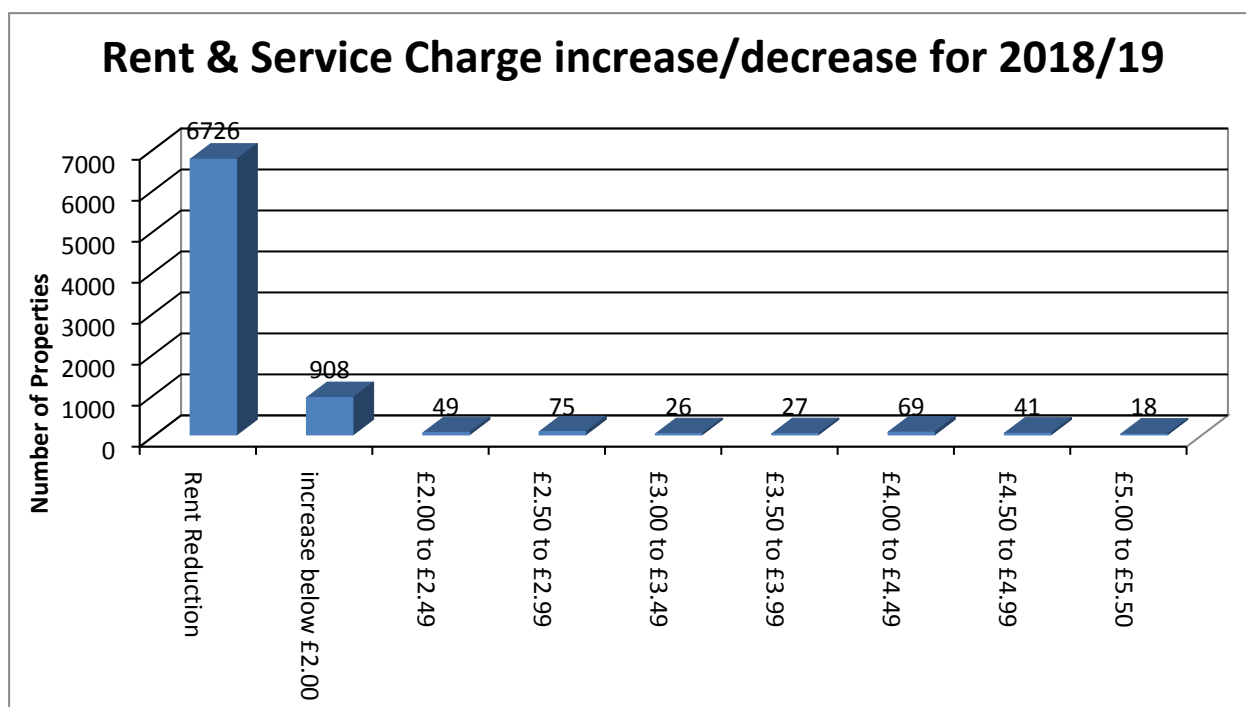
4.2.4 The spread of service charge increases for all tenants in 2018/19 is shown in the chart below and has been updated since the draft report. The impact of the increase in service charges (including caretaking), means **2,050 homes will receive a service charge increase of less than £1.00** (in the draft report this was 2,062), there are still 23 properties which have an increase of between £5.50-£5.99 per week.



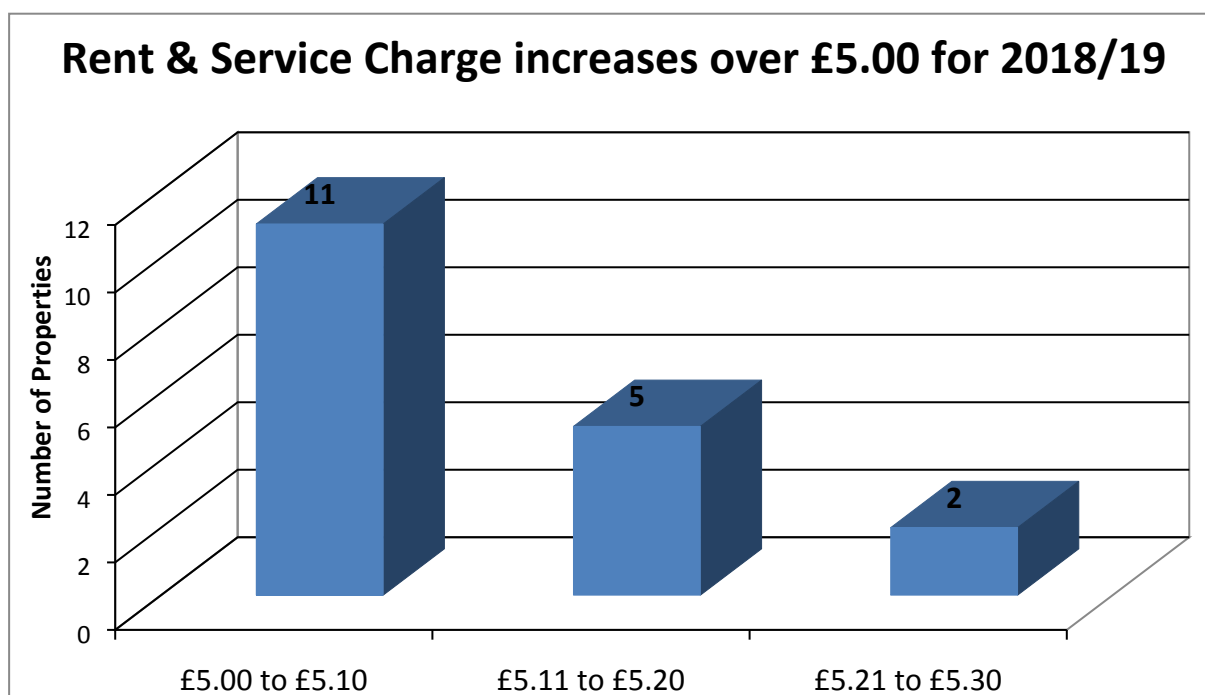
*\*includes LSSO in total not reduced for the share owned by the tenant*

## 4.3 Rents and Service Charges

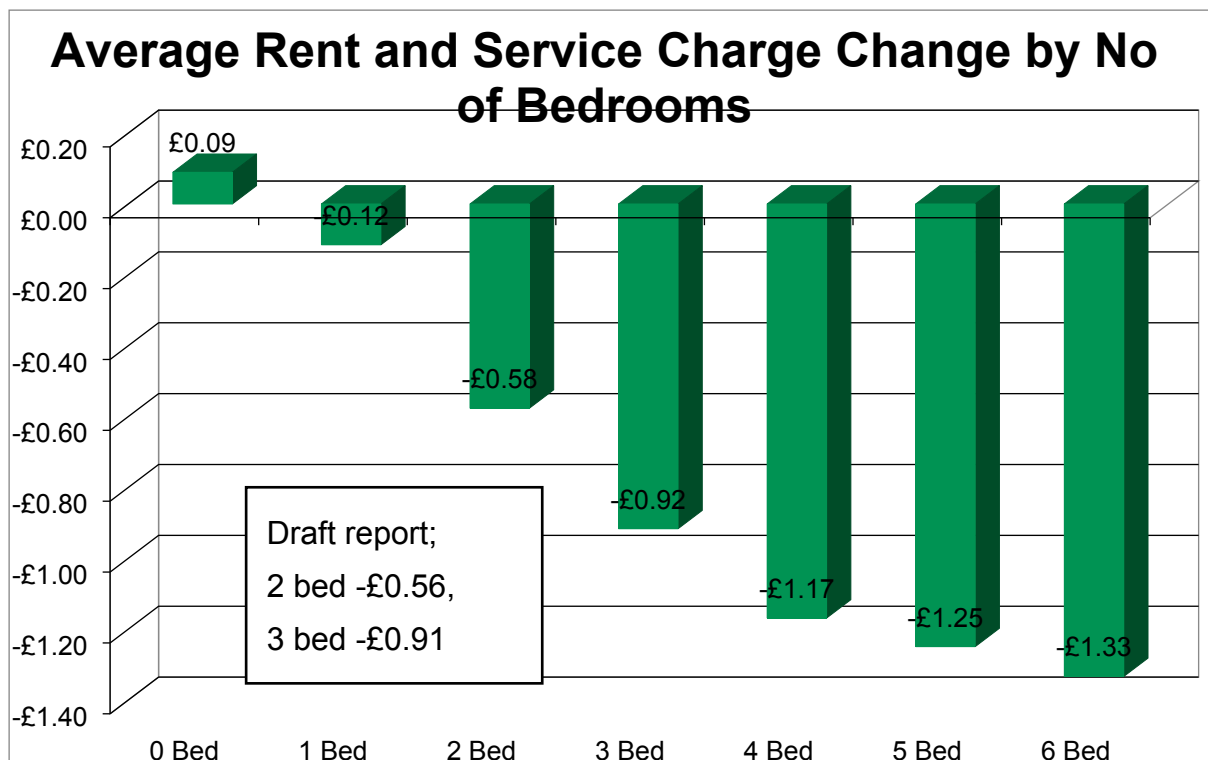
- 4.3.1 There are 6,726 or 84.7% of council tenants compared to 91.6% in 2017/18 receiving a rent and service charge reduction. **There were 141 properties with an increase over £4.00 in the draft report, this has reduced to 128 properties.** The spread of the 2018/19 rent and service charge changes are summarised in the chart below.



4.3.2 There are 18 properties with an increase in excess of £5.00 with two properties estimated to have an increase of between £5.21 and £5.30. A summary of these properties is shown in the chart below and this remains unchanged from the Draft HRA report to the December Executive.



4.3.3 The average rent and service charge increase/(decrease) by bedroom size has also been calculated and summarised in the chart below.



4.3.4 The comparison between HRA property rents and private sector rents for one to four bedroom properties is shown in the table below. A three bedroom private sector rental property costs an additional 139%, (2017/18, 147%) per week than a SBC council home and 38% more than the affordable let properties, (2017/18 44%).

	SBC Social Rent (EXC LSSO's)	SBC Affordable Rent	Median Private Rent	Local Housing Allowance (LHA)	Median % v SBC Social	Median % v SBC Affordable
1 Bed Property	£81.56	£119.92	£184.00	£126.03	126%	53%
2 Bed Property	£94.94	£153.38	£219.00	£155.37	131%	43%
3 Bed Property	£106.03	£182.75	£253.00	£192.05	139%	38%
4 Bed Property	£117.15	£225.82	£299.00	£245.96	155%	32%

4.3.5 **The Local Housing Allowance (LHA)** shown in the table above is the maximum amount of housing benefit payable by property size for private rented properties.

#### 4.4 Supported Housing Income and Expenditure

4.4.1 Included in the approved 2014, 2016 and 2017 HRA Business Plan was an assumption that £100,000 of Supported Housing charges would be recovered either from lower costs or higher charges in the period 2016/17-2018/19.

4.4.2 The business plan was trying to address the removal of supporting people grant, (paid via the County Council), of which £386,000 had been removed by 2015/16. Furthermore the cost of the service in 2015/16 was a net charge to



the HRA of some £656,000, so even with grant funding the cost of the service was not met. This has meant that the cost of this service (apart from some self-funders) is being met from the HRA which is not sustainable.

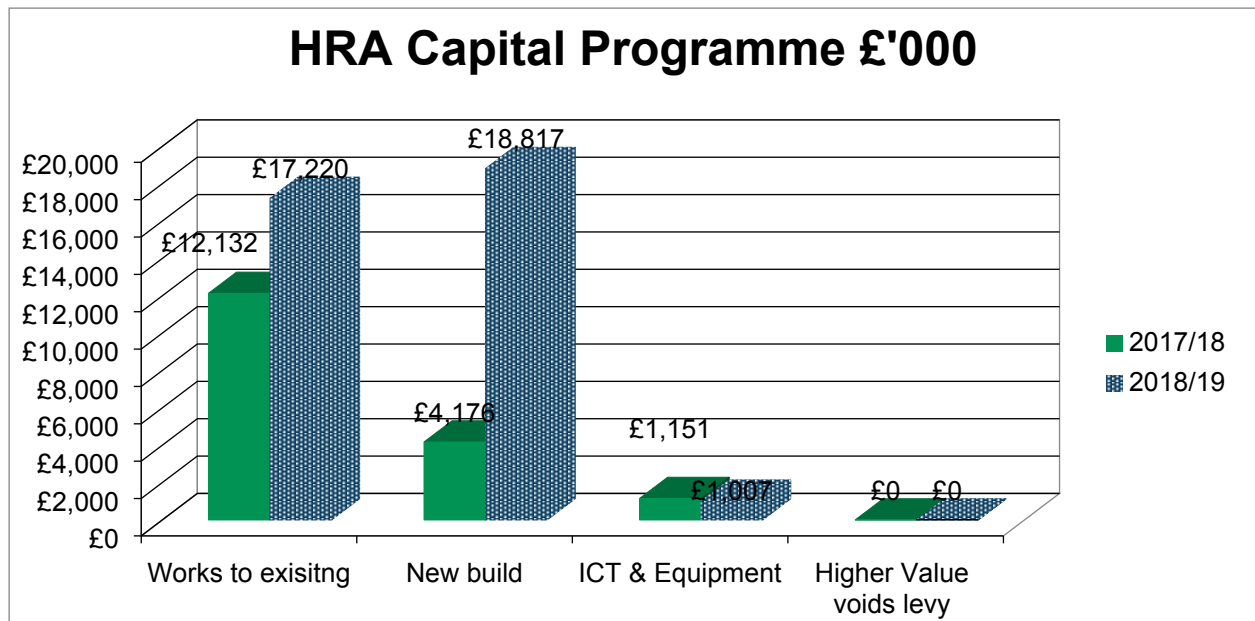
- 4.4.3 Since 2015/16 a number of income increases have been introduced together with service cost reductions which lowered the cost of the service by £149,790 in 2017/18, (fee increases accounted for £22,250). In 2018/19 further options have been considered (subject to consultation) which is a £2.00 charge per week for those recipients of the service that are currently not paying anything, whose costs (in part) would have been covered by the supporting people grant. The charge to self funders will be £17.70 in 2018/19.

## 4.5 Borrowing

- 4.5.1 The HRA business plan's existing loans are an average interest rate of 3.40% based on £206.174 Million of borrowing. The current business plan makes allowance for new loans totalling £3,500,000 in 2017/18, together with debt repayments in this year of £3,741,000. The decision when to take the new borrowing will be reviewed, weighing up the cost of carry and the prevailing PWLB rates. The interest payable in 2017/18 and 2018/19 is estimated to be £7,017,260 and £6,960,140.

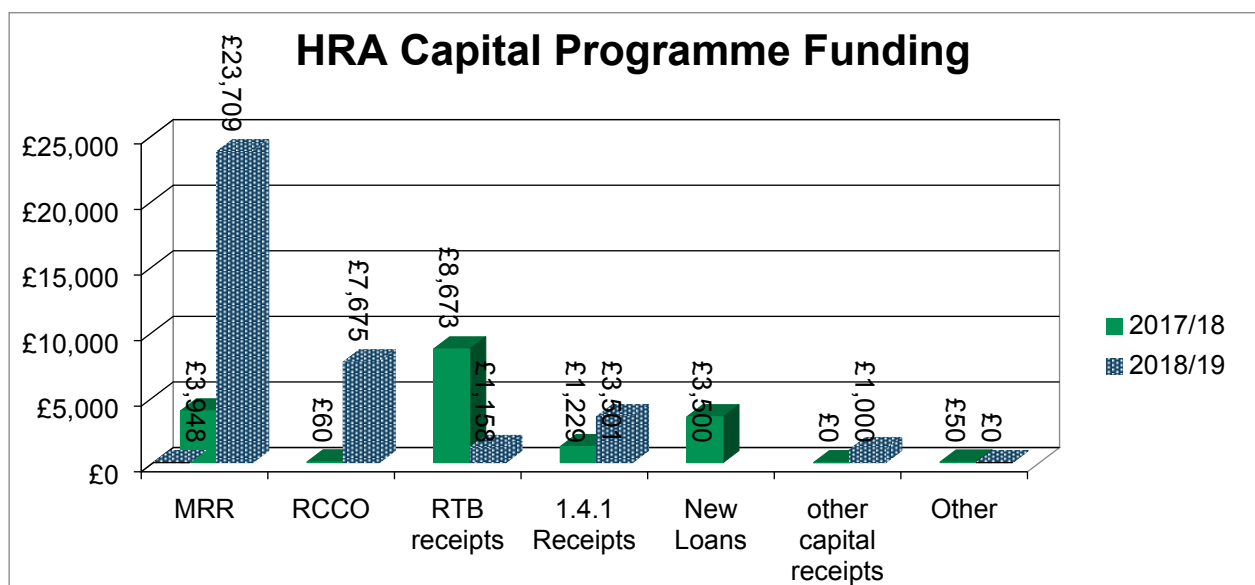
## 4.6 Contributions to Capital Expenditure

- 4.6.1 A large part of the capital programme is funded from HRA revenue resources, however in 2017/18 there was only a small revenue contribution to capital (RCCO) of £60,230 in the HRA. The contribution increases considerably in 2018/19 due to the size of the capital programme and is £7,675,440 (draft budget £7,540,240) for 2018/19. **The 2018/19 capital programme has increased by £76,000 (ICT slippage) and is £37,043,750, the level of RTB debt receipts is forecast to be £135,200 lower than previously estimated, which has meant a higher RCCO contribution required for the year.** The 2018/19 programme is much higher than the 2017/18 capital programme of £17,459,250 as next year includes the Major Repairs contract on flat blocks and higher new build budgets.
- 4.6.2 The 2018/19 capital programme does not include any higher value voids levy, (which was estimated to be £732,000 in 2018/19). As outlined in paragraph 3.3 the government announced in December that this would not be introduced in 2018/19.
- 4.6.3 The 2018/19 budgeted depreciation allowance to be transferred to the Major Repairs Reserve (MRR) to fund the capital programme is £11,792,190, (no change to the November MTFS). A summary of the 2017/18-2018/19 capital programme is shown in the chart below.



4.6.4 The increase in the size of the capital programme in 2018/19 compared to the 2017/18 programme, (as outlined in paragraph 4.6.1), is mainly funded from increased use of the Major Repairs Reserve (effectively depreciation balances from the HRA) and RCCO.

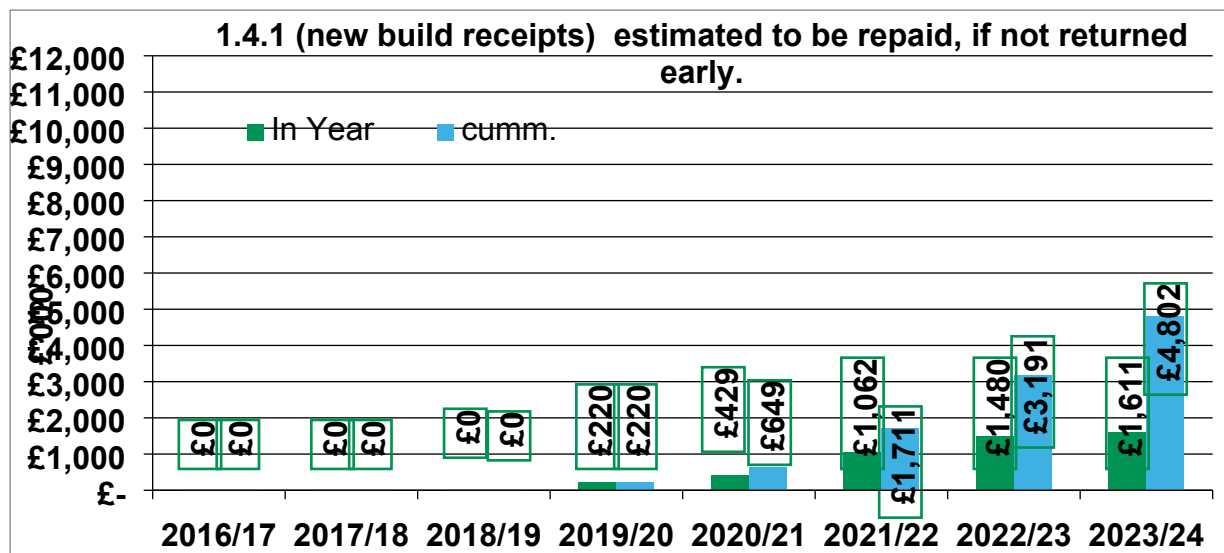
4.6.5 The funding for the HRA capital programme is shown in the chart below, this includes the increase in RCCO as outlined in paragraph 4.6.1.



4.6.6 The current HRA Business Plan does not assume borrowing above the government imposed borrowing cap (£217.685Million). The 2017 Autumn budget announced the Government will be lifting borrowing caps for councils in areas of high affordability pressure. Local authorities will be able to bid for increases in their caps from 2019/20, up to a total of £1 billion by the end of 2021/22. However, the rules on how Authorities can do this have yet to be published but the Government has notified councils that it intends to set out detailed arrangements shortly. The Government anticipates that the additional borrowing could help local authorities to build replacement homes sold under the right to buy, or be used alongside Affordable Homes Programme grant. These measures in the Budget and the reforms announced in the Housing White Paper by the government reflect their desire to raise housing supply to 300,000 per year by the mid 2020s.

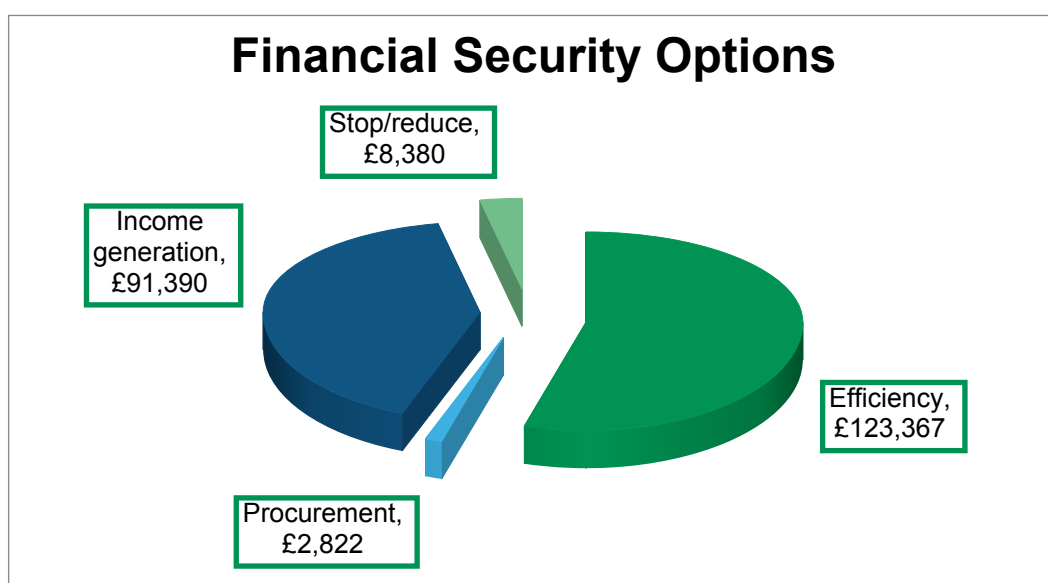
#### **4.7 Use of One for One Receipts**

- 4.7.1 The new build programme was introduced in 2012/13 alongside HRA self-financing. The revised November 2014 HRA Business Plan projected 1,900 properties over a 30 year period with 559 properties to be built/acquired in the first ten years, spending an estimated £416Million. The 2017 Business Plan increased funding to £453Million with an estimated 1,986 new council homes and 88 replacement properties.
- 4.7.2 Despite having an ambitious new build programme, the value of 1.4.1 receipts has continued to increase as house prices and the number of RTB's have risen. However to date only £3.9Million of receipts have been returned to the Government to avoid the punitive interest rate penalties (4% above the Bank of England base rate).
- 4.7.3 Based on the current capital programme and estimated 1.4.1 receipts, no receipts need to be returned in 2017/18 and 2018/19. However these projections are very much dependent on the level of sales and profiling of capital expenditure, the sales for the current year are estimated to be 42 which is lower than the 50 sales originally budgeted for.
- 4.7.4 The calculation for the use of 1.4.1 receipts has been completed for the period October to December 2017, (quarter 3 2017/18) and no receipts are due to be returned up to the 31 December 2017.



#### 4.8 Financial Security Options

4.8.1 At the November Executive, Members approved HRA Financial Security Options of £225,959 and detailed in Appendix B. A summary of the options is shown in the chart below.

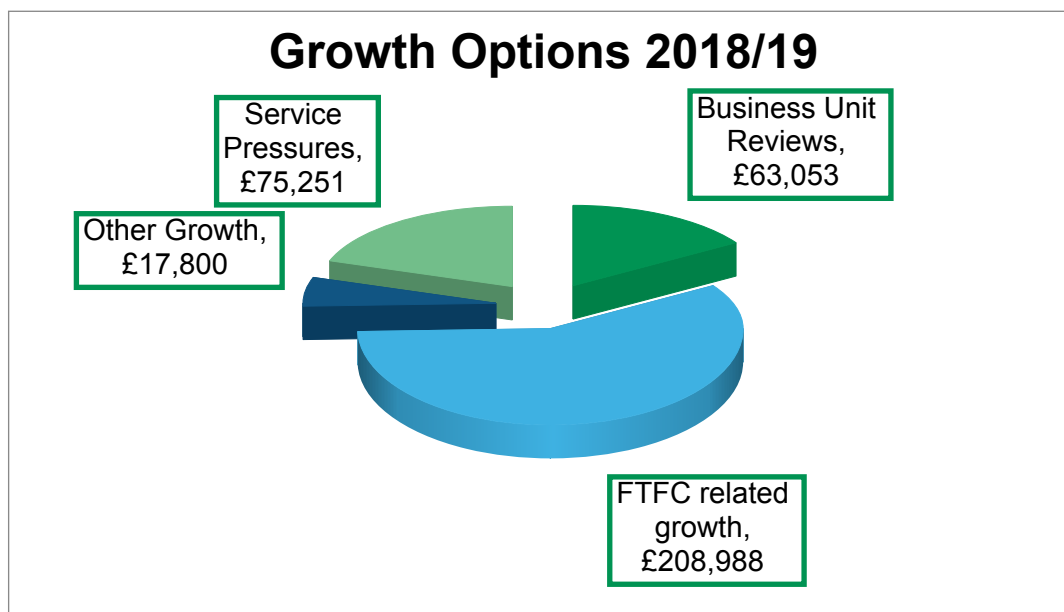


4.8.2 The majority of the options related to efficiencies (55%); included within the income generation options is the £2.00 per week charge for supported housing as outlined in paragraph 4.4.3.

4.8.3 Officers with the Leaders Financial Security Group (LFSG) will be working towards achieving the unidentified Financial Security target which totals £0.977Million for the next four years, (2019/20-2022/23).

## 4.9 Growth Options and Service Pressures

- 4.9.1 At the November Executive, Members approved General Fund Growth and Service Pressures of £365,092 with implementation costs of £154,750 in 2017/18. This included the financial cost of the Business Unit Reviews (BUR) and ICT Improvement Plan which were reported separately and approved by Members at the November Executive.
- 4.9.2 This growth is in addition to the previously agreed housing transformation fund which totals £500,000 per year for 2017/18-2019/20. The growth and pressures are summarised in Appendix C. A summary of the options is shown in the chart below.



## 4.10 Fees and Charges

- 4.10.1 2018/19 fees, charges and concessions have been reviewed as part of the work of the Corporate Fees and Charges Group, with the results scrutinised and recommended for approval by LFSG and included in Appendix D. The recommended Fees and Charges for the HRA total £7,580. The majority of HRA fee income relates to rent and service charges.

## 4.11 Final Budget Proposals

- 4.11.1 The Final HRA budget is estimated to be a net expenditure of £2,756,630, which is a reduction of £217,419 on that reported in the Financial Security report to the November Executive, but £137,940 more than the draft budget to the December Executive. The reasons for the changes are summarised in the table below.

Notes	Summary of 2018/19 budget movements		
	November MTFS (28 November 2017 Executive)		<b>£2,974,049</b>
	<b>Increases in Income/Reductions in Expenditure:</b>		
	Additional Rental Income	(£6,310)	
Updated	Other fees and charges incl. caretaking	(£120,130)	

Notes	Summary of 2018/19 budget movements		
	(reduced by £1,100 since draft budget)		
Updated	Revenue contribution to capital (increased by £135,200 since draft budget)	(£305,300)	
New	Salary changes (Ni overstated £53,600 partly offset by higher pay award costs £52,450), para. 4.11.5).	(£1,150)	
	Interest receivable (para 4.11.6)	(£20,120)	<b>(£453,010)</b>
	<b>Increases in Expenditure:</b>		
	Additional Pension strain costs following statutory opt in (para 4.11.4)	£72,560	
Updated	Net increase in recharges between HRA and GF (increased by £2,790 since draft budget)	£139,200	
	other minor changes	£23,831	<b>£235,591</b>
	<b>Net decrease in budget</b>		<b>(£217,419)</b>
	<b>Updated HRA 2018-19 net budget</b>		<b>£2,756,630</b>

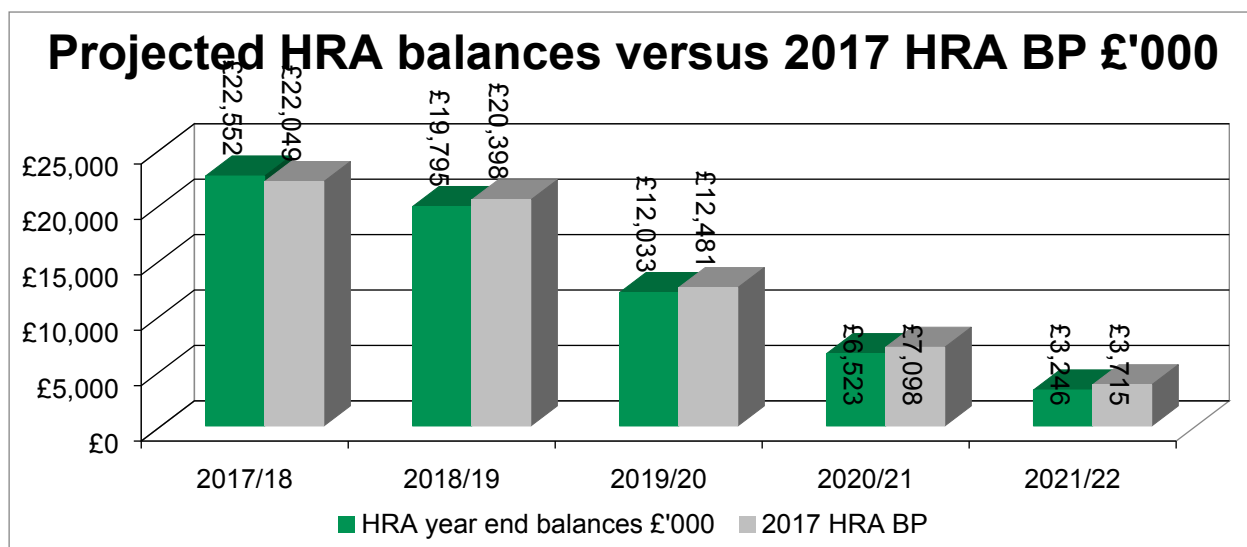
- 4.11.2 The largest increase in fees and charges relates to the increase in caretaking staff charged as part of service charge recovery, this is outlined in paragraph 4.2.3.
- 4.11.3 Revenue Contribution to Capital (RCCO) has reduced by a net £305,300, this is a result of the removal of the HVV levy from the 2018/19 draft HRA capital programme partly offset by lower projected debt provision receipts.
- 4.11.4 There has been an increase in the employer pension costs as the number of HRA employees in the pension scheme has increased, compared to that previously estimated. All new employees are automatically enrolled in the pension scheme and must opt out if they want to leave the scheme. The current pension contribution for 2018/19 is 18.5% of gross pay including overtime and other pay elements.
- 4.11.5 There is a small reduction in other salary costs, national insurance contributions were overstated (£53,600) which offset the impact of increasing the pay award in the budgets from 1.5% to 2% (£52,450).
- 4.11.6 Interest on HRA balances has increased over that estimated based on a 0.7% investment rate achieved and is calculated based on average projected HRA balances for 2018/19.
- 4.11.7 There has been an increase in net recharges from the General Fund to the HRA of £139,200, (draft budget, £136,410) over that budgeted. The total net recharges to the HRA are now just over £6Million and include the HRA share of corporate management and cost of democracy for 2018/19.
- 4.11.8 The 2018/19 HRA projected budget is now net expenditure of £2,756,630, the summary of balances is shown in the table below. All HRA balances in excess of the minimum balances held for assessed risks in year, are required to fund the HRA 30 year capital programme. The 2018/19 minimum balances for 2018/19 are based on the risk assessment of balances which are detailed in Appendix E to this report.

HRA Balances:	2017/18 £	2018/19 £
HRA Balance 1 April	(£19,749,571)	(£22,551,821)
Use of balances in Year	(£2,802,250)	£2,756,630
HRA Balance 31 March	(£22,551,821)	(£19,795,191)
Minimum Balances	(£1,947,740)	(£2,144,950)

4.11.9 The risk assessment of the level of balances required in 2018/19 has been completed based on a number of forecast risks for the HRA. The minimum level of balances required in the HRA for 2018/19 is £2,144,950, which is higher than the business plan assumption of £2,074,000. The risk assessment is summarised in Appendix E to this report.

4.11.10 The HRA projected year-end balances as at 31 March 2019 are now projected to be £19,795,191 which is £137,944 lower than the projected draft budget balances of £19,933,135. However balances are £159,344 higher than the September business plan. Members will be aware that balances reduce in the next few years and there is currently a deficit in future years in the business plan.

4.11.11 The Business Plan shows a significant reduction in HRA reserves over the next few years and for a number of years minimum balances are held within the business plan, together with a deficit of £27 Million over the 30 year plan. The reduction in HRA balances is shown in the table below and there is a significant use of HRA reserves of £19.306 Million between the period 2017/18 and 2021/22. The business plan assumed a slightly lower use of reserves.



4.11.12 The 2021/22 HRA projected balance is £469K lower than the 2017 Business Plan, this is partly because of higher inflationary pressures in the HRA, which have partly been offset by removing the costs associated with the HVV levy in 2018/19. With balances forecast to be £3.246 Million by 2021/22, there is much less ability to absorb the impact of unplanned expenditure or loss of

income. The next update of the business plan will review the Financial Security target in the HRA.

- 4.11.13 The 2017/18 Projected HRA budget is estimated to be a surplus of £2,802,250 which remains unchanged from the draft HRA report.

## **4.12 Consultation**

- 4.12.1 The Housing Management Board (HMB) acts as an advisory body to the Executive for council housing-related matters, including participation in the HRA budget-setting process and the development of the HRA Business Plan. HMB currently includes one leaseholder and five tenant representatives in addition to Member and officer representation. Its terms of reference allow for up to ten customer representatives in total.
- 4.12.2 HMB reviewed the draft revised Rent and Service Charge Policy at their meeting on 27 October 2016 and broadly supported proposed revisions at that time. No further changes to the policy have been made since then.
- 4.12.3 Proposals for a revised HRA Business Plan were agreed by the Executive at their meeting in November 2016. These proposals included investment plans to support commitments relating to new build, existing housing assets and service improvements and also a series of savings assumptions. The proposals were developed with input from HMB via a number of working groups and presentation sessions.
- 4.12.4 HMB received a presentation on the revised HRA Medium Term Financial Strategy (MTFS) and refreshed HRA Business Plan assumptions (including savings targets) in August 2017. Their comments were reported within the HRA MTFS Executive report in September 2017.
- 4.12.5 A presentation by the Assistant Director (Finance and Estates) was given to HMB on the HRA budget and rent setting proposals contained in this report on 3 January 2018. HMB asked a number of questions regarding the budget and asked that service charges around caretaking were transparent and the increases explained clearly to both tenants and leaseholders.
- 4.12.6 The Assistant Directors for Finance and Estates and Housing and Investment, reiterated the comments made by the Executive and assured HMB that part of the service charge review would be not just clarity what was included in charges but would also look at consistent service levels across the different flat blocks.
- 4.12.7 In addition, as referred to in paragraph 4.2.1, there are plans to review service charges ahead of implementing a new and more transparent service charge model in 2019/20. This review will include consideration of both service charges and support charges and will involve consultation with tenants and leaseholders.
- 4.12.8 Targeted consultation will be carried out with staff, customers and stakeholders directly affected by the financial security options agreed by the Executive in November 2017. All tenants will be notified of changes to their rent and service charges in February/March 2018.



#### **4.13 Overview and Scrutiny Consultation**

- 4.13.1 The Draft report was discussed at the December Overview and Scrutiny meeting. The Assistant Director (Finance & Estates) introduced the report and advised Members that the Executive had asked that the service charge review ensured transparency around service charges including caretaking. Overview and Scrutiny Members questioned what was included in “caretaking” and were advised this included fly tipping, removal of dog fouling etc.
- 4.13.2 Members also asked about HRA interest rates on borrowing and were advised that these were fixed interest rates and the principal was repayable on maturity.

#### **4.14 Leaders Financial Security Group**

- 4.14.1 The LFSG chaired by the portfolio holder for Resources on behalf of the Leader and with cross party representation has been meeting frequently since August 2016. The group has;
- Reviewed the HRA assumptions regarding the 2018/19 onwards saving target
  - Review of the HRA MTFS assumptions
  - Review of the HRA 2018/19 Financial Security package
  - Reviewed the HRA 2018/19 Fees and charges

- 4.14.2 The LFSG considered the options above and scored the Financial Security options, growth and fees and charges for inclusion in the HRA budget.

#### **4.15 Chief Finance Officer's Commentary**

- 4.15.1 The Chief Finance Officer is the Council's principal financial advisor and has statutory responsibilities in relation to the administration of the Council's financial affairs (Section 151 of the Local Government Act 1972 and Section 114 of the Local Government Finance Act 1988). This commentary is given in light of these statutory responsibilities.
- 4.15.2 The Council has evolved its budget strategy to meet the ongoing challenging economic conditions because of funding cuts, welfare reforms or inflationary increases. The Financial Strategy to deal with this is the 'Financial Security' strand of 'Future Town Future Council'.
- 4.15.3 Officers regularly update the MTFS to ensure that a clear financial position for the Council can be demonstrated over the next five years. This medium term view of the budget gives a mechanism by which future 'budget gaps' can be identified allowing for a measured rather than reactive approach to reducing net expenditure. The Financial Security year round approach to identifying budget options means that work is on-going throughout the year to bridge the gap.
- 4.15.4 In addition officers regularly update the 30 year HRA Business Plan which is approved by Members annually and is the period over which the self-

financing borrowing was initially taken. The last approved version of the business plan (September 2017) had a £27Million deficit over the 30 year plan. .

- 4.15.5 The Council has taken significant steps over recent years to re-balance the HRA as a result of significant changes in government policy relating to RTB discounts and permissible rent increases. One of the principle aims of the MTFS is 'Provide funding to build 1900 new homes over 30 years, new social and affordable rented homes that contribute to meeting local housing demand and the needs of an ageing population. This is still projected to be achieved however Financial Security targets have been added each year to the HRA business plan and there have been revisions to capital works to the existing stock. In addition as outlined in 4.11.10 there is a funding deficit in the business plan and balances fall to minimum balances in future years. There is also a £19.3Million use of balances between 2017/18 and 2021/22 which will reduce the HRA's ability to deal with unforeseen events.
- 4.15.6 However, leaving borrowing headroom in the HRA does allow for works such as any fire safety initiatives to potentially be funded and as a consequence the risk assessment of balances reflects this. The HRA is also moving into large scale housing developments, ( a top council and resident priority) and this priority will come with the risk of potentially needing to invest more resources.
- 4.15.7 Members approved growth at the November Executive (and included in the General Fund and HRA budgets) for Business Unit Reviews which while increasing the salary bill for the Council was recommended on the basis the right structure would unlock future savings and help meet the Council's Financial Security targets for 2019/20 onwards.
- 4.15.8 The HRA MTFS has been updated along with the HRA business plan and will be kept under regular review in 2018/19.

## **5. IMPLICATIONS**

### **4.3 Financial Implications**

- 5.1.1 Financial implications are included in the body of the report.

### **4.4 Legal Implications**

- 5.2.1 Legal implications are included in the body of the report.

### **5.3 Staffing Implications**

- 5.3.1 The unions were consulted on the options approved at the November Executive on the 6 December 2017 and did not raise any specific issues. Human Resources staff are co-ordinating centrally the implementation of any staff related savings. However there are no compulsory redundancies within the options for the HRA.

## **5.4 Risk Implications**

- 5.4.1 There is considerable risk in setting HRA spend as there have been so many government policy changes concerning rent and welfare reforms, making medium to long term planning difficult. Between 2014/15-2016/17 there were three different rent policies which when compared to the 2014 HRA business plan showed a loss of income of some £253Million, (this includes updated assumptions about rent increases, inflation and RTB's). The government has indicated that beyond 2019/20 rent increases will be based on CPI+1%, however policy could change.
- 5.4.2 There are still significant risks to the HRA with the future impact of HVV levy, the draft HRA budget has removed the cost in 2018/19 based on the government's plan to extend pilots. However there is a risk it could still be introduced in future years. The impact over the remaining 28 years of the 30 year business plan is estimated to be £29Million, however without the publication of the regulations the impact could be much more adverse.
- 5.4.3 There is the impact of Universal Credit (UC) and other welfare reforms on tenants, currently 54% or £20Million of benefit is paid to the HRA from the benefits system rather than to tenants and experience has shown that for other local authorities, arrears have increased significantly with the roll out of UC.
- 5.4.4 There is a potential adverse financial impact on the HRA as a result of high inflationary pressures, when rents are suppressed. If inflation rises above that assumed in the business plan, as a result of for example BREXIT, further reductions in spend may need to be made. In addition there already is a £27Million deficit in capital funding over the 30 year programme.
- 5.4.5 Since 2012/13 the RTB discount has increased from £34,000 to £78,600 in 2017/18. Reducing the cost of purchase for a property has a double negative effect on the HRA, not only does it lose the rental supporting the capital programme it also cannot afford to replace the property with the resulting receipt.
- 5.4.6 As a result of the number of risks outlined above the authority has not borrowed up to the debt cap. The head room of £9Million which will be reviewed annually allows for land to be transferred into the HRA to meet its house building ambitions and also to address any shortfalls in funding identified as a result of the risks mentioned above. The Council now has the opportunity to bid to increase the level of debt it can have through measures announced in the Autumn Budget in November 2017, however the Council has to demonstrate that it is an area of high demand and the additional debt has to be affordable to the HRA. If SBC chooses to bid and is successful, funding would not be available until 2019.
- 5.4.7 The level of growth approved in the Financial Security report to the November Executive would not be financially sustainable year on year, furthermore the HRA has an annual Financial Security target to achieve, which for 2019/20 is £365,000.
- 5.4.8 The financial impact of any health and safety recommendations as a result of the Grenfell fire and subsequent new regulations is still to be fully understood and funded. The capital cost could be in excess of £2Million subject to

decisions being taken regarding specific works and there would be some on-going revenue implications. An amount has been included in the risk assessment of balances should the council need to borrow to fund the works.

- 5.4.9 The capital programme for 2018/19 onwards includes major works to flat blocks that will include works that need to be recovered from leaseholders, currently Section 20 income has been assumed from 2019/20 onwards which will be used to fund that share of the works. If the monies are not received then other capital funding resources will need to be used e.g. RCCO or the capital programme will need to be reduced.
- 5.4.10 The risk assessed level of balances for 2018/19 has been assessed at £2,144,950, however the remaining balances are required to be held to fund the future years debt repayments and capital programmes. A summary of the risks for 2018/19 are included in Appendix E. The updated business plan currently has a deficit over the 30 year programme of £27Million.

## **5.5 Equalities and Diversity Implications**

- 5.5.1 In carrying out or changing its functions (including those relating to the provision of services and the employment of staff) the Council must comply with the Equality Act 2010 and in particular section 149 which is the Public Sector Equality Duty. The Act replaced three previous equality legislations – the Race Relations Act (section 71), the Sex Discrimination Act (section 76A) and the Disability Discrimination Act (section 49A). The Council has a statutory obligation to comply with the requirements of the Act, demonstrating that as part of the decision-making process, due regard has been given to the needs described in the legislation. These duties are non-delegable and must be considered by Council when setting the budget in January 2018.
- 5.5.2 To inform the decisions about the Budget 2018/19 officers have undertaken Brief Equality Impact Assessments (EqIAs) for service-related budget savings proposals. Where there is a potentially negative impact, officers have identified further action needed to inform a final decision and to mitigate the impact where this is possible. These EqIA were included in the November Report and are appended to this report (Appendix F) and this includes both the HRA and General Fund options.

## **BACKGROUND DOCUMENTS**

BD1 Housing Revenue Account Medium Term Financial Strategy (2017/18-2021/22) - September Executive

[http://www.stevenage.gov.uk/content/committees/182083/182087/182091/Executive-19-September\\_2107-Item5.pdf](http://www.stevenage.gov.uk/content/committees/182083/182087/182091/Executive-19-September_2107-Item5.pdf)

BD2 Draft HRA Rent setting and budget report – December Executive

<http://www.stevenage.gov.uk/content/committees/182083/182087/182091/Executive-12-December-2017-Item7.pdf>

## **APPENDICES**

Appendix A - Draft HRA Summary

Appendix B - Financial Security Options

Appendix C - Growth options

Appendix D - Fees and Charges

Appendix E - Risk Assessment of Balances

Appendix F - EQIA for HRA and General Fund services

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## HOUSING REVENUE ACCOUNT SUMMARY

	ACTUAL 2016/17 £	ORIGINAL 2017/18 £	WORKING BUDGET 2017/18 £	ORIGINAL 2018/19 £
<b>SUMMARY OF EXPENDITURE</b>				
SUPERVISION AND MANAGEMENT	7,955,522	8,840,250	9,025,390	9,589,250
SPECIAL SERVICES	4,227,289	4,328,230	4,300,140	4,583,620
RENT, RATES, TAXES AND OTHER CHARGES	383,894	490,410	423,150	390,600
REPAIRS AND MAINTENANCE <sup>(1)</sup>	6,252,321	5,843,860	5,811,350	6,324,680
CORPORATE AND DEMOCRATIC COSTS	291,450	294,500	294,500	344,280
CONTRIBUTION TO THE BAD DEBT PROVISION	228,603	255,270	255,270	255,270
<b>TOTAL EXPENDITURE</b>	<b>19,339,079</b>	<b>20,052,520</b>	<b>20,109,800</b>	<b>21,487,700</b>
<b>SUMMARY OF INCOME</b>				
RENTAL INCOME:				
DWELLING RENTS	(40,372,415)	(40,133,920)	(39,780,420)	(39,587,650)
NON DWELLING RENTS	(101,402)	(132,880)	(139,680)	(123,920)
	(40,473,817)	(40,266,800)	(39,920,100)	(39,711,570)
CHARGES FOR SERVICES & FACILITIES - TENANTS	(1,777,574)	(1,745,510)	(1,701,900)	(1,950,940)
LEASEHOLDER SERVICE CHARGES	(829,991)	(821,640)	(855,930)	(912,820)
CONTRIBUTIONS TOWARDS EXPENDITURE	(284,801)	(301,670)	(364,440)	(304,260)
REIMBURSEMENT OF COSTS	(372,362)	(105,840)	(347,610)	(358,010)
RECHARGE INCOME (GF & CAPITAL)	(1,380,538)	(1,587,060)	(1,594,540)	(1,646,880)
<b>TOTAL INCOME</b>	<b>(45,119,082)</b>	<b>(44,828,520)</b>	<b>(44,784,520)</b>	<b>(44,884,480)</b>
DEPRECIATION	11,172,248	11,356,970	11,356,970	11,792,190
IMPAIRMENT/LOSS ON REVALUATION	0	0	0	0
INTEREST PAYABLE	7,027,701	7,017,260	7,017,260	6,960,140
INTEREST RECEIVABLE	(310,742)	(240,400)	(302,990)	(274,360)
<b>NET (SURPLUS)/DEFICIT FOR YEAR</b>	<b>(7,890,796)</b>	<b>(6,642,170)</b>	<b>(6,603,480)</b>	<b>(4,918,810)</b>
APPROPRIATIONS:				
REVENUE CONTRIBUTION TO CAPITAL OUTLAY	5,068,620	110,230	60,230	7,675,440
SELF FINANCING CONTRIBUTION TO PROVISION	27,689	3,741,000	3,741,000	0
TRANSFER TO/(FROM) RESERVE	0	0	0	0
IMPAIRMENT/LOSS ON REVALUATION	0	0	0	0
<b>HOUSING REVENUE ACCOUNT BALANCE</b>				
NET EXPENDITURE/(INCOME) FOR YEAR	(2,794,487)	(2,790,940)	(2,802,250)	2,756,630
BALANCE B/FWD 1 APRIL	(16,955,084)	(19,749,571)	(19,749,571)	(22,551,821)
<b>HRA BALANCE C/FWD 31 MARCH</b>	<b>(19,749,571)</b>	<b>(22,540,511)</b>	<b>(22,551,821)</b>	<b>(19,795,191)</b>
	0	0	0	0
<b>SERVICE DETAILS:</b>				
In 2012/13 the HRA became a self financing account and the housing subsidy system ceased. This change allows all future revenues to be available to be spent locally with the exception of the pooled element of Right to Buy sales.				
<sup>(1)</sup> Repairs and maintenance costs only. Supervision and management is included in the Supervision and Management line.				

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FINANCIAL SECURITY OPTIONS 2018/19 - 2022/22

(Key- figures expressed as a negative value in the savings column are a

Ref No	score	Assistant Director	Name of Service	Description of Savings Proposal	Budget 2017/18	Actual 2016/17	Implementation Costs	Financial Security Option in 2018/19	Financial Security Option in 2019/20	Financial Security Option in 2020/21	Financial Security Option in 2021/22	Ongoing (Y/N) or No of	Statutory Function (Y/N)	Impact of Saving Proposal on Public/ Customers/ Staff/ Members/Partnerships etc. (include any impact on key corporate programmes/performance indicator measures)	Potential Timing	5,729	5,729	225,959	225,959
																£ General Fund Year 1	£ General Fund Year 2	£ HRA Year 1	£ HRA Year 2
CATEGORY A - IMMEDIATE EFFICIENCY OPTIONS																			
HFS1	3	AD Housing & Investment	Repairs	Tree works budget saving of £10k	18,000	5,774		10,000	10,000	10,000	10,000	Y	N	This budget was introduced to do tree works in gardens where tenants could not afford to do so (2014 BP). A reduction has already been made of £8,000 and a further reduction is recommended in line with spend.	1 April 2018	£0	£0	£10,000	£10,000
HFS2	3	AD Housing & Investment	Tenancy	Tenancy campaigns budget	3,000	0		2,500	2,500	2,500	2,500	Y	N	This budget was used for campaigns to encourage tenants not to fall into arrears, especially during the Christmas period. <b>However the campaigns have been funded from general printing and stationery budgets and this budget is not required.</b>	1 April 2018	£0	£0	£2,500	£2,500
HFS3	3	AD Housing & Investment	Leasehold Services	Saving of 0.5 RTB Assistant post. Merging the Leasehold Advisor (Grade 4) and RTB Assistant (Grade 3) post into a generic post ' Leasehold & RTB Assistant'. Anticipate this to be a Grade 4 however awaiting the outcome of JE. In doing so will reduce from x2 FTE to 1.5FTE.	55,660	38,886		9,750	9,750	9,750	9,750	Y	N	If the RTB applications were to increase, or the number of leaseholders significantly increased, this arrangement of 1.5FTE would need to be revised and possibly increased in order to continue to meet statutory requirements. This change does not result in any redundancies.	immediate	£0	£0	£9,750	£9,750
HF43	new option since LSFG	AD Housing & Investment	Financial Inclusion	Savings of 1 FTE post, the role has been devolved to other officers in housing while the current staff member has been seconded to another role	55,660	38,886		34,720	34,720	34,720	34,720	Y	N	This saving is dependent on the Debt Advice post being made permanent see growth bid HG5. This change does not result in any redundancies.	from 1/12/2017	£0	£0	£34,720	£34,720
HFS4	3	AD Housing & Investment	Various	HRA Housing services	163,030	83,858	0	66,397	66,397	66,397	66,397	Y	N	A review of HRA budgets have identified a number of underspends which will be reported as on-going in the quarterly monitoring budgets	immediate	£0	£0	£66,397	£66,397
TOTAL					£295,350	£167,404	£0	£123,367	£123,367	£123,367	£123,367					£0	£0	£123,367	£123,367
CATEGORY B - PROCUREMENT OPTIONS																			
FS14	3	AD Finance & Estates	Audit	Reduction in Audit days purchased from SIAS by 10% (from 390 days to 360 days)	82,650	82,650		8,550	8,550	8,550	8,550	Y	N	The level of Audit days has been discussed with SIAS Even with a reduction the S151 officer and SIAS consider there are sufficient days available as there are contingency days within the plan.	1 April 2018	£5,729	£5,729	£2,822	£2,822
TOTAL					82,650	82,650	0	8,550	8,550	8,550	8,550					5,729	5,729	2,822	2,822
CATEGORY C - NEW INCOME GENERATION/COMMERCIALISATION OPTIONS																			
HF35	3	AD Housing & Investment	Tenancy Services	Propose to Origin that they pay more than a peppercorn rent on the 4 1 x bed (Ely Close and Norwich Close)-potentially £7k if we charge £90 per week on 4 properties (and cpi+1% ) - We will consider terminating the agreement if we cannot agree a suitable revised rent.	10,719	10,715		7,550	7,550	7,550	7,550	Y	N	These properties, if rented out to SBC tenants, would attract an annual income of £18,820. We value the support services provided by Origin, however we can no longer provide the accommodation at such a reduced rate. This proposal will also more closely align the treatment of Aldwyck and Origin.	1 April 2018	£0	£0	£7,550	£7,550

## FINANCIAL SECURITY OPTIONS 2018/19 - 2022/22

(Key- figures expressed as a negative value in the savings column are a

Ref No	score	Assistant Director	Name of Service	Description of Savings Proposal	Budget 2017/18	Actual 2016/17	Implementation Costs	Financial Security Option in 2018/19	Financial Security Option in 2019/20	Financial Security Option in 2020/21	Financial Security Option in 2021/22	Ongoing (Y/N) or No of	Statutory Function (Y/N)	Impact of Saving Proposal on Public/ Customers/ Staff/ Members/Partnerships etc. (include any impact on key corporate programmes/performance indicator measures)	Potential Timing	5,729	5,729	225,959	225,959
																£ General Fund Year 1	£ General Fund Year 2	£ HRA Year 1	£ HRA Year 2
HF41	3	AD Housing & Investment	Tenancy Services	Proposed that Aldwyck pay £3,000 per annum for each property (x4) in Mary mead (broadwater crescent) = £12,000 (currently zero paid) and cpi+1%. Subject to negotiation. If a rental cannot be agreed a decision will need to be taken regarding the continued use of the property.	0	0		12,440	12,440	12,440	12,440	Y	N	These properties if rented out to SBC tenants would attract an annual income of £21,553. We value the support services provided by Aldwyck, however we can no longer provide the accommodation at a zero charge. This proposal will also more closely align the treatment of Aldwyck and Origin.	1 April 2018	£0	£0	£12,440	£12,440
HF36	Not scored by LSFG	AD Housing & Investment	Supported Housing	Introduce a £2 contribution towards support costs per week	0	0	0	68,900	68,900	68,900	68,900	Y	N	There are 670 accounts/units (as at 1/11/17) in flexicare/independent living schemes that do not pay anything for the 24 hour/7 day a week emergency response service provided via the alarm, providing the alarm equipment and/or the support service provided to them through the supported housing officer (visiting/calling through the alarm/referring to other agencies etc). This is due to the supporting people (housing related support grant) legacy where no one in receipt of housing benefit or fairer charging paid for the service and also protected people from 2003 (19 people). The support service is not eligible for housing benefit. It is proposed to introduce a charge to this group of people of £2 per week in 2018/19 (actual cost of service £9 per week based on 17/18 prices). We are also losing approximately £12,000 from the HCC funded		£0	£0	£68,900	£68,900
HF40	3	AD Housing & Investment	Tenancy	Recharge Choice Based Lettings adverts to HCC etc.	0	0	0	2,500	2,500	2,500	2,500	Y	N	We currently incur costs for CBL advertising which includes adverts for other partners. The proposal is to charge them a share of the costs.	1 April 2018			£2,500	£2,500
<b>TOTAL</b>					<b>10,719</b>	<b>10,715</b>	<b>0</b>	<b>91,390</b>	<b>91,390</b>	<b>91,390</b>	<b>91,390</b>					<b>£0</b>	<b>£0</b>	<b>£91,390</b>	<b>£91,390</b>

## CATEGORY E - STOP / REDUCE OPTIONS

HF42	3	AD Finance & Estates	Insurance	Remove Death in Service for ex SHL staff	8,380	8,380		8,380	8,380	8,380	8,380	Y	N	When SHL staff transferred back to SBC the Death in Service was seen as a preserved right, new contracts for those staff have been issued with existing rights. However it is the interim HR manager 's view that this can be removed with notice and a plan is in place to do so. The HR manager will be speaking to the unions. The contract will need to re-procure 1 October 2017 but a rebate will be sort from 1 April onwards. A death in service benefit exists for those staff in the pension scheme. There are currently 20 staff not in the pension scheme.	1 April 2018	£0	£0	£8,380	£8,380
<b>TOTAL</b>					<b>8,380</b>	<b>8,380</b>	<b>0</b>	<b>8,380</b>	<b>8,380</b>	<b>8,380</b>	<b>8,380</b>					<b>0</b>	<b>0</b>	<b>8,380</b>	<b>8,380</b>

## TOTAL RECOMMENDED 2018/19 ONWARDS

397,099	269,149	0	231,687	231,687	231,687	231,687
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## TOTAL NEW OPTIONS RECOMMENDED FOR 2018/19

5,729	5,729	225,959	225,959
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## APPENDIX D

### HOUSING REVENUE ACCOUNT FEES AND CHARGE PROPOSED 2018/19

FEES AND CHARGES -RECOMMENDED FEE INCREASES FOR 2018/19 (1/4/2018)											
Service	Description of Chargeable Service	2017/18 Price £	2018/19 Price £	Increase £	increase %	Total Budget 2017/18 £	Income changes included in budget options	Budget Increase £	Total Budget 2018/19 £	Fee Principles Applied (Y/N)	Options considered/Rationale
<b>Housing Revenue Account</b>											
<b>Supported Housing:</b>											
Guest Bedrooms	All schemes other than those listed below (per night, per person)	£10.60	<b>£11.00</b>	£0.40	3.77%					Y	
	Norman Court/Hobbs Ct/Gladstone Ct/Shafesbury Ct/Truro/ Pitt Court/Grosvenor Ct per night. (any bedsit type guest room, per night, per person)	£14.70	<b>£20.00</b>	£5.30	36.05%					Y	
Short Stay Units	Assessment (per day)	£8.40	<b>£10.00</b>	£1.60	19.05%					Y	
	Other, including an element of support (per day)	£16.80	<b>£20.00</b>	£3.20	19.05%					Y	
						<b>8,200</b>		<b>1,310</b>	<b>9,510</b>	Y	
<b>Laundry Charges</b>											
Sheltered schemes first wash	Sheltered schemes first wash	FREE	<b>FREE</b>							Y	This will be included in the revised charges rather than separated out and is subject to ongoing work. This is to be considered as part of service charge review - service charge review to be effective for April 19.
	Second wash and thereafter	£2.35	<b>£2.45</b>	£0.10	4.26%					Y	
	Guest bedrooms and short stay (per wash)	£2.35	<b>£2.45</b>	£0.10	4.26%					Y	
						<b>5,480</b>		<b>270</b>	<b>5,750</b>	Y	
<b>Room Hire</b>											
Hairdressing at Silkin/Fred Millard, (Hourly charge) *	Hairdressing at Silkin/Fred Millard, (Hourly charge) *	£2.15	<b>£2.35</b>	£0.20	9.30%					Y	In order to encourage external service providers into the scheme for the benefit of the tenants, consideration has been given in the setting of the charges to ensure they are not cost prohibitive. Work underway to determine the number of customers who benefit from these services and to review the pricing on a more commercial basis. Both chiropodist and hairdresser are mobile. Hairdresser at Silkin is on site for one day a week at present and work is underway to determine the frequency at Fred MC. Previously, Chiropody was charged by the session (£7.25); in order to harmonise charges, this will now be charged on an hourly rate. An average session lasts three hours, so potentially the new hourly fee amounts to 25p increase (3.45%)
	Private chiropodist and other services, (per hour) *	n/a	<b>£2.50</b>	n/a	n/a					Y	
	Meeting room hire - Silkin Court (hourly rate)*	£11.75	<b>£0.00</b>	-£11.75	-100.00%					Y	
						<b>3,280</b>		<b>120</b>	<b>3,400</b>	Y	
Support Services and careline for HRA tenants	Sheltered housing support * (includes all services shown under careline alarms)	£17.70	<b>£17.70</b>	£0.00	0.00%	177,000		0		Y	Support to stay the same as 17/18 - linked into the service charge review - splitting costs between rent , communal management charge and support. This will be effective from April 19.  Due to a number of enquiries made recently and to be able to offer a more modern service, SBC would like to offer a SIM Careline unit (don't need a phone line). In order to do this there would be an additional charge of £2.20 per week.  reduction as this needs to be the difference between the monitoring charge and the full charge
	SIM Careline Unit (additional weekly charge)	n/a	<b>£2.20</b>	n/a	n/a					Y	
	response service for new customers (50 weeks)	£5.50	<b>£6.00</b>	£0.50	9.09%	144,540		3,960		Y	
	Response service phased (50 weeks)*	£3.50	<b>£4.95</b>	£1.45	41.43%					Y	
	Response service to other provider equipment (50 weeks)*	£3.85	<b>£3.70</b>	-£0.15	-3.90%					Y	
	Monitoring only service (50 weeks) *	£2.50	<b>£2.80</b>	£0.30	12.00%					Y	
						<b>321,540</b>		<b>3,960</b>	<b>325,500</b>		

## APPENDIX D

### HOUSING REVENUE ACCOUNT FEES AND CHARGE PROPOSED 2018/19

FEES AND CHARGES -RECOMMENDED FEE INCREASES FOR 2018/19 (1/4/2018)											
Service	Description of Chargeable Service	2017/18 Price £	2018/19 Price £	Increase £	Increase %	Total Budget 2017/18 £	Income changes included in budget options	Budget Increase £	Total Budget 2018/19 £	Fee Principles Applied (Y/N)	Options considered/Rationale
Careline Alarm- private (Shortfall funded from General Fund)	Response service (50 weeks) *	£5.50	<b>£6.00</b>	£0.50	9.09%					Y	This budget relates to private careline tenants and any increase in income means the General Fund subsidy is reduced.
	Response service phased (50 weeks)*	£3.50	<b>£4.95</b>	£1.45	41.43%					Y	
	Response service out of area (50 weeks)*	£6.35	<b>£6.50</b>	£0.15	2.36%					Y	
	Response service to other provider equipment (50 weeks)*	£3.85	<b>£3.70</b>	-£0.15	-3.90%					Y	
	Monitoring only service (50 weeks) *	£2.50	<b>£2.80</b>	£0.30	12.00%					Y	
						<b>105,000</b>		<b>4,000</b>	<b>109,000</b>		<b>This Saving (£4,000) is for the GENERAL FUND - shown on there as a "one liner" - and only shown here for REFERENCE</b>
Replacement Pendants Key safe Lock Change	Careline keys*	£7.20	<b>£9.40</b>	£2.20	30.56%					Y	actual cost of key is £4.42 - this includes a £5 admin fee.
	Fobs - Sheltered Schemes	£11.50	<b>£11.90</b>	£0.40	3.48%					Y	this includes a £5 admin fee
	All Pendants	£46.00	<b>£47.70</b>	£1.70	3.70%					Y	cost of pendant not known so £46 plus 3.7% inflation increase.
	Supply	£18.72	<b>£19.42</b>	£0.70	3.74%					Y	
	Fit	£53.58	<b>£55.55</b>	£1.97	3.68%					Y	We are still awaiting confirmation from the repairs service as to what the costs will be 18/19.
		£77.00	<b>£79.85</b>	£2.85	3.70%					Y	
						<b>3,150</b>		<b>150</b>	<b>3,300</b>	Y	
<b>General Needs Tenants and Leaseholders:</b>											
Key Fobs		£19.20	<b>£19.90</b>	£0.70	3.65%					Y	Actual cost of key fobs is £11.50 + VAT - this also include a £5.00 admin charge consistent with Sheltered scheme keys.
Communal door entry keys	Replacement keys for entry doors to flat blocks.	£17.90	<b>£18.55</b>	£0.65	3.63%	<b>1,170</b>		<b>30</b>	<b>1,200</b>	Y	Actual cost of keys is £10.40 + VAT. Previously same charge was levied for key fobs and keys, however as the costs are different we are proposing different charges. Includes £5.00 admin as above.
Laundry charges - Roundmead										Y	It is recommended that we apply at least 2% increase annually each year from 2017, which will ensure that we recover reasonable costs at any one time rather than apply a large increase at any given point. New lets should be signed up to a direct debit to ensure that there is little/no cost in collecting the rent due. Based on actual costs (electricity, water, repairs, depreciation).Benchmarked launderette costs are £4 (small wash), £6 (large) and £8 (large wash).
	Wash tokens	£5.00	<b>£5.15</b>	£0.15	3.00%						
	Dry Tokens	£2.65	<b>£2.75</b>	£0.10	3.77%					Y	Based on actual costs (electricity, repairs, depreciation). It is recommended that we apply at least 2% increase annually each year from 2017, which will ensure that we recover reasonable costs at any one time rather than apply a large increase at any given point.
Management Fees for Westwood Court & Kilner Close	Administration Fees	£0.65	<b>£0.70</b>	£0.05	7.69%					Y	Administration fees help to recover the administration of the management fees each year in line with our SBC administration set fees
Laundry charges - Brent And Harrow										Y	
	Wash tokens	£5.00	<b>£5.15</b>	£0.15	3.00%						
	Dry Tokens	£2.65	<b>£2.75</b>	£0.10	3.77%					Y	
				<b>Average</b>	<b>3.39%</b>	<b>6,170</b>		<b>230</b>	<b>6,400</b>	Y	

## APPENDIX D

### HOUSING REVENUE ACCOUNT FEES AND CHARGE PROPOSED 2018/19

FEES AND CHARGES -RECOMMENDED FEE INCREASES FOR 2018/19 (1/4/2018)											
Service	Description of Chargeable Service	2017/18 Price £	2018/19 Price £	Increase £	Increase %	Total Budget 2017/18 £	Income changes included in budget options	Budget Increase £	Total Budget 2018/19 £	Fee Principles Applied (Y/N)	Options considered/Rationale
<b>Stores</b>		£4.05	<b>£4.20</b>	£0.15	3.70%	<b>19,880</b>		<b>720</b>	<b>20,600</b>	Y	With the large increase last year, it was anticipated that there may be an increase in the number of sheds that were returned. This was not the case. New lets should be signed up to a direct debit to ensure that there is little/no cost in collecting the rent due.
Lock change	Callout	£109.65	<b>£113.75</b>	£4.10	3.74%	3,550				Y	This charge is levied if tenants call out emergency repairs service out of office hours. It acts effectively as a deterrent. The charge figure relates to a lock change in this instance, but the call out could a number of repairs.
	Admin charge	£32.95	<b>£34.20</b>	£1.25	3.79%	9,300				Y	Schedule of Rates charges for lock change is £91.35.
	Charge	£97.40	<b>£101.00</b>	£3.60	3.70%					Y	
						<b>13,110</b>		<b>590</b>	<b>13,700</b>	Y	
Junk Collections - Caretaking Team	Concessionary charge	£47.25	<b>£49.50</b>	£2.25	4.76%					Y	Charges brought into line with GF charges. All Housing tenants will have their rent account checked to determine if they are in receipt of benefits and therefore eligible for a concession. Concession is 35% being reduced to 25% by 2017/18
	Full charge	£63.00	<b>£66.00</b>	£3.00	4.76%					Y	
	Cancellation fee	£10.00	<b>£10.00</b>	£0.00	0.00%					Y	New charge proposed for introduction to mirror GF charge.
						<b>6,500</b>		<b>200</b>	<b>6,700</b>	Y	
<b>Leasehold charges for services - VAT not applicable. All fees are additional income for SBC</b>											
Solicitors enquiries/standard pre- sale enquiries*	10 working day response	£160.00	<b>£160.00</b>	£0.00	0.00%					Y	Would not be deemed reasonable if challenged at FTT to charge more
Solicitors enquiries/standard pre- sale enquiries*	3 working day response	£240.00	<b>£240.00</b>	£0.00	0.00%					Y	Would not be deemed reasonable if challenged at FTT to charge more
Re-mortgage enquiries*	Enquiries raised at a time of remortgaging	£55.00	<b>£55.00</b>	£0.00	0.00%					Y	Would not be deemed reasonable if challenged at FTT to charge more
Copy of lease*	fee for providing a copy of the lease	£30.00	<b>£30.00</b>	£0.00	0.00%					Y	Cost of obtaining from the land registry is considerably lower, and therefore would not be deemed reasonable if SBC were to charge more
Requests for landlord's consent*	where leaseholder wants to carry out alterations - permission must be sought from SBC.	£100.00	<b>£100.00</b>	£0.00	0.00%					Y	Would not be deemed reasonable if challenged at FTT to charge more
	charge for inspection post completion of works	£50.00	<b>£50.00</b>	£0.00	0.00%					Y	Would not be deemed reasonable if challenged at FTT to charge more
Retrospective landlord's consent*	where leaseholder is seeking permission for works carried out retrospectively.	£200.00	<b>£200.00</b>	£0.00	0.00%					Y	Would not be deemed reasonable if challenged at FTT to charge more
	additional inspection fee	£50.00	<b>£50.00</b>	£0.00	0.00%					Y	Would not be deemed reasonable if challenged at FTT to charge more
Copies of quarterly service charge invoice*	additional inspection fee	£5.00	<b>£5.00</b>	£0.00	0.00%					Y	Would not be deemed reasonable if challenged at FTT to charge more
Copies of service charge estimate or actual statement*	additional inspection fee	£5.00	<b>£5.00</b>	£0.00	0.00%					Y	Would not be deemed reasonable if challenged at FTT to charge more
						<b>15,690</b>			<b>15,690</b>		
	<b>GRAND TOTAL</b>					<b>£509,170</b>	<b>£0</b>	<b>£11,580</b>	<b>£520,750</b>		



HOUSING REVENUE ACCOUNT FEES AND CHARGE PROPOSED 2018/19											
FEES AND CHARGES -RECOMMENDED FEE INCREASES FOR 2018/19 (1/4/2018)											
Service	Description of Chargeable Service	2017/18 Price £	2018/19 Price £	Increase £	increase %	Total Budget 2017/18 £	Income changes included in budget options	Budget Increase £	Total Budget 2018/19 £	Fee Principles Applied (Y/N)	Options considered/Rationale
Additional Income (fees & charges)									£11,580		
Less: £4,000 (G Fund Saving)									£7,580		

Notes

1.charges are rounded to the nearest 5p

2.All charges are inclusive of VAT @ 20% with the exception of items marked with an \*

3.Careline and Community Support are subject to VAT for private residents unless they complete an exemption declaration.

APPENDIX E: RISK BASED ASSESSMENT OF THE LEVEL OF HOUSING REVENUE ACCOUNT  
BALANCES 2018/19

Potential Risk Area	Comments including any mitigation factors		
Income from areas within the base budget where the Council issues "Fees and Charges"	Potential risk that the budgeted level of income from services where the Council is charging for services will not be achieved. This is anticipated largely to be as a result of the downturn in economy, but could also be as a result of increased void rates, lower collection rates, disputed bills. "Fees and Charges" income is reviewed as part of the monthly/quarterly budget monitoring process. All budgets are profiled over the year based upon previous experience.		
	Calculated Risk		
Specific Areas	Estimated Income	Risk assessed at	Balances Required
Rechargeable services not raised or recovered	£15,260	10.00%	£15,026
Leaseholder charges not realised (excluding repairs)	£925,540	5.00%	£47,477
Netted income included in voids totals	£3,362,710	0.00%	£37,757
Service Charges (Increase in costs - 2018)	£1,448,020	0.00%	£7,235
Regain charges	£195,240	5.00%	£9,762
<b>Total</b>			<b>£279,956</b>

Potential Risk Area	Comments		
Demand Led Budgets	Potential risk that spending on parts of the budget where the Council has a legal duty to provide the service increases significantly. Individual budget reviews as part of the monthly budget monitoring process. All budgets are profiled over the year based upon previous experience and so any variances should show up during the year.		
Specific Areas	Estimated Exposure	Calculated Risk	Balances Required
Storm damage and the damage uninsured costs (excess is £25,000 for fire damage)	£25,000	100.00%	£25,000
Response and Emergency repairs increase as a result of inflationary pressures or unforeseen repairs	£5,325,840	5.00%	£316,292
Unforeseen Capital works not budgeted for requiring a contribution to capital (based on a proportion of the capital programme)	£36,987,750	1.00%	£554,516
Increased cost of borrowing on new basis of £3.5million due for repayment 2017/18	£3,500,000	0.25%	£8,750
Inflation pressures on capital works requiring additional revenue resources to fund the shortfall	£36,987,750	0.25%	£92,419
Increased cost of borrowing if retooling suppliers requires the RPA to borrow		2.50%	£50,000
<b>Total</b>			<b>£1,648,476</b>

Potential Risk Area	Comments including any mitigation factors		
Charges since budget was set	Potential risk that charges change since the budget estimates were made and the estimates are then under budgeted for		
Calculated Risk			
Specific Areas	Estimated Exposure	Risk assessed at	Balances Required
Increase in borrowing costs for interest borrowing	£2,089,922	0.25%	£5,224
Transitional Vacancy Rate 4.5% not achieved	£212,700	10.00%	£21,270
Increase in lost paid provision	£225,370	10.00%	£22,537
Delay inflationary increases in April 2018, Gas increase from Jan 2018	£554,710	7.50%	£39,353
NEW Business Unit Raised (BUT) implementation costs/instruction costs increases the pay bill (2x of pay bill for the General Fund)	£7,318,267	0.50%	£36,591
Total			£128,975

Potential Risk Area	Comments including any mitigation factors		
Income from areas within the base budget where the Council issues "Fees and Charges"	Potential risk that changes in government policy and legislation mean income from activities where the Council is charging for services will not be achieved.		
Calculated Risk			
Specific Areas	Estimated Income	Risk assessed at	Balances Required
Sale of high value properties- if the government introduces the during 2018/19, excluded based on government announcement December 2017	£751,900	0.00%	£0
Increased Right to buy as a result of Government intention reducing the amount of collectable rent. Assume an additional 50 RTB's in line with previous years sales	£124,475	50.00%	£62,238
NEW Higher rent amounts as a result of the introduction of the benefit cap.	£258,270	10.00%	£25,827
<b>Total</b>			<b>£88,065</b>

Potential Risk Area		Comments including any mitigation factors	
Other Risks		Potential risk that savings options will not be realised as a result of delay or unforeseen circumstances.	
		Calculated Risk	
Specific Areas	Estimated Exposure	Risk assessed at	Balances Required
Savings Options delayed or not realised	£225,959	10.00%	£22,596
Total			£22,596

Potential Risk Area	Comments including any mitigation factors		
Estimated balances required for any over spend or under-recovery of expenditure	This calculation replicates the calculation based on Net Expenditure		
		Calculated Risk	
Specific Areas	Estimated Exposure	Risk assessed at	Balances Required
Gross Expenditure (excluding feed interest costs)	£39,203,050	1.50%	£588,076
Total			£588,076

Level of Balances Assumed in Housing Revenue Account Based on risk	£2,144,936
Balances assumed in the Business Plan at 31 March 2019 excluding minimum balances (September Update)	£17,480,936
<b>Total Required balances</b>	<b>£19,625,872</b>
HRA balances	£19,765,161
Balances above/below the minimum	£139,289

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### Equality at Stevenage Borough Council

Stevenage Borough Council as a service provider, employer and community leader is committed to achieving equal opportunities for everyone. We want to deliver services that are fair, accessible and open to everyone who needs them.

Equality Impact Assessments (EqIAs) are an important part of the process in ensuring that our intention is translated into action. They help to ensure that decisions are made in a fair, transparent and accountable way, considering the needs and the rights of different people in the community.

Based on the protected characteristics under the Equality Act 2010, the EqIA considers the impact on the following groups when making decisions, updating policies and starting new projects:

- Age
- Disability
- Gender reassignment
- Marital status
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation.

Although non-statutory, the Council has chosen to adopt the Socio-Economic Duty and so decision-makers should use their discretion in considering the impact on people in terms of their social or economic background.

EqIAs also help the council to demonstrate compliance with the requirements of the Public Sector Equality Duty (Section 149 of the Equality Act 2010). The Duty states that a public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is unlawful under this Act
- advance equality of opportunity between people who share a protected characteristic and those who do not
- foster good relations between people who share a protected characteristic and those who do not.

### **Savings Proposals 2018/19**

Prior to their consideration at Executive in November 2017, all savings proposals were reviewed to determine any potential impact on Stevenage residents in terms of their protected characteristics under the Equality Act 2010. The majority of these have no public impact and so have not been subject to any further EqIA.

Where a negative, positive or disproportionate impact is likely, assistant directors and other appropriate managers have drafted Brief EqIAs. These have been summarised over the following pages and will inform the recommendations made at Executive on 23 January and 14 February 2018. Action to further analyse or mitigate the impact on equality groups is identified where appropriate.

The following activity has taken / will take place:

November 2017 – February 2018    EqIAs finalised considering further evidence as  
– necessary

January and February 2018 –    Consideration of all completed EqIAs at Council  
meetings

# FINANCIAL SECURITY : 2018/19 Appendix I

## Summary of draft Equality Impact Assessments

Saving Ref	Saving proposed	Summary of impact	Action	Contact Officer
HFS1	Tree works budget saving of £10,000	<p><b>Negative – low and not likely</b>  <b>Age, Disability, Pregnancy &amp; Maternity, Socio-economic:</b>                      SBC's Concessions Policy provides for a 25% discount for works carried out by the council. However after this concession the cost of tree work may still be unaffordable for some people.</p> <p>However we do not need to complete an EqIA because based on current levels of spending there should be no impact on the service. A residual budget of £8,000 has been retained compared to the spend of £5,774 in 2016/17.</p>	No further action or EqIA is required	Jaine Cresser
FS2 Page 115	Additional Pay and Display parking bays at Coreys Mill Lane	<p><b>Positive</b>  <b>Disability</b>                      Blue Badge holders will be entitled to park for free in P&amp;D bays and are also permitted to park on double yellow lines.</p> <p><b>Negative</b>  <b>Socio-economic</b>                      Charging for parking can be considered detrimental to people in financial difficulty but these would remain affordable in relation to the charges within the Lister Hospital and the overall cost of motoring. There are strong bus links to the hospital which may prove to be more cost-effective for people on lower incomes.</p>		Zayd Al-Jawad
FS24	Proposed new Woodland Burial service	<p><b>Positive</b>  <b>All characteristics</b>                      Any and all will be able to use and benefit from the woodland burial service if requested.</p>	Purchase of temporary pathway matting for mourners to access the graveside (to be removed as the woodland matures)	Kevin Basford (interim) on behalf of Craig Miller

# FINANCIAL SECURITY : 2018/19 Appendix I

## Summary of draft Equality Impact Assessments

Saving Ref	Saving proposed	Summary of impact	Action	Contact Officer
HF42	Remove Death in Service benefit for ex-SHL staff	<p><b>Staff groups</b></p> <p><b>Age</b> 27% of the staff affected are over 60 and none under 30. The whole group represents 11% of the workforce, the remaining 89% does not have access to the benefit</p> <p><b>Sex</b> 67% of the 73 staff are female, however the majority of SBC female staff do not have access to this benefit but do have access to the pension scheme.</p> <p><b>Socio-economic</b> 22% or 16 of the 73 staff are a grade 3 or below, however the wider SBC staff group do not have access to this benefit, but can access through the pension scheme.</p>		Jackie Foglietta
HF40	Introduction of charge for support service in independent living / Flexicare schemes	<p><b>Age</b> Hertfordshire County Council are consulting with non-residential residents about charging for some of their community based adult social care services that they currently provide for free. This will impact on a lot of people over 60 in the independent living/flexicare schemes as they are more likely to be in receipt of some care due to their age/medical conditions. Charges will be effective from 15 April 2018. Level of charges unknown as people will need reassessing.</p> <p>Hertfordshire County Council funding for Flexicare housing related alarm contract ends in January 2018 and for support at the end of March 2018 which would mean more cost to Stevenage Borough Council which we may need to pass on to residents.</p> <p><b>Socio-economic</b></p>	Complete a full EqlA to further assess impact (December 2018)	Jaine Cresser

# FINANCIAL SECURITY : 2018/19 Appendix I

## Summary of draft Equality Impact Assessments

Saving Ref	Saving proposed	Summary of impact	Action	Contact Officer
		<p>Any increase/ new charges in future years need to be affordable and considered in conjunction with other changes in charges. Support charge is not eligible for housing benefit and could have a negative impact for those on lower incomes.</p> <p><b>Other</b> Government proposals for supported housing funding through 'sheltered rent' to be implemented in 2020. The details are still being worked on and are out for consultation until Jan 2018</p>		

## Brief Equality Impact Assessment

### For a minor operational change / review / simple analysis

What is being assessed?	<b>HFS1: Tree works budget saving of £10,000</b>	What are the key aims of it?	This £18,000 budget was introduced for tree works in gardens where tenants could not afford the works themselves. This recommendation is to reduce the budget in line with actual spend.		
Who may be affected by it?	Vulnerable tenants				
Date of full EqlA on service area (planned or completed)					
Form completed by:	Jaine Cresser	Start date	30 October 2017	End date	
		Review date			

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What data / information are you using to inform your assessment?	Tree work expenditure code. Record of work carried out to date for tenant tree work.	Have any information gaps been identified along the way? If so, please specify	None
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Explain the <b>potential positive, negative or unequal impact</b> on the following characteristics and <b>how likely</b> this is:			
Age	<b>Negative.</b> Concessions policy only gives 25% discount for works carried out by the council. Even after this concession the cost of tree work may still be unaffordable.	Race	N/A
Disability	<b>Negative.</b> Concessions policy only gives 25% discount for works carried out by the council. Even after this concession the cost of tree work may still be unaffordable.	Religion or belief	N/A
Gender reassignment	N/A	Sex	N/A
Marriage or civil	N/A	Sexual orientation	N/A

partnership			
Pregnancy & maternity	<b>Negative.</b> Concessions policy only gives 25% discount for works carried out by the council. Even after this concession the cost of tree work may still be unaffordable.	Socio-economic <sup>1</sup>	<b>Negative.</b> Concessions policy only gives 25% discount for works carried out by the council. Even after this concession the cost of tree work may still be unaffordable.
Other	Overall, a negative impact is not likely to occur as based on current levels of spending there should be no impact on the service. A residual budget of £8,000 has been retained compared to the spend of £5,774 in 2016/17.		

Where there is a likely <b>positive impact</b> , please explain how it will help to <b>fulfil our legislative duties</b> to:					
Remove discrimination & harassment		Promote equal opportunities		Encourage good relations	

### What further work / activity is needed as a result of this assessment?

Action	Responsible officer	How will this be delivered and monitored?	Deadline
None			

Approved by Strategic Leadership Team  
Date: TBC

<sup>1</sup>Although non-statutory, the council has chosen to implement the Socio-Economic Duty and so decision-makers should use their discretion to consider the impact on people with a socio-economic disadvantage.

## Brief Equality Impact Assessment

### For a minor operational change / review / simple analysis

What is being assessed?	<b>FS2: Additional Pay &amp; Display parking bays at Coreys Mill Lane</b>				
Who may be affected by it?	All members of the public	What are the key aims of it?	To manage parking provision along Coreys Mill Lane.		
Date of full EqlA on service area (planned or completed)	TBC				
Form completed by:	Zayd Al-Jawad	Start date	30 October 2017	End date	
		Review date			

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What data / information are you using to inform your assessment?	EqlA for saving option S103 in January 2014.	Have any information gaps been identified along the way? If so, please specify	No
--	--	--	----

Explain the <b>potential positive, negative or unequal impact</b> on the following characteristics and <b>how likely</b> this is:			
Age	None identified.	Race	None identified.
Disability	Blue Badge holders will be entitled to park for free in P&D bays and are also permitted to park on double yellow lines so will not be adversely affected by these proposals.	Religion or belief	N/A
Gender reassignment	N/A	Sex	N/A
Marriage or civil partnership	N/A	Sexual orientation	N/A
Pregnancy &	N/A	Socio-	11 respondents to a Café Choice survey in 2013 attended



maternity		economic <sup>2</sup>	<p>the hospital regularly and so would be impacted by the introduction of parking charges. A further four stated that 'money generally' was a concern for them.</p> <p>Charging for parking can be considered economically detrimental to those who are struggling financially but the charges would remain affordable in relation to those charged within the Lister Hospital car park and in relation to the overall cost of motoring.</p> <p>Pay and Display parking has been in place in the town centre for some years and this has not caused any equality challenges. There are strong bus links to Lister Hospital which may prove to be more cost-effective for people on lower incomes.</p>
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Where there is a likely <b>positive impact</b> , please explain how it will help to <b>fulfil our legislative duties</b> to:					
Remove discrimination & harassment	N/A	Promote equal opportunities	N/A	Encourage good relations	N/A

### What further work / activity is needed as a result of this assessment?

Action	Responsible officer	How will this be delivered and monitored?	Deadline

**Approved by Strategic Leadership Team**

**Date: TBC**

<sup>2</sup>Although non-statutory, the council has chosen to implement the Socio-Economic Duty and so decision-makers should use their discretion to consider the impact on people with a socio-economic disadvantage.

## Brief Equality Impact Assessment

### For a minor operational change / review / simple analysis

What is being assessed?	FS24: Proposed New Woodland Burial Service	What are the key aims of it?	To provide an alternative natural woodland burial service			
Who may be affected by it?	Visitors, Staff, Funeral Directors					
Date of full EqIA on service area (planned or completed)	October 2017					
Form completed by:	Kevin Basford / Paul Seaby / Claire Skeels	Start date	20 October 2017	End date	25 October 2017	
		Review date		April 2021		

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What data / information are you using to inform your assessment?	Main EqIA Site Inspection Proposal Plans Planning Guidance	Have any information gaps been identified along the way? If so, please specify	We have been asked by our planning consultation questions regarding the safe egress of mourners to the graveside. Subsequently, a temporary pathway is to be laid using chequered heavy duty re-usable panels to be removed as the woodland matures.
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Explain the <b>potential positive, negative or unequal impact</b> on the following characteristics and <b>how likely</b> this is:			
Age	positive	Race	positive
Disability	positive	Religion or belief	positive
Gender reassignment	positive	Sex	positive
Marriage or civil partnership	positive	Sexual orientation	positive
Pregnancy & maternity	positive	Socio-economic <sup>3</sup>	positive
Other	positive		

<sup>3</sup>Although non-statutory, the council has chosen to implement the Socio-Economic Duty and so decision-makers should use their discretion to consider the impact on people with a socio-economic disadvantage.

Where there is a likely <b>positive impact</b> , please explain how it will help to <b>fulfil our legislative duties</b> to:					
Remove discrimination & harassment	Any and all will be able to use and benefit from the woodland burial service if requested.	Promote equal opportunities	Any and all will be able to use and benefit from the woodland burial service if requested.	Encourage good relations	Any and all will be able to use and benefit from the woodland burial service if requested.

### What further work / activity is needed as a result of this assessment?

Action	Responsible officer	How will this be delivered and monitored?	Deadline
Purchase of temporary pathway matting	Claire Skeels / Cristian Pinta	Procured in accordance with SBC's policy	March 2018

Approved by Strategic Leadership Team

Date: TBC

## Brief Equality Impact Assessment

### For a minor operational change / review / simple analysis

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What is being assessed?	<b>HF42: Remove Death in Service benefit for ex-SHL staff</b>	What are the key aims of it?	When ex SHL transferred back to SBC the Death in Service was seen as a preserved right. The benefit for existing SBC staff was removed from 2010/11 onwards. The scheme costs £8.3K for those eligible staff. Death in service is a benefit for those staff in the pension scheme of 3xsalary. Of the 73 staff this applies to (out of 663 paid in September), currently 18 are not in the pension scheme.		
Who may be affected by it?	73 staff or 11% of workforce				
Date of full EqlA on service area (planned or completed)					
Form completed by:	Clare Fletcher Jackie Foglietta	Start date	20 October 2017	End date	
		Review date			

What data / information are you using to inform your assessment?	MALE	24	AGE	Number of staff	Have any information gaps been identified along the way? If so, please specify	No info is available for the 73 other than age, gender and grade.
	FEMALE	49	under 30	0		
			30-40	8		
			41-50	16		
			50-60	29		
			over 60	20		
			Total	73		
			Grade	Number of staff		
			1-3	16		
			4-6	46		
		7-9	7			
		10 and over	4			

Explain the <b>potential positive, negative or unequal impact</b> on the following characteristics and <b>how likely</b> this is:			
Age	27% of the staff affected are over 60 and none under 30. The whole group represents	Race	Not envisaged to have an unequal impact on race

	11% of the workforce, the remaining 89% does not have access to the benefit		
Disability	Not envisaged to have an unequal impact	Religion or belief	Not envisaged to have an unequal impact
Gender reassignment	Not envisaged to have an unequal impact	Sex	67% of the 73 staff are female, however the majority of SBC female staff do not have access to this benefit but do have access to the pension scheme.
Marriage or civil partnership	Not envisaged to have an unequal impact	Sexual orientation	Not envisaged to have an unequal impact
Pregnancy & maternity	Not envisaged to have an unequal impact	Socio-economic <sup>4</sup>	22% or 16 of the 73 staff are a grade 3 or below, however the wider SBC staff group do not have access to this benefit, but can access through the pension scheme.
Other			

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Where there is a likely <b>positive impact</b> , please explain how it will help to <b>fulfil our legislative duties</b> to:					
Remove discrimination & harassment	Not envisaged to have an unequal impact	Promote equal opportunities	Removing this benefit for a small number of staff is a more equitable position. Furthermore auto enrolment means all staff who meet the relevant criteria are entered into the pension scheme which has this benefit and pension contributions are based on the staff members pay.	Encourage good relations	

### What further work / activity is needed as a result of this assessment?

Action	Responsible officer	How will this be delivered and monitored?	Deadline

### Approved by Strategic Leadership Team

<sup>4</sup>Although non-statutory, the council has chosen to implement the Socio-Economic Duty and so decision-makers should use their discretion to consider the impact on people with a socio-economic disadvantage.



Date: TBC

## Brief Equality Impact Assessment

### For a minor operational change / review / simple analysis

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What is being assessed?	<b>Introduction of charge for support service in independent living/flexicare schemes for people who get a free service</b>		What are the key aims of it?	Introduction of a £2.00 charge for those 670 people in independent living/flexicare schemes that do not pay anything towards the cost of the 24 hour/7 day a week emergency response service via the alarm or providing the alarm equipment or the support service provided to them through the supported housing officer. This is due to the supporting people/housing related support grant legacy where no one in receipt of housing benefit or fairer charging paid for the service and also protected people from 2003 (19 people). The support service is not eligible for housing benefit, but this introductory charge of £2.00 is a move to make some charge for the service since the grant from HCC has been removed. This option has the support of the housing portfolio holder.		
Who may be affected by it?	Residents living in sheltered housing/flexicare schemes who currently don't pay for anything for the support service (those on housing benefit, fairer charging, protected due to supporting people implementation in 2003)					
Date of full EqIA on service area (planned or completed)		December 2018				
Form completed by:	Karen Long		Start date	Nov 17	End date	Jan 18
			Review date	Nov 18		

What data / information are you using to inform your assessment?	<ul style="list-style-type: none"> <li>• Data of those on full/partial housing, fairer charging or those that are protected due to supporting people implementation in 2003.</li> <li>• Age profile of sheltered/flexicare housing tenants</li> <li>• Scheme profile data</li> </ul>	Have any information gaps been identified along the way? If so, please specify	
--	--	--	--

Explain the <b>potential positive, negative or unequal impact</b> on the following characteristics and <b>how likely</b> this is:			
Age	<p>Hertfordshire County Council are consulting with non-residential residents about charging for some of their community based adult social care services that they currently provide for free. This will impact on a lot of people over 60 in the independent living/flexicare schemes as they are more likely to be in receipt of some care due to their age/medical conditions. Charges will be effective from 15 April 2018. Level of charges unknown as people will need reassessing.</p> <p>Hertfordshire County Council funding for Flexicare housing related alarm contract ends in January 2018 and for support at the end of March 2018 which would mean more cost to Stevenage Borough Council which we may need to pass on to residents.</p>	Race, Religion or belief, Sex, Sexual orientation	Residents – no impact Staff – no impact
Disability, Gender reassignment, Marriage or civil partnership, Pregnancy & maternity	Residents – no impact Staff – no impact	Socio-economic <sup>5</sup>	Any increase/ new charges in future years need to be affordable and considered in conjunction with other changes in charges. Support charge is not eligible for housing benefit and could have a negative impact for those on lower incomes.
Other	Government proposals for supported housing funding through ‘sheltered rent’ to be implemented in 2020. The details are still being worked on and are out for consultation until Jan 2018		

<sup>5</sup>Although non-statutory, the council has chosen to implement the Socio-Economic Duty and so decision-makers should use their discretion to consider the impact on people with a socio-economic disadvantage.



Where there is a likely <b>positive impact</b> , please explain how it will help to <b>fulfil our legislative duties</b> to:					
Remove discrimination & harassment		Promote equal opportunities	The government proposals for Supported Housing funding would mean that long-term supported housing will remain funded via the welfare system and will ensure the best outcomes for tenants and manage costs.	Encourage good relations	

### What further work / activity is needed as a result of this assessment?

Action	Responsible officer	How will this be delivered and monitored?	Deadline
Complete a full EqlA to further assess impact	Karen Long	This will be completed as part of the review of service charges for 2019 and reviewed after the outcome of the government proposals and HCC proposals.	Dec 2018

Approved by Strategic Leadership Team  
Date: TBC

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## APPENDIX C

## FINANCIAL SECURITY OPTIONS 2018/19

														Included in budget	£293,781	£211,229	£365,092	£193,628
Ref No	FTFC	score	Lead Officer	Name of Service	Description of Growth Proposal	Budget 2017/18	Actual 2016/17	2017/18 Implications	Growth in 2018/19	Growth in 2019/20	Growth in 2020/21	Growth in 2021/22	On-going	Description of Growth Proposal	£ General Fund Year 1	£ General Fund Year 2	£ HRA Year 1	£ HRA Year 2
<b>CATEGORY - Future Town Business Review Growth</b>																		
FS10	FS	2.8	Chief Executive	Business reviews Council wide	Review of Service	24,844,850		£401,194	£258,398	£144,409	£143,909	£177,571	Y	The Chief Executive and Strategic Directors have considered the Business Reviews and have approved a number of business restructures. The associated costs are shown per year, with an estimation only of any implementation costs . SUBJECT TO APPROVAL OF THE BUSINESS REVIEWS REPORT TO THIS EXECUTIVE.	£195,345	£116,142	£63,053	£28,266
<b>TOTAL GROWTH OPTIONS</b>						<b>£24,844,850</b>	<b>£0</b>	<b>£401,194</b>	<b>£258,398</b>	<b>£144,409</b>	<b>£143,909</b>	<b>£177,571</b>			<b>£195,345</b>	<b>£116,142</b>	<b>£63,053</b>	<b>£28,266</b>
<b>REVENUE GROWTH - New Proposals / Services</b>																		
HG2		3	AD Housing & Investment	Empty Homes	Increase in under-occupation moves following on from allocation policy review Relocation incentive increase from £15k to £30k	£15,000	20,906		£15,000	£15,000	£15,000	£15,000	Y	As at 14.08.17, there are 566 households affected. The DHP Budget for 2016/17 was £196,244 with a total of 437 awards, excluding refusal. The budget for 2017/18 is £276,042. The criteria for payments were relaxed last year, it is stricter this year, therefore, we want to encourage customers to move. This amount will enable us to incentive customers to give us an additional 20 bedrooms by encouraging downsizing. This could also help to reduce any rent arrears for tenants that move who, are currently having their benefit reduced as a result of under occupation.			£15,000	£15,000
HG3		3	AD Housing & Investment	Investment	Annual support & maintenance for keystone risk management module.	£0	0		£2,800	£2,800	£2,800	£2,800	y	Delays in completing fire risk assessments and the associated actions.			£2,800	£2,800
HG5		3	AD Housing & Investment		Permanent funding (Debt Advice and Support Worker)	£32,819	£31,691		£0	£34,390	£34,390	£34,390	Y	This post was funded via the 2014 HRA BP (ref. DP44) up to and including 2018/19. The Debt Advice and support worker provides intensive support to those in financial difficulty. There are two posts within the team, one a permanent post and one a fixed term until March 19. With Universal Credit in place from June 18 this post will offer support to those transitioning to new benefit arrangements. The posts help with appeals, benefit queries and arrears.			£0	£34,390
<b>TOTAL GROWTH OPTIONS</b>						<b>£47,819</b>	<b>£52,597</b>	<b>£0</b>	<b>£17,800</b>	<b>£52,190</b>	<b>£52,190</b>	<b>£52,190</b>			<b>£0</b>	<b>£0</b>	<b>£17,800</b>	<b>£52,190</b>

FINANCIAL SECURITY OPTIONS 2018/19

APPENDIX C

														Included in budget	£293,781	£211,229	£365,092	£193,628
Ref No	FTFC	score	Lead Officer	Name of Service	Description of Growth Proposal	Budget 2017/18	Actual 2016/17	2017/18 Implications	Growth in 2018/19	Growth in 2019/20	Growth in 2020/21	Growth in 2021/22	On-going	Description of Growth Proposal	£ General Fund Year 1	£ General Fund Year 2	£ HRA Year 1	£ HRA Year 2
REVENUE GROWTH - FTFC																		
G22	PAOP	2.6667	FTFC Board	Performing at our peak	Increase in licences for new corporate insight tool	£20,000	£0		£32,000	£32,000	£32,000	£32,000	Y	The increase in licences is to enable roll out of the inphase tool used for Corporate performance to more managers to enable greater insight into performance information.	£21,440	£21,440	£10,560	£10,560
G23	PAOP	2.6667	FTFC Board	Performing at our peak	Licence costs for new INTRANET				£10,000	£10,000	£10,000	£10,000	Y	The new INTRANET is being commissioned in 2017/18, this will allow data for CSC and other services to be easily accessible, helping to avoid doubling handling of customers and providing staff with an up-to-date register of information	£6,700	£6,700	£3,300	£3,300
HG4	HD	2.6667	AD Housing & Investment	Investment	Development liaison co-ordinator- Grade 7 for two years				£43,710	£43,710			N	To manage decants and new build programmes liaising with Development and Housing and Investment, required for sheltered redevelopment scheme			£43,710	£43,710
G10	HD	2.8333	AD Housing & Investment	Emergency accommodation	set up costs for Kenilworth redevelopment				£151,418	£0	£0	£0	N	There is a budget of £366K in the HRA MTFS for home loss payments and decanting tenants while the Kenilworth scheme is completed. The latest projection based on number of tenants, the cost of temporarily moving tenants into lettable accommodation is now estimated at £151K higher. This includes statutory payable homeless costs of £311K.		£0	£151,418	£0
TOTAL FTFC Board						£20,000	£0	£0	£237,128	£85,710	£42,000	£42,000			£28,140	£28,140	£208,988	£57,570
SERVICE PRESSURES																		
G7		2.8333	AD Corporate Projects, Customer Services & ICT	IT Shared Service	Vmware Licence Review - SBC share	£0	£0		£6,920	£6,920	£6,920	£6,920	Y	Licence costs relating to software purchased as part of ICT review	£4,636	£4,636	£2,284	£2,284
G8		3	AD Corporate Projects, Customer Services & ICT	IT Shared Service	IT Policy Toolkit - SBC Share	£0	0		£3,000	£3,000	£3,000	£3,000	Y	Licence costs relating to software purchased as part of ICT review. This is a policy framework, which will be available on line and will be updated with the latest policies and is an essential tool to manage ICT security.	£2,010	£2,010	£990	£990

## APPENDIX C

## FINANCIAL SECURITY OPTIONS 2018/19

														Included in budget	£293,781	£211,229	£365,092	£193,628
Ref No	FTFC	score	Lead Officer	Name of Service	Description of Growth Proposal	Budget 2017/18	Actual 2016/17	2017/18 Implications	Growth in 2018/19	Growth in 2019/20	Growth in 2020/21	Growth in 2021/22	On-going	Description of Growth Proposal	£ General Fund Year 1	£ General Fund Year 2	£ HRA Year 1	£ HRA Year 2
G26		2.8333	AD Corporate Projects, Customer Services & ICT	IT Shared Service	ICT Improvement Plan	£0	0	£0	£95,000	£90,000	£80,000	£80,000	Y	Ongoing £80K for Cyber Security. £10K training for 2 years 2018/19-2019/20, (only SBC share shown). SUBJECT TO APPROVAL OF THE ICT IMPROVEMENT PLAN REPORT TO THIS EXECUTIVE.	£63,650	£60,300	£31,350	£29,700
HG1		3	AD Housing & Investment	Tenancy agreement - one off	Review of tenancy agreement - due to Fixed term tenancies (although DCLG guidance yet to be received)	£0	£0		£18,000				N	Subject to the DCLG guidance - this will also give an opportunity to include any issues as a result of General Data Protection Regulations (GDPR) - cost equates to £2.16 per dwelling (assuming 8,300). Whilst we are unsure if the guidance will be published before April 18, we know that the GDPR will go live in May 2018			£18,000	£0
HG6		2.8333	AD Housing & Investment	Housing Ombudsman subscription	Increase in Mandatory fees	£9,228	9,228		£12,020	£12,020	£12,020	£12,020	Y	Increase in the subscription fee from 96p per unit to £1.25 per unit. This means that subscription costs will rise from £9,228 to around £12,000.			£12,020	£12,020
HG9		2.6	AD Housing & Investment	County funding	Flexi care review	£60,680	£60,683		10,608	10,608	10,608	10,608	Y	Loss of grant reduces the HRA surplus. Other Supporting People grant has been withdrawn. <b>LSFG - recommended writing to HCC regarding the grant cut.</b>	£0	£0	£10,608	£10,608
TOTAL SERVICE PRESSURES						£69,908	£69,911	£0	£145,548	£122,548	£112,548	£112,548			£70,296	£66,946	£75,251	£55,601
TOTAL GROWTH AND SERVICE PRESSURES						£24,982,577	£122,508	£401,194	£658,873	£404,857	£350,647	£384,309		Growth	£293,781	£211,229	£365,092	£193,628

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Part I – Release to Press



**Meeting** EXECUTIVE  
**Portfolio Area** Resources  
**Date** 23 JANUARY 2018



## DRAFT GENERAL FUND AND COUNCIL TAX SETTING 2018/2019

### KEY DECISION

**Authors** Clare Fletcher | 2933  
**Lead Officers** Clare Fletcher | 2933  
**Contact Officer** Clare Fletcher | 2933

### 1. PURPOSE

- 1.1 To consider the Council's draft General Fund Budget for 2018/19 and projected 2017/18 General Fund Budget and draft proposals for the 2018/19 Council Tax.

### 2. RECOMMENDATIONS

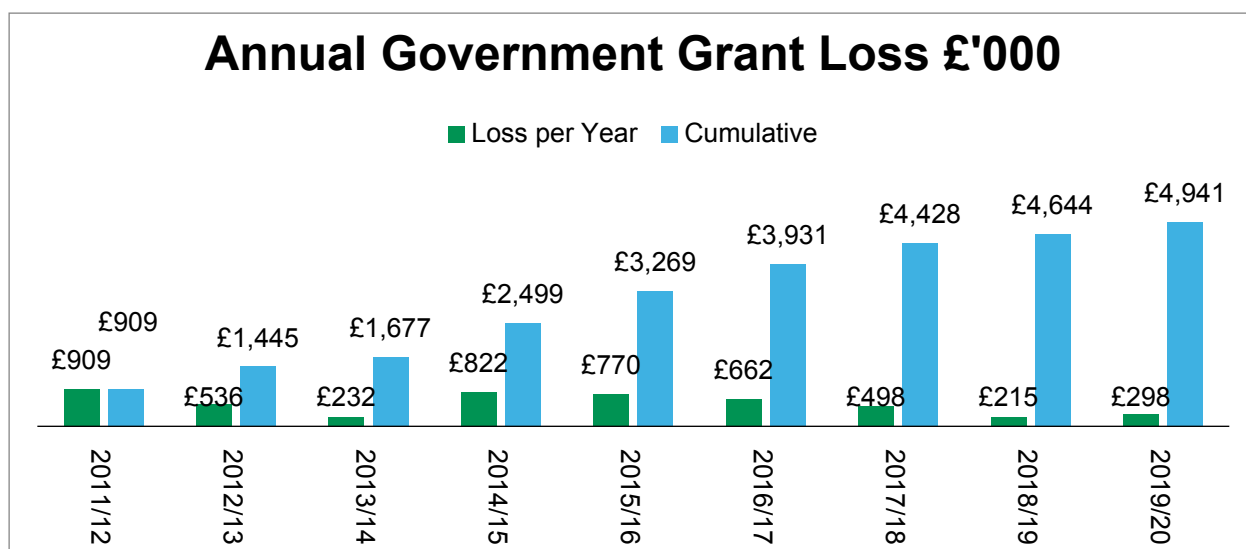
- 2.1 That the 2017/18 revised net expenditure on the General Fund of £10,571,020 be approved.
- 2.2 That a draft General Fund Budget for 2018/19 of £9,126,090 be proposed for consultation purposes, with a contribution from balances of £838,986 and a Band D Council Tax of £204.46 (assuming a 2.99% increase) be approved.
- 2.3 That the updated position on the General Fund Medium Term Financial Strategy (MTFS), as shown at Appendix A and the Risk Assessments of General Fund Balances, as shown at Appendix B to this report, be approved.
- 2.4 That a minimum level of General Fund reserves of £2,790,089, in line with the 2018/19 risk assessment of balances, as shown at Appendix B to this report, be approved.
- 2.5 That the contingency sum of £400,000 within which the Executive can approve supplementary estimates, be approved for 2018/19, (unchanged from 2017/18).

- 2.6 That the 2018/19 proposed Fees and Charges increase of £134,160 (Appendix C to this report) be included in the draft budget.
- 2.7 That the 2018/19 proposed concessions (Appendix D to this report) be approved.
- 2.8 That the 2018/19 proposed Financial Security Options of £342,399 (Appendix E to this report) be included in the draft budget for consideration by the Overview & Scrutiny Committee.
- 2.9 That the 2018/19 proposed Growth options of £430,371 (Appendix F to this report) be included in the draft budget for consideration.
- 2.10 That the approval of the level of business rates (NNDR1) for 2018/19 be delegated to the Assistant Director (Finance and Estates), following consultation with the Resources Portfolio Holder (paragraph 4.6.5 of the report refers).
- 2.11 That any 2018/19 business rate gains above the baseline assessment be ring fenced for town centre regeneration (SG1), paragraph 4.6.5 of the report refers.
- 2.12 That new capital receipts and unspent revenue balances (above the £350,000 transferred to the capital reserve) be earmarked for the Council's and residents top priority, town centre regeneration.
- 2.13 That the decisions taken on recommendations 2.2 – 2.9 above be referred to the Overview and Scrutiny Committee for consideration in accordance with the Budget and Policy Framework rules in the Council's Constitution.

### **3. BACKGROUND**

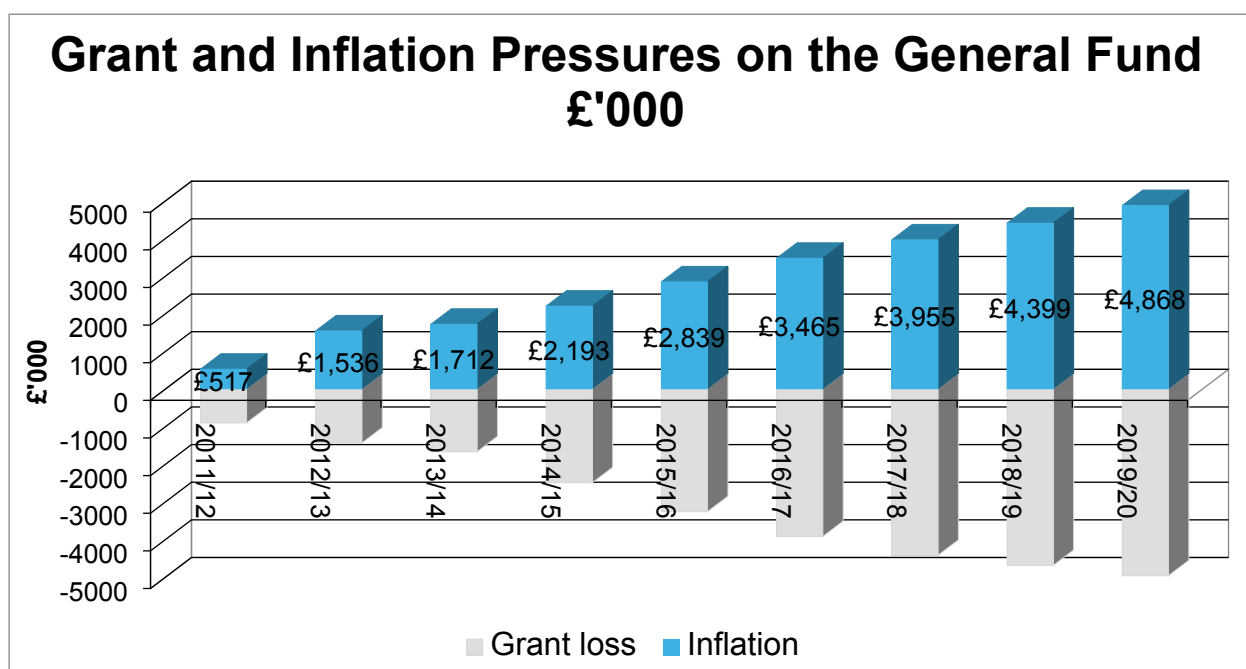
- 3.1 This report presents the Council's draft General Fund net expenditure for 2018/19 taking account of the Financial Security options, fee increases, pressures and growth items. The General Fund Budget forms part of the Council's Budget and Policy Framework. Under Article 4 of the Constitution, the Budget includes: the allocation of financial resources to different services and projects; proposed contingency funds; setting the council tax; the council tax support scheme; decisions relating to the control of the Council's borrowing requirement; the control of its capital expenditure; and the setting of virement limits.
- 3.2 The Council's Financial Strategy (MTFS) was reported to Executive in September 2017 and updated in the November Financial Security report. Both reports highlighted the need for on-going savings to fund inflation and service pressures compounded by the loss of a further £1Million of central government funding up to 2019/20.
- 3.3 The funding reductions experienced by councils have been on-going for a number of years and has resulted in an overall loss of grant funding for Stevenage of some £5Million since 2010/11. The chart below shows the net loss of government funding (net of business rate inflation increases).



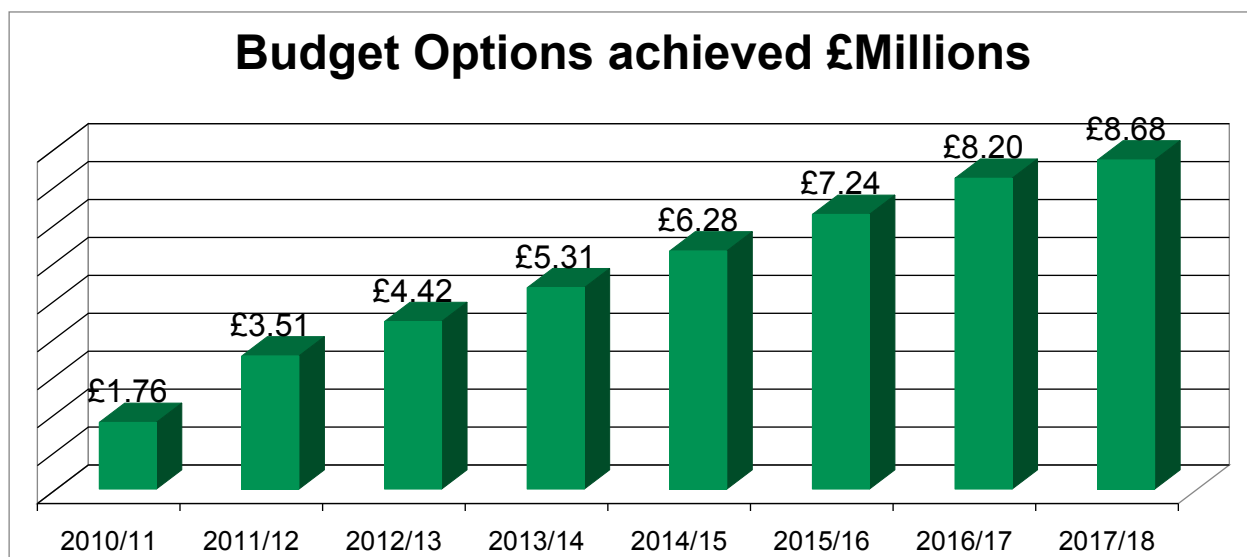


*\*net of NDR increases*

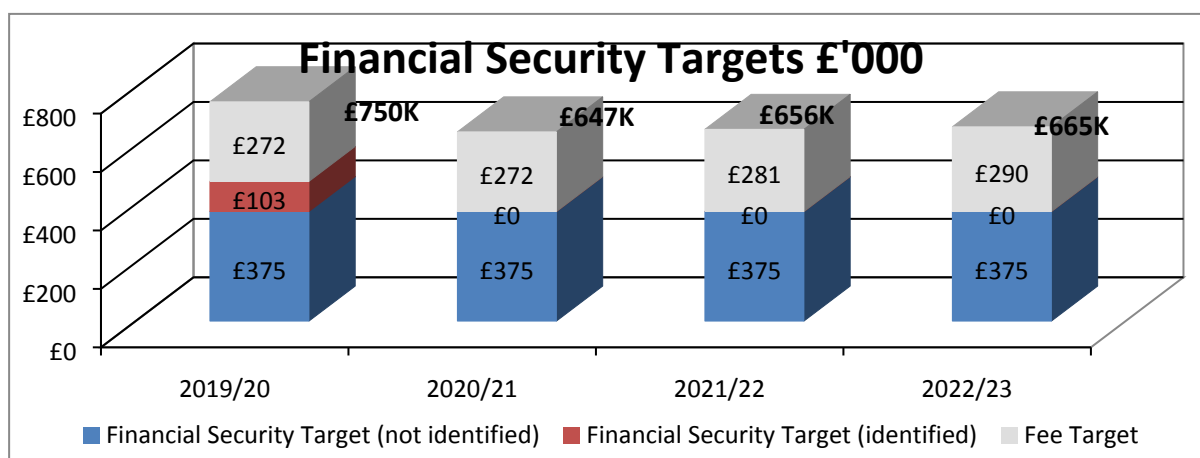
- 3.4 However in addition the General Fund has had to absorb inflationary pressures which for the same period have been estimated to be a further £4.8Million, which includes contractual and pay inflation.



- 3.5 The need to find budget reductions has been further compounded by other pressures such as apprenticeship levy and reductions in housing benefit administration grant. The total grant cuts and inflation pressures of £8.4Million (2010/11-2017/18) in addition to other pressures has been addressed by budget reductions achieved (£8.68Million 2010/11-2017/18) through the Council's priority based budgeting process and since 2017/18 via the Financial Security work stream under the Future Town Future Council programme.



- 3.6 The MTFS as approved by Members in September (2017) had a key principle: 'achieve an on-going balanced budget by 2021/22 by ensuring inflationary pressures are matched by increases in fees and income or reductions in expenditure'. The Financial Security report to the November Executive recognised that based on current projections, this was estimated to be achieved later by 2022/23 and the Financial Security targets were re-profiled to reflect the need for a higher level of options than previously envisaged. These are set out below.



- 3.7 At the November 2017 meeting, the Executive approved a package of Financial Security budget options, growth and pressures and fee increases to be included in the 2018/19 Budget.
- 3.8 The Council signed up to the four year central government funding settlement deal for the period 2016/17-2019/20, next year being year three of four. Members also approved Stevenage being part of the Hertfordshire business rates pilot for 2018/19, which would mean additional business rates of £600,000 ring fenced for regeneration in addition to the previous settlement deal. Notification of the provisional 2018/19 Finance Settlement and New Homes Bonus (NHB) allocation were received on 19 December 2017 and detailed in section 4.5.

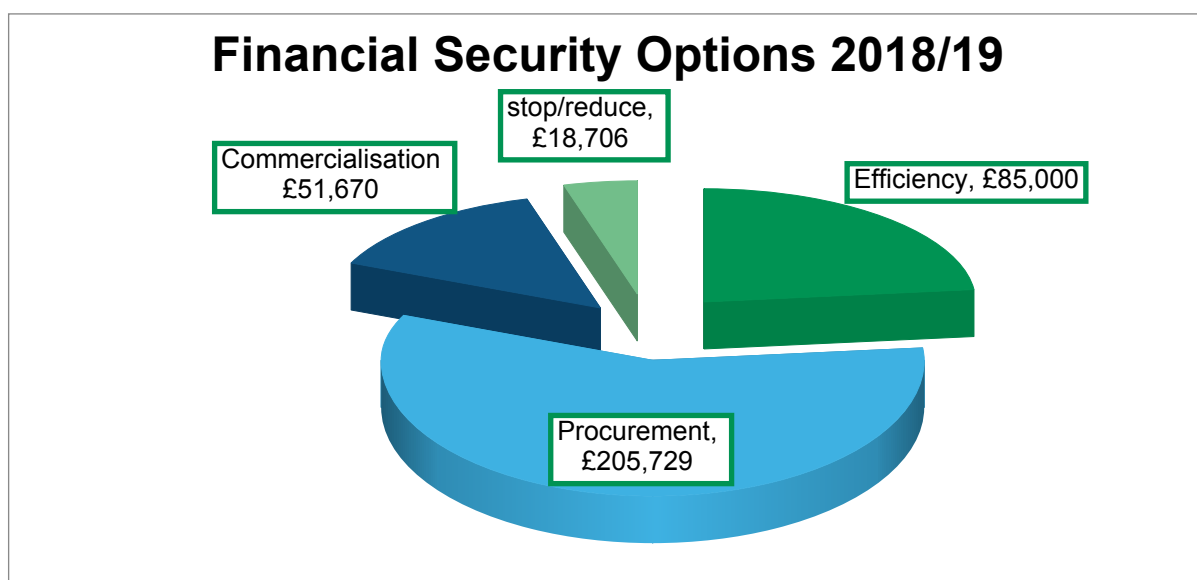
- 3.9 Members were advised in the September MTFS that the Government was minded to allow District Authorities to increase their council tax by £5.00 on a band D which for the Council would see an increase of 2.52%.
- 3.10 The Budget and Policy Framework Procedure Rules in the Constitution, prescribe the Budget setting process, which includes a consultation period. The timescale required to implement this process is outlined below:

Date	Meeting	Report
January 2018	Executive	Draft 2018/19 General Fund budget and Council Tax (incorporating Financial Security Options)
	Overview and Scrutiny	Draft 2018/19 General Fund budget and Council Tax (incorporating Financial Security Options)
February 2018	Executive	Final 2018/19 General Fund budget and Council Tax
	Overview and Scrutiny	Final 2018/19 General Fund budget and Council Tax
	Council	Final 2018/19 General Fund budget and Council Tax

#### 4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

##### 4.1 Financial Security Options

- 4.1.1 At the November Executive, Members approved General Fund Financial Security Options of £342,399, detailed in Appendix E. Members were also reminded that there was a further option relating to a phased reduction in community centre grant funding of £18,706 approved in previous years. A summary of the options is shown in the following chart.



- 4.1.2 (In addition to the options recommended for approval in the 2018/19 budget Appendix E), Members also have approved commercial property income target of £200,000, (July Executive). Two sites have been identified which should meet the

required target. At the time of writing the report one of the sites had been acquired by the Council.

4.1.3 Officers together with the Leaders Financial Security Group (LFSG) will be working towards achieving the unidentified Financial Security target as summarised in paragraph 3.6 which totals £1.5Million for the next four years, (2019/20-2022/23). Members will be aware that this in addition to increases in fees and charges (see also paragraph 3.6) and council tax. Options are required to fund inflationary pressures while at the same time absorbing reductions in government grants.

## 4.2 Fees and Charges

4.2.1 2018/19 fees, charges and concessions have been reviewed as part of the work of the Corporate Fees and Charges Group, with the results scrutinised and recommended for approval by LFSG and included in Appendices C & D. The recommended Fees and Charges for the General Fund total £134,160 which is £162,434, lower than the September MTFS estimate.

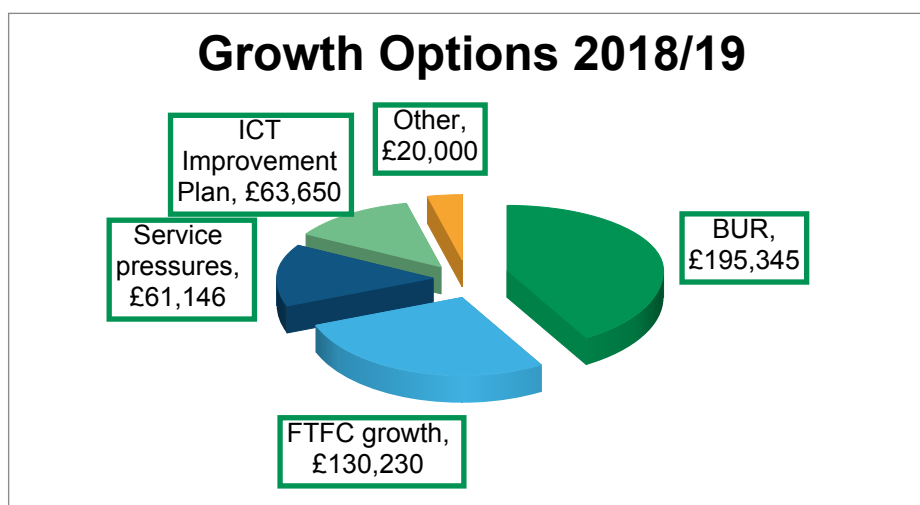
4.2.2 2018/19 Fee income is lower than the MTFS target as a number of income streams are currently projected not to reach budget. Officers are reviewing this to determine whether additional action is required and will report back to the LFSG during 2018.

## 4.3 Growth options and Service Pressures

4.3.1 At the November Executive, Members approved General Fund Growth and Service Pressures of £534,871 with implementation costs of £246,443 in 2017/18. This included the financial cost of the Business Unit Reviews (BUR) and ICT Improvement Plan which were reported separately and approved by Members at the November Executive.

4.3.2 Since the November Executive a service pressure (ref G20) relating to the reduction in transport subsidy (£99,000) has been revised to £34,500 a reduction of £64,500. However there is also now a cost in 2017/18 of £41,000. The revised growth and pressures are summarised in Appendix F.

4.3.3 A summary of the options is shown in the following chart.



4.3.4 In order to implement new Financial Security options the Assistant Director (Finance and Estates) has identified the need for a pump priming 'Transformational Fund'.

However based on the growth already identified and the affordability of including this type of resource in the General Fund, an amount of £100,000 has been included for the period 2018/19 and 2019/20. There is currently one bid identified against the fund for £35,000, (Growth bid G14), which Members approved at the November Executive.

- 4.3.5 There is a dichotomy whereby officers need to spend to meet the Council's significant ambitions while at the same time needing to shrink General Fund net expenditure. This means the role of the Financial Security priority will increase in importance to ensure that the future stability of the Council's finances is maintained.

#### 4.4 General Fund Net Expenditure

- 4.4.1 The 2017/18 projected and the 2018/19 draft General Fund net expenditure is summarised in Appendix A. This includes the changes from the November MTFS update. The 2018/19 budget has increased by £77,633 which is an increase of 0.86% and is shown in the table below.

Summary of 2018/19 budget movements		
	£	£
November MTFS (28/11/17 Executive)		9,048,457
impact of 2% pay award (MTFS 1.5% assumed)	139,835	
Additional section 31 grant	(21,621)	
Investment interest receivable	43,540	
Building Control	48,140	
Building Control loan repayment assumed now in 2019/20	16,560	
Utility Savings	(9,960)	
Inflation higher than MTFS	78,491	
Additional CCTV Cameras - mainly multi storey car parks	7,410	
Net increase in recharges between GF and HRA	(184,430)	
Reduction HB Administration Grant	35,270	
Reduction in Service pressures- Transport Subsidy (Appendix F)	(64,500)	
Other minor changes	(11,102)	
Total budget movements		77,633
<b>Updated General Fund 2018/19 net budget</b>		<b>9,126,090</b>

- 4.4.2 **Salary inflation** has increased by £139,835; this is because the proposed pay award is a 2% increase compared to the 1.5% included in the November MTFS. Future years have also been adjusted in the MTFS to reflect the two year 2% pay deal proposed.
- 4.4.3 **Section 31 grant** is payable because the Government has increased business rates from RPI (3.9%) to CPI (3%) in 2018/19 and the additional 0.9% increase of business rates or £21,621 is payable by grant, instead of in the business rates baseline assessment in core resources.
- 4.4.4 **Investment interest receivable** is based on the projected balances for each Fund (HRA and General Fund). Although average investment rates are estimated to be

0.7% in 2018/19, the General Fund average balances held for next year is less than the original estimate.

**4.4.5 Building Control savings** were assumed on the original business plan approved by Members, however some of the assumptions in the business plan are likely to be realised in later years. The total cost of the shared building control service to SBC is still less than when the service was in-house.

**4.4.6 Inflation costs** have increased partly as the Shared Revenue and Benefits Partnership costs have increased more than was budgeted for, this has partly stemmed from higher pension costs not included in the 2017/18 budget.

**4.4.7 Net recharges between the General Fund and HRA** are higher than estimated and as reported in the HRA draft and final 2018/19 budgets. Recharges are based on time spent on each respective fund and use a mixture of estimates, allocation per head and CRM system information.

**4.4.8 The provisional Housing Benefit subsidy admin grant** was published 20 December 2017 and is based on case load, however this does not recognise that while the caseload has reduced, the interventions have increased as a result of real time information from the DWP and HMRC.

**4.4.9 Service pressures** have reduced by £64,500 as reported verbally at the November Executive. The reduction in the transport subsidy (Appendix F, ref G20), was originally estimated to be a reduction of £99,000, however based on current estimates this is now projected to be a loss of £34,500, a reduction in estimated loss of £64,500.

**4.4.10 The 2017/18 General Fund working budget** has increased by £84,070 which is an increase of 0.81% and is shown in the table below.

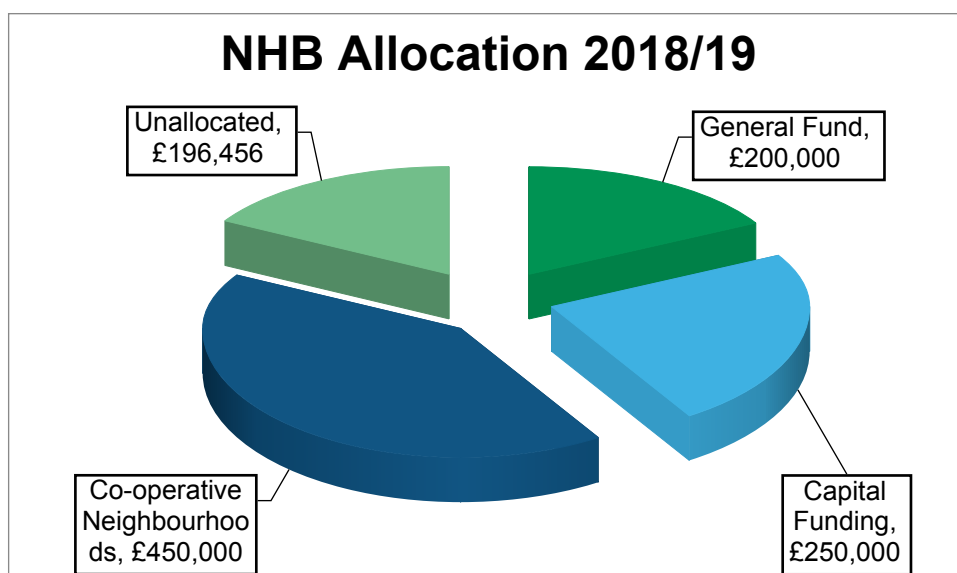
Summary of 2017/18 budget movements		
	£	£
November MTFS (28/11/17 Executive)		10,486,950
Building Control	35,580	
Audit Commission refund	(6,340)	
Waste Consultancy	16,000	
Revenues and Benefits - pension and inflation increases	38,830	
total changes		84,070
<b>Updated General Fund 2017-18 net budget</b>		<b>10,571,020</b>

## 4.5 New Homes Bonus

**4.5.1** The Council receives New Homes Bonus (NHB) for every additional property in its tax base (at 80% of the equivalent national average value Band D property above a 40% threshold) and receives the gain from 2018/19 for four years, (2017/18 five years, 2016/17 and earlier, six years). It has been the Council's policy to date not to rely on temporary income streams to fund permanent services, which includes the use of New Homes Bonus (NHB). To date, only £200,000 has been added to the General Fund base budget from NHB (and £250,000 for capital). Although it continues to be the view of the Assistant Director (Finance and Estates) that NHB should support one-off projects, a number of projects have received funding for the

last few years. As part of the BUR's priority services such as community wardens and domestic abuse services may need to be met from the General Fund in the future. Officers will be considering this as part of their business reviews.

4.5.2 Members have previously approved to ring fence funding of £450,000 for the co-operative neighbourhood FTFC work stream, which supports initiatives such as the playground improvement programme. The chart below details the 2018/19 NHB allocation of £1.096 Million in the chart below.



4.5.3 In addition to the £196,456 available for new schemes there is a further £67,645 that has not been allocated or returned to the NHB reserve as a result of actual costs being lower than budgeted. This means there is £264,410 that can be allocated to new schemes.

4.5.4 The amount of NHB monies has reduced under the revised scheme introduced for 2017/18, the number of years the award is retained has reduced from six years to four years and a threshold of a 40% increase in the number of homes has to be reached before any award is given.

## **4.6 Finance Settlement**

4.6.1 The finance settlement was published on the 19 December 2017. There is an increase of £46,436 for 2018/19 as a result of the increase in RPI for Business Rates.

4.6.2 The 2017/18 four year settlement financials had assumed an increase of 3.22% instead of 3.9% for 2018/19. This means that there is an increase of £16,506 in business rates retained by SBC, plus an additional amount of £29,931 relating to 2015/16 changes. (Please note some of the gain is paid in S31 grant and is included in the General Fund net expenditure see paragraph 4.4.3 above).



Original Finance Settlement (2017/18)		
	2018/19	2019/20
Revenue Support Grant	£351,230	£0
Business Rates	£2,479,606	£2,523,219
<b>Total</b>	<b>£2,830,836</b>	<b>£2,523,219</b>

Original Finance Settlement (2018/19)		
	2018/19	2019/20
Revenue Support Grant	£351,230	£0
Business Rates	£2,526,042	£2,579,657
<b>Total</b>	<b>£2,877,272</b>	<b>£2,579,657</b>
<b>Variance</b>	<b>£46,436</b>	<b>£56,437</b>

- 4.6.3 The Government indicated the move from RPI to CPI for business rates from 2018/19, in the Autumn Budget (previously 2019/20 to coincide with localisation of business rates). Councils will be compensated for the difference of 0.9% between RPI and CPI via S31 grants and the difference is included in the table in paragraph 4.4.1 above.
- 4.6.4 Stevenage Borough Council will receive no Revenue Support Grant (RSG) from 2019/20 and will be solely reliant on business rates and council tax for core resource funding.
- 4.6.5 The Council (via the Executive) must approve the level of estimated 2018/19 business rates it will receive by 31 January each year. However the timing of the announcement of the Government settlement on the 19 December together with information on the business rates pilots means that there is not enough time to complete a report for the January Executive and therefore it is recommended that this is delegated to the Assistant Director (Finance and Estates) following consultation with the Portfolio Holder for Resources. The Assistant Director (Finance and Estates) also recommends that the General Fund budget assumes the baseline funding will be realised in 2018/19 and any gains are ring fenced for the regeneration of the town centre and SG1.
- 4.6.6 The Government indicated in the Autumn Budget that there will be the next reset of business rates baselines in 2020/21 and a move to 75% business rates retention for 2020/21 which will see RSG and Public Health grant replaced by business rates income.
- 4.6.7 There will be a consultation in the spring of 2018 on negative RSG planned for 2019/20, for Stevenage this totals £27,145 and effectively will reduce the amount of business rates retained, as RSG is zero from 2019/20.

## 4.7 Council Tax

- 4.7.1 Part of the budget setting process includes consideration of council tax levels. The November Financial Security report (with updated MTFS) modelled a 2.52% council tax increase for 2018/19 based on an increase of £5.00 on a band D property.

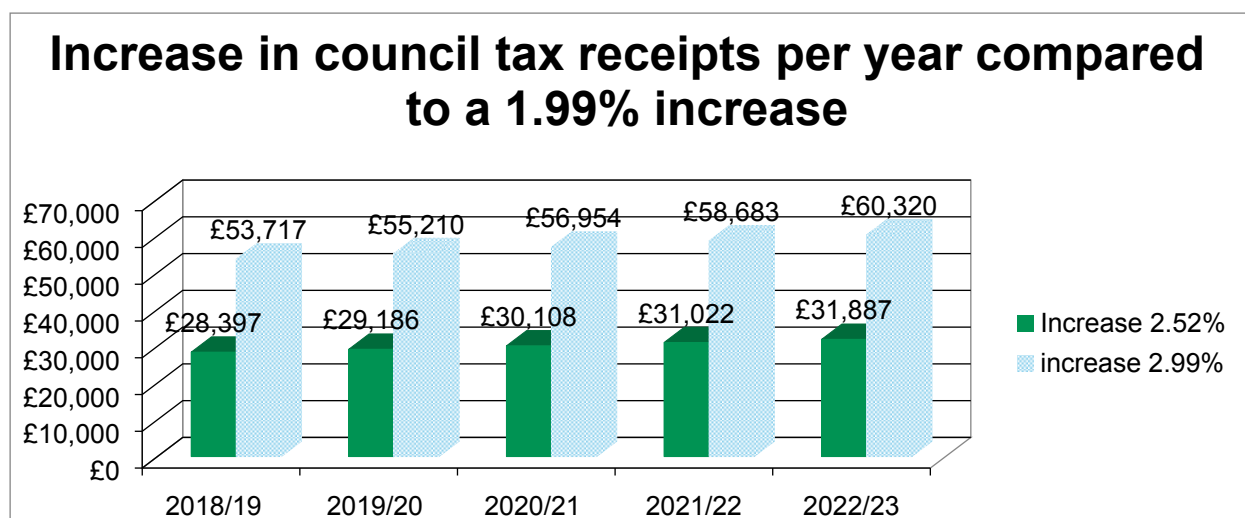


4.7.2 In the Provisional settlement the Government is allowing a further increase of 1% before a referendum on the level of council tax is required or £5.00 on a Band D, whichever is higher. This is to increase council tax in line with inflation and effectively allows for a 2.99% increase (CPI 3% in September 2017).

4.7.3 The table below shows the 2.52% and 2.99% increase per year for each council tax property band.

Council Tax band	Increase per year		
	2017/18	2.52%	2.99%
A	£132.35	£3.34	£3.96
B	£154.40	£3.89	£4.62
C	£176.46	£4.45	£5.28
D	£198.52	£5.00	£5.94
E	£242.64	£6.11	£7.25
F	£286.75	£7.23	£8.57
G	£330.87	£8.34	£9.89
H	£397.04	£10.01	£11.87

4.7.4 The difference in resources from increasing Council tax by 1.99%, 2.52% and 2.99% in 2018/19 is shown in the chart below.



4.7.5 Increasing council tax by 2.99% compared to 1.99% nets the Council an additional £53,717 per year or £285,000 over a five year period and £134,000 more than increasing council tax by 2.52%. This would contribute to the Council's financial security target which is a significant £1.5Million over the next four years, (2019/20-2022/23), which is required as a result of central government funding cuts.

4.7.6 Council tax is a key resource as locally raised taxation becomes more important to the General Fund (as central funding reduces) in sustaining services for the future. The table following shows that by 2019/20 the MTFS assumes that 63% of core resources will be generated from council tax.

	% of Net budget							
Year:	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
<b>Council Tax</b>	51.70%	45.90%	49.50%	47.10%	58.10%	55.81%	60.22%	62.59%
<b>RSG</b>	46.00%	33.30%	27.00%	17.90%	13.50%	7.08%	3.73%	-0.30%
<b>NDR</b>	0.00%	20.90%	24.20%	40.20%	12.60%	32.67%	27.14%	28.69%
<b>Balances</b>	2.30%	-0.10%	-0.70%	-5.20%	15.70%	4.43%	8.91%	9.01%
<b>Total</b>	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

4.7.7 As in previous years the council tax increase will not be confirmed until the February Council meeting. Based on the increasing financial dependency the General Fund budget has on council tax the Assistant Director (Finance and Estates) recommends a 2.99% increase be approved for consideration by Overview and Scrutiny Committee.

#### 4.8 Projected General Fund Balances

4.8.1 The projected General Fund balances and council tax requirement are shown below.

	2017/18 Estimate	2017/18 Projected	2018/19 Estimate
Net Expenditure	£9,382,220	£10,571,020	£9,126,090
(Use of)/ Contribution to Balances	(£432,095)	(£1,620,895)	(£838,986)
<b>Budget Requirement</b>	<b>£8,950,125</b>	<b>£8,950,125</b>	<b>£8,287,104</b>
RSG	(£689,969)	(£689,969)	(£351,230)
Business Rates	(£2,569,654)	(£2,569,654)	(£2,233,621)
<b>Total Government Support</b>	<b>(£3,259,623)</b>	<b>(£3,259,623)</b>	<b>(£2,584,851)</b>
Estimated NDR levy	£226,243	£226,243	£0
(Return) /Contribution to Collection Fund (NDR)	(£478,057)	(£478,057)	(£30,293)
Collection Fund Surplus (council tax)	(£139,102)	(£139,102)	(£139,616)
Council Tax Requirement	£5,299,586	£5,299,586	£5,532,344
Council Tax Base	26,695	26,695	27,059
Council Tax Band D	£198.52	£198.52	£204.46
Council Tax Band C	£176.46	£176.46	£181.74

4.8.2 General Fund balances are projected to be £2.42Million by 2021/22 a reduction of £4Million from 1 April 2017.

General Fund Balances £'000	2017/18	2018/19	2019/20	2020/21	2021/22
Opening balance 1 April	(£6,427)	(£4,806)	(£3,967)	(£3,148)	(£2,580)
Use of/ (Contribution to) Balances	£1,621	£839	£819	£568	£157
Closing balance 31 March	(£4,806)	(£3,967)	(£3,148)	(£2,580)	(£2,423)

4.8.3 The projected balances for 2018/19 are higher than the minimum level of risk assessed balances but are £124,000 lower than the November Financial Security report update (by 2021/22 £433,000 lower) . This is partly due to the higher local government pay award offer than estimated in the MTFS.

4.8.4 The Council will need to increase its future years reserves to ensure that it has sufficient future resources to help facilitate the town centre regeneration, (2017 resident' survey top priority), this is why the CFO recommends the ring fencing of any business rate growth above the baseline assessment. In addition this risk has been included in the risk assessment of balances in Appendix B and as summarised in section 4.9 of this report.

#### **4.9 Risk Assessment of General Fund balances**

4.9.1 The General Fund balances have been risk assessed for 2018/19 and the minimum level of balances required is £2,790,089.

4.9.2 The risk assessment of balances includes amounts for general overruns in expenditure and losses of income (1.5% of the gross value) and in addition for specific risks.

4.9.3 New risks that have been added to the risk assessment of balances include:

- Commercial property net income target of £200,000 not realised (risk balance £20,000) -higher borrowing costs and unforeseen costs could impact on the net income achieved.
- Building Control company profit forecasts not met in 2018/19 (risk balance £21,485) - this relates to the risk that the company may not achieve cost reductions in line with the business plan.
- Town Centre Regeneration not budgeted for (risk £125,000) - as the council appoints the development partner there may be costs which the Council would want to expend to further its regeneration aims.
- Borrowing costs will be higher than estimated (risk £7,692)- there is a risk that inflation pressures could accelerate the increase in borrowing costs in 2018/19 and a 0.25% base point increase has been risk assessed.
- Business Unit reviews increase the salary bill/higher implementation costs (risk £84,009) the report to the November Executive outlined the approach to these reviews and was approved by the Executive. There is a risk that costs could be higher than expected.

#### **4.10 Contingency Sums**

4.10.1 The Executive will recall that a Contingency Sum needs to be determined by Council as part of the Budget and Policy Framework in order to avoid the need for Council to consider all supplementary estimates during the course of the year. This contingency sum constitutes an upper cumulative limit during the financial year within which the Executive can approve supplementary estimates, rather than part of the Council's Budget Requirement for the year. A sum of £400,000 is proposed for 2018/19, this remains unchanged from the current year.

#### **4.11 Allocated Reserves**

4.11.1 The allocated reserves as at 31 March 2019 are estimated to be £1.191 Million, a total of £1.359 Million is projected to be used for specific purposes compared to the

balances as at 1 April 2017. The allocated reserves are summarised in the following table.

Movements to/from Allocated Reserves £'000					
Allocated Reserve	Balance as at 1 April 2017	Anticipated transfer to/from reserves	Forecast balance as at 31 March 2018	Anticipated transfer to/from reserves	Forecast balance as at 31 March 2019
<b>Revenue Reserves:</b>					
New Homes Bonus	(1,073)	823	(250)	(14)	(264)
Future Town Future Council	(180)	(78)	(258)	191	(67)
Planning Delivery	(170)	170	0	0	0
Regeneration Assets	(749)	61	(688)	111	(577)
LAMS default	(54)		(54)	0	(54)
NDR	(172)	(0)	(172)	0	(172)
Insurance Reserve	(97)	34	(63)	7	(56)
Town Centre	(54)	29	(25)	25	(0)
<b>TOTAL REVENUE RESERVES</b>	<b>(2,550)</b>	<b>1,038</b>	<b>(1,511)</b>	<b>320</b>	<b>(1,191)</b>
<b>Capital Reserves:</b>	0	0	0	0	0
Capital Reserve *	0	=+500-500	0	=+500-500	0
<b>TOTAL CAPITAL RESERVE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL ALLOCATED RESERVES</b>	<b>(2,550)</b>	<b>1,038</b>	<b>(1,511)</b>	<b>320</b>	<b>(1,191)</b>

4.11.2 The reserve balances shown above are prior to any 2018/19 New Homes Bonus (NHB) schemes allocations are made, see also section 4.5 above. The main reduction in reserves is the predicted use of NHB during 2017/18 and 2018/19 as some scheme funding was for more than one year.

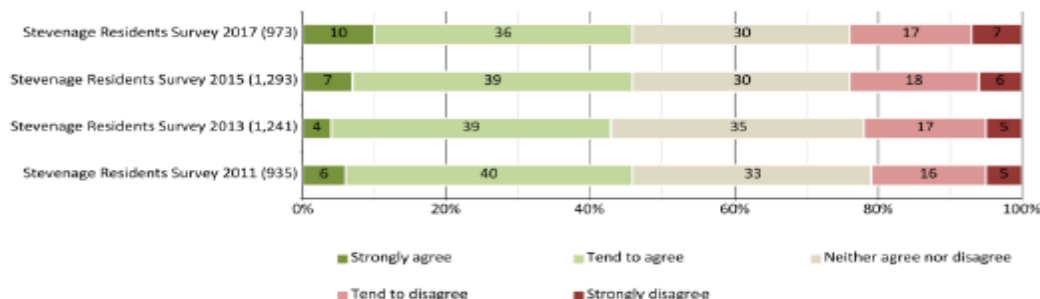
## 4.12 Consultation

4.12.1 The Council has recently completed the bi-annual resident's survey (2017) and asked residents a number of questions relating to how the Council conducts its financial affairs. Residents were asked whether the council tax represented value for money and only 7% strongly disagreed as shown in the chart below.

## Value for money

*To what extent do you agree or disagree that the Council Tax paid to Stevenage Borough Council provides good value for money?*

**Figure 50: Responses to whether residents agree or disagree that the Council Tax paid to Stevenage Borough Council provides good value for money**



4.12.2 Residents were asked how best to make the savings required by ranking the options provided from 1 to 5, with 1 being the most preferred option and 5 being the least preferred option. The results are shown in the table below

**Table 13: Resident's preferences for means of making savings. Rank analysis.**

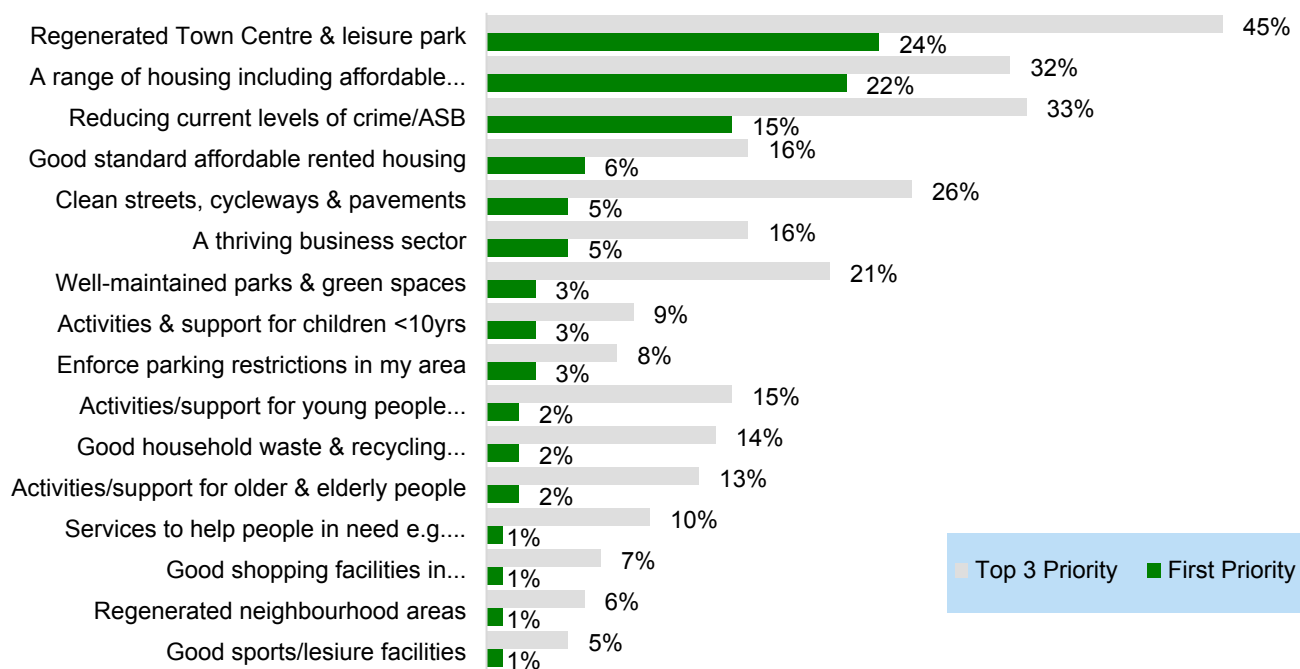
Option	Overall Rank
Reduce time and money spent on paperwork by interacting with more residents and customers online	1
Spend less by reducing or cutting the services that you tell us are not a priority	2
Increase income from fees and chargeable services, to keep the council's element of Council Tax as low as possible	3
Increase our element of Council Tax (for example from 48p per day to 50p per day)	4
Make money by selling more of our services to residents and customers	5

4.12.3 The top ranked option by residents was 'reducing paperwork and interacting with more residents on line'. The Council committed to investing £2.1Million (2017/18-2019/20) in digital improvements that should help unlock future financial security options. In addition the Council has sought to minimise the impact of reduced government funding on Stevenage residents by continuing to reduce net expenditure from some fee increases and efficiency options.

4.12.4 It is evitable, with the level of funding reductions that increases in council tax are required to maintain the level of services the Council currently operates, however the increase of 2.99% on a Band D property represents less than 2p per day for 2018/19.

4.12.5 During 2018/19 officers will be targeting procurement, efficiency and improving processes (three of the five Financial Security work strands) to maintain the financial stability and resilience of the General Fund.

4.12.6 The top residents' priority was Town Centre Regeneration, followed by affordable housing as shown in the following chart.



4.12.7 The growth of £470,371 for 2018/19 includes £102,090 relating to town centre regeneration, with a further £35,000 earmarked to improve the range of housing in Stevenage.

#### 4.13 Chief Finance Officer's Commentary

4.13.1 The Chief Finance Officer is the Council's principal financial advisor and has statutory responsibilities in relation to the administration of the Council's financial affairs (Section 151 of the Local Government Act 1972 and Section 114 of the Local Government Finance Act 1988). This commentary is given in light of these statutory responsibilities.

4.13.2 The Council has evolved its budget strategy to meet the ongoing challenging economic conditions whether because of funding cuts, welfare reforms or inflationary increases. The financial strategy to deal with this is the 'Financial Security' strand of 'Future Town Future Council'.

4.13.3 Officers regularly update the MTFS to ensure that a clear financial position for the Council can be demonstrated over the next five years. This medium term view of the budget gives a mechanism by which future 'budget gaps' can be identified allowing for a measured rather than reactive approach to reducing net expenditure. The Financial Security year round approach to identifying budget options means that work is on-going throughout the year to bridge the gap.

4.13.4 The Government funding figures published in December 2017 show that by 2019/20 all the RSG will be removed from the Council's core funding.

4.13.5 The Council has taken significant steps over recent years to balance its budget and one of the principle aims of the MTFS is 'achieve an on-going balanced budget by 2021/22 by ensuring inflationary pressures are matched by increases in fees and income or reductions in expenditure'. This has been revised to 2022/23 as a result

of further inflation and growth pressures but is projected to meet the revised target. However there is a significant draw on balances through the MTFS period but still equates to a £4Million draw on balances between 2017/18 and 2020/21. This forecast is also reliant on identifying and delivering savings of £1.5Million currently unidentified for the period 2019/20-2022/23.

4.13.6 The Council while trying to ensure financial stability, is also entering one of its most ambitious phases for some considerable time. The Council is looking to redevelop and regenerate the town centre and at the same time improve the housing market in Stevenage. Both these priorities come with the risk of potentially needing to invest more resources. To mitigate some of this risk business rate gains are recommended to be ring fenced to meet any future regeneration needs and it is recommended that new capital receipts and unspent revenue balances are earmarked for the Council's top priorities.

4.13.7 The last few years have seen considerable risk passed from central to local government associated with the localisation of business rates, localisation of council tax support, and the welfare reform programme. Accordingly, the risk assessment of balances has been updated to reflect these risks as of the impacts are becoming better understood.

4.13.8 Members approved growth at the November Executive (and included in the General Fund and HRA budgets) for Business Unit Reviews which while increasing the salary bill for the Council was recommended on the basis the right structure would unlock future savings and help meet the Council's Financial Security targets for 2019/20 onwards.

4.13.9 The updated MTFS (Appendix A) shows that in future years there is still a draw on General Fund balances. This is the impact of on-going increases in inflationary pressures compounded by projected government funding cuts. The next update of the MTFS will review the following assumptions:

- Borrowing costs
- Transfers to/from allocated reserves
- Inflation assumptions
- Future years budget options targets

#### **4.14 Leaders Financial Security Group**

4.14.1 The LFSG chaired by the portfolio holder for Resources on behalf of the Leader and with cross party representation has been meeting frequently since August 2016. The group has;

- Reviewed the GF assumptions regarding the 2018/19 onwards saving target
- Reviewed the GF MTFS assumptions
- Reviewed the GF 2018/19 Financial Security package
- Reviewed the GF 2018/19 Fees and charges

4.14.2 The LFSG considered the options above and scored the Financial Security options, growth and fees and charges for inclusion in the General Fund budget.

## **5. IMPLICATIONS**

### **5.1 Financial Implications**

5.1.1 The report deals with Council policy and finances and as such all implications are contained in the main body of the report.

### **5.2 Legal Implications**

5.2.1 The Council is required to set a balanced budget each year. The Local Government Finance Act 1992 requires the Council to estimate revenue expenditure and income for the forthcoming year from all sources, together with contributions from reserves, in order to determine a net budget requirement to be met by government grant and council tax.

### **5.3 Risk Implications**

5.3.1 There are risk implications to setting a prudent General Fund budget if the Fees and charges (Appendix C) and Financial Security options (Appendix E) are not achieved and crucially if future options are not found to meet the targets outlined in section 4.1.3. The risk to financial security has also been increased as the Council's ambitions have meant significant growth bids and service pressures have been identified above the MTFS assumptions. If this trend were to continue then the General Fund balances would be substantially eroded and potentially beyond the level that would be deemed a prudent level. The Council faces considerable risks with future reductions to central government grant funding and the ever changing landscape of Local Government Finance.

5.3.2 Risk implications are dealt within the body of the report and specifically within sections 4.9 and 4.13.

### **5.4 Equalities and Diversity Implications**

5.4.1 In carrying out or changing its functions (including those relating to the provision of services and the employment of staff) the Council must comply with the Equality Act 2010 and in particular section 149 which is the Public Sector Equality Duty. The Council has a statutory obligation to comply with the requirements of The Act, demonstrating that as part of the decision-making process, due regard has been given to the need to:

- Remove discrimination, harassment, victimisation and any other conduct that is unlawful under this Act
- Promote equal opportunities between people who share a protected characteristic and those who do not
- Encourage good relations between people who share a protected characteristic and those who do not.



- 5.1.1 These duties are non-delegable and must be considered by Council when setting the Budget in February 2018.
- 5.1.2 To inform the decisions about the Budget 2018/19 officers have begun Equality Impact Assessments (EqIAs) for service-related savings proposals. These are currently in draft form, since they must consider appropriate evidence and the findings of consultation with various stakeholders to inform the decision by Council in February 2018. Where there is a potentially negative impact, officers will collect further information and identify actions to mitigate the impact as far as possible. These EqIAs are summarised and attached in Appendix G with further information on the process to date and planned activity. EqIAs for future years' savings will be presented alongside the draft Budget for the relevant year.
- 5.1.3 An overarching EqIA will also be developed once individual EqIAs are finalised for Council in February 2018. This will consider the collective impact of the Budget on people with protected characteristics.
- 5.1.4 As well as considering the impact on service delivery and equality, an EqIA concerning all strands of potential discrimination will be required by the Head of Paid Service on proposed redundancies and restructures per savings proposal and as a whole. It is proposed that this will be produced alongside the required restructure consultation documents as it is only at this stage that the actual impact on staff will start to be known. As the proposals will be delivered over a range of different timescales, the whole, i.e. combined EqIA, will be reviewed periodically with the Council's Strategic Management Board. All staff impacts are summarised at Appendix H.

## **BACKGROUND DOCUMENTS**

BD1 General Fund Medium Term Financial Strategy (2017/18-2021/22)

[http://www.stevenage.gov.uk/content/committees/182083/182087/182091/Executive-19-September\\_2107-Item6.pdf](http://www.stevenage.gov.uk/content/committees/182083/182087/182091/Executive-19-September_2107-Item6.pdf)

## **APPENDICES**

Appendix A - Updated Medium Term Financial Strategy

Appendix B - Risk Assessment of Balances 2018/19

Appendix C - Fees and Charges 2018/19

Appendix D - Concessions 2018/19


Appendix E - Financial Security Options 2018/19


Appendix F - Growth options 2018/19

Appendix G - Equalities Impact Assessment General Fund and HRA

Appendix H - Equalities Impact Assessment staffing

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<b>Stevenage Borough Council</b> <b>MEDIUM TERM FINANCIAL STRATEGY (MTFS) DRAFT GENERAL FUND BUDGET</b> <small>Key= (£0) is under spend or increase in income</small>			APPENDIX A					UPDATES		
<b>General Fund Forecast</b>			On-Going Cost?	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Commentary
Base Budget			Y	9,094,186	9,035,232	9,303,537	9,083,371	9,062,606	8,908,169	
<b>(i) BASE ADJUSTMENTS</b>										
Prior Years Savings Options			Y	(79,000)	79,000	0	0	0	0	
Prior Years Growth Options			Y	(1,000)	0	0	0	0	0	
Prior Years Assistant Director Pressures			Y	(161,866)	0	0	0	0	0	
<b>TOTAL PRIOR YEAR BASE ADJUSTMENTS</b>				<b>(241,866)</b>	<b>79,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>(ii) ASSISTANT DIRECTOR PRESSURES/SAVINGS:</b>										
Building Control partnership			UPDATED	Part	(27,082)	2,137	(30,025)	(92,913)	(53,974)	0 Approved at the October Executive 2015/16, the business case has been updated and the current projections show that a surplus is not achieved in year one as previously anticipated
Funding for graduate scheme				Y	42,469	0	0	0	0	0 This scheme was introduced to fund graduates to 'grow new talent' in the organisation.
Additional hardware and software costs				Y	12,609					Additional expenditure being incurred as new ICT infrastructure goes out of warranty on critical infrastructure items such as servers and storage.
Revenue Impact of capital bids				Y	16,790					impact of capital bids reported at the January Executive.
Return of provisions				N	(18,751)	0	0	0	0	0 Assessment of provisions due to be returned to the General Fund
Return of LAMS allocated reserve to the General Fund				N	0	0	(68,201)	0	0	0 By 2019/20 the period by which the council would have been liable for any defaults ceases.
Funding for waste review			NEW	N	16,000	0	0	0	0	0 Additional monies requested by Assistant Director for waste review
					<b>42,036</b>	<b>2,137</b>	<b>(98,226)</b>	<b>(92,913)</b>	<b>(53,974)</b>	<b>0</b>
<b>(iii) CARRY FORWARDS AND SUPPLEMENTARY ESTIMATES:</b>										
3rd quarter 2016/17				N	347,150					
4th quarter 2016/17				N	449,950					
					<b>797,100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(iv) GOVERNMENT SPENDING CUTS/TAX/INITIATIVES:</b>										
Section 31 grants given by government for changes made to NDR reliefs				N	(362,350)	(292,421)	(270,800)	(270,800)	(270,800)	Reliefs given by government which are reimbursed via grant (S31)
Apprentice levy announced in 2016 budget				Y	56,644	0	0	0	0	0 charged at 0.5% of payrolls in excess of £3Million
Changes to the 2017 Business Rates revaluation list & inflation increase				Y	65,860	48,721	52,419	34,267	34,414	34,414 This is the impact of the new 2017 rating list on Council buildings.
Reduction in Housing Benefit admin subsidy			UPDATED	Y	30,950	35,270	0	0	0	0 Reduction in housing subsidy notified for 2018/19
New burdens money-planning				N	0	(20,000)	(20,000)	0	0	0 Contribution for planning related e.g. brownfield sites register
Audit Commission refund				N	(6,340)	0	0	0	0	0
					<b>(215,236)</b>	<b>(228,430)</b>	<b>(238,381)</b>	<b>(236,533)</b>	<b>(236,386)</b>	<b>(236,386)</b>
<b>(v) INFLATION ASSUMPTIONS:</b>										
Inflation assumptions:										
Pay inflation salaries				Y	302,870	368,702	351,117	432,213	400,000	400,000 Pay inflation 2% PER YEAR
Increase in Superannuation payment for pension deficit				Y	83,820	0	0	54,529	0	0 Increase for 2017/18 will be fixed for three years and not increase annually as per the last tri-annual valuation
Pension opt ins				Y	58,000	0	0	0	0	0 Based on 25% of staff not in the pension remaining in the scheme
Utility inflation				Y	65,700	49,610	72,454	80,612	90,022	84,814 Updated based on current projections
General Inflation (contractual )				Y	181,160	224,391	117,300	123,359	123,422	126,251 updated inflation applied to contractual arrangements.
Less Inflation charged to other funds				Y	(139,550)	(226,643)	(37,861)	(48,350)	(42,941)	(42,775) Proportion rechargeable to the HRA
					<b>552,000</b>	<b>416,060</b>	<b>503,010</b>	<b>642,363</b>	<b>570,503</b>	<b>568,290</b>
<b>(vi) BUDGET MONITORING ADJUSTMENTS:</b>										
Quarter 2 adjustments 2016/17				Part	0	14,350				As reported at the November 2016 Executive
Budget Setting Adjustments 2017/18				Part	17,472					
Quarter 1 adjustments 2017/18					12,140					
Quarter 2 adjustments 2017/18				N	110,035	(1,010)				Adjustments identified in Appendix K
Budget setting draft budget 2018/19				Y	(8)	12,857	0	0	0	0
Revenue costs for new CCTV cameras (incl MSCP's)				Y	0	7,410	0	0	0	0 New cameras installed incl at MSCP but no budget provision for monitoring
					<b>139,639</b>	<b>33,607</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(vii) BORROWING COSTS</b>										
Borrowing costs- Garage Strategy				Y	(4,050)	(76,837)	(14,463)	(2,605)	22,355	0 The reduction in borrowing costs post 23 June 2016 has reduced the cost of borrowing for the Garages approved at the July Executive.
Changes to investment interest				Y	20,259	41,649	(9,191)	(11,902)	0	0 Updated based on revised interest rates and average investment balances.
Minimum Revenue Provision (monies set aside based on the cost of borrowing to pay for the asset divided by the asset life)			NEW		744	(28,400)	(38,767)	(79,336)	(1,871)	0 Reduction in MRP for fully depreciated assets
					<b>16,952</b>	<b>(63,588)</b>	<b>(62,420)</b>	<b>(93,843)</b>	<b>20,484</b>	<b>0</b>
<b>(viii) SAVINGS OPTIONS &amp; BUDGET PROPOSALS :</b>										
Fees and Charges				Y	(190,030)	(134,160)	(272,460)	(272,415)	(281,043)	(289,671) 2018/19 increases see Appendix C
Prior Year Savings (2014/15-2015/16)				Y	(77,816)	(18,706)	(18,706)	0	0	0
2016/17 Savings				Y Year 2	(5,181)	0	0	0	0	0
savings identified 1 st quarter 2016/17				Y	(23,320)	0	0	0	0	0 Reported as part of the 1st quarter monitoring report to this Executive
Office accommodation savings				Y years	(41,480)	0	0	60,280	0	0
2017/18 Savings				Y	(226,190)	(9,320)	0	0	0	0 Approved February Council 2017
savings identified 3rd quarter 2016/17				Y	(60,600)					
savings identified 4th quarter 2016/18				Y	(159,550)					
Commercial Property Investment				Y	0	(200,000)				Assumed minimum return included in business case to Council 2017.
New Savings options				Y		(342,399)	(103,000)	0		See Appendix A
Financial Security Savings Target				Y not 16/1	0	0	(375,000)	(375,000)	(375,000)	revised Financial Security target
					<b>(784,167)</b>	<b>(704,585)</b>	<b>(769,166)</b>	<b>(587,135)</b>	<b>(656,043)</b>	<b>(664,671)</b>
<b>(ix) GROWTH BIDS APPROVED:</b>										
2016/17 Growth bids					(10,000)	0	0	0	0	0 Approved as part of 2016/17 budget setting
Future Town Future Council Funding					119,630	13,333	0	0	0	0
Review of Town Centre Management (July 2016 Executive)					58,000	29,000	0	0	0	0
Electric Car scheme (July Executive)					(22,750)	(7,500)	0	0	0	0
Garages Report (July 2016 EXECUTIVE)					18,000	9,241	82,119	82,230	(180,676)	(44,561)

Stevenage Borough Council				APPENDIX A							
MEDIUM TERM FINANCIAL STRATEGY (MTFS) DRAFT GENERAL FUND BUDGET								UPDATES			
Key= (£0) is under spend or increase in income											
General Fund Forecast				On-Going Cost?	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	Commentary
Business Relationship Manager					65,000	0	0	0	0	0	Approved and signed off by Leader, published August 2016.
Shared Legal Service				Part	130,413	18,211	5,973	4,429	0	0	Includes one off implementation costs in 2017/18
					358,293	62,285	88,092	86,659	(180,676)	(44,561)	
(x) NEW GROWTH BIDS 2017/18											
2017/18 Proposed growth bids				Y	143,700	(35,000)	35,000	(35,000)	35,000	(35,000)	
Pump prime Future Town Future Council initiatives				N	100,000	100,000	100,000	0	0	0	
Costs for compliance contract- May Executive				N	6,500						
Growth 2018/19				UPDATED Y-year 2	287,443	429,371	(47,662)	(7,200)	21,880	0	see Appendix F
					537,643	494,371	87,338	(42,200)	56,880	(35,000)	
(xi) USE OF ALLOCATED RESERVES											
Allocated Reserves used to fund Town Centre Manager				N	(29,000)	0	0	0	0	0	Use of Town Centre Management Reserve and NHB reserve
Transfer NDR gains to allocated reserve				N	303,440						Agreed at January 2017 Executive
					274,440	0	0	0	0	0	
TOTAL GENERAL FUND EXPENDITURE					10,571,020	9,126,090	8,813,784	8,759,768	8,583,395	8,495,841	
Year on Year Change in spend (excluding carry forwards)					1,547,542	(1,444,931)	(312,306)	(54,016)	(176,373)	(87,554)	
Government Support- RSG					(689,969)	(351,230)	27,146	0	0	0	
NNDR before the levy and excluding s31 grant					(2,569,654)	(2,233,621)	(2,336,003)	(2,325,755)	(2,382,879)	(2,441,260)	Figures do not include any projected gains (see section 4.6)
Transfer to/From Collection Fund (Business Rates)					(478,057)	(30,293)	0	0	0	0	Return of funds to the Collection Fund for 2016/17 and 2015/16.
Levy Payment & other adjustments					226,243	0	0	0	0	0	A 50% levy is due on gains on NDR. (Projection as at 5/1/2017)
Total Government Support					(3,511,436)	(2,615,144)	(2,308,857)	(2,325,755)	(2,382,879)	(2,441,260)	
Government Support reduction year on year:					-1.81%	-20.70%	-10.68%	0.73%	2.46%	2.45%	Reductions in future years excluding NDR surplus transfers.
Government Support as a % of Net General Fund Budget					33.22%	28.66%	26.20%	26.55%	27.76%	28.73%	
Use of Balances					1,620,895	838,985	818,719	568,230	156,683	(157,839)	
Transfer to/From Collection Fund (Council Tax)				UPDATED	(139,102)	(139,616)	0	0	0	0	Return of projected surpluses to the General Fund
District Precept				UPDATED	(5,299,586)	(5,532,344)	(5,686,208)	(5,865,782)	(6,043,832)	(6,212,420)	Updated for increase in assumed council tax increase
% of Net General Fund Budget					-50.13%	-60.62%	-64.51%	-66.96%	-70.41%	-73.12%	
Average Band D Council Tax				UPDATED	198.52	204.46	208.53	212.68	216.91	221.23	increased based on a 2.99% increase
Average Band C Council Tax					176.46	181.74	185.36	189.05	192.81	196.65	
Council Tax Increase					2.58%	2.99%	1.99%	1.99%	1.99%	1.99%	
Tax Base				UPDATED	26,695	27,059	27,268	27,581	27,863	28,082	Tax base update to reflect new properties in conjunction with planning projections
GENERAL FUND RESERVES:											
					2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	
Revised Balances at 31 March each Year:											
General Fund Balance 1 April					(6,426,984)	(4,806,088)	(3,967,103)	(3,148,384)	(2,580,153)	(2,423,470)	
Use of balances in Year				UPDATED	+1,620,895	+838,985	+818,719	+568,230	+156,683	(157,839)	
General Fund Balance 1 March					(4,806,088)	(3,967,103)	(3,148,384)	(2,580,153)	(2,423,470)	(2,581,309)	

## APPENDIX B: RISK BASED ASSESSMENT OF THE LEVEL OF GENERAL FUND BALANCES

Potential Risk Area	Comments including any mitigation factors		
Income from areas within the base budget where the Council raises "Fees and Charges"	Potential risk that the budgeted level of income from activities where the Council is charging for services will not be achieved. This is anticipated largely to be as a result of the downturn in economy, but could also be as a result of poor weather, new competition. All "fees and charges" income is reviewed as part of the monthly/quarterly budget monitoring process. All budgets are profiled over the year based upon previous experience.		
		<b>Calculated Risk</b>	
Specific Areas	Estimated Income	Likelihood Percentage	Balances Required
Parking Income*	£4,439,560	2.5%	£110,989
Development Control Income	£340,830	10%	£34,083
Land Charges Income	£90,000	20%	£18,000
Recycling Income	£646,990	2.5%	£16,175
Garages	£3,199,550	0.50%	£15,998
Trade Refuse & Skips	£942,420	0.50%	£4,712
Indoor Market	£401,260	2.50%	£10,032
Commercial Property Income	£3,300,220	2.50%	£82,506
NEW Commercial Property Income Property Fund income target not achieved	£200,000	10.00%	£20,000
<b>Total</b>			<b>£312,494</b>

\* The council has a parking account which identifies how parking fees are spent on parking and related costs

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Potential Risk Area	Comments		
Demand Led Budgets	Potential risk that spending on parts of the budget where the Council has a legal duty to provide the service increases significantly. Individual budgets reviewed as part of the monthly budget monitoring process. All budgets are profiled over the year based upon previous experience and so any variances should show up during the year.		
		<b>Calculated Risk</b>	
Specific Areas	Estimated Exposure	Likelihood Percentage	Balances Required
Housing Benefit maximum risk based on not meeting threshold for Local Authority errors.	£180,000	25%	£45,000
Loss of Business Rates yield	£2,474,490	maximum loss (7.5%) less loss of S31 grant	£156,345
Lower S31 Grants than anticipated which means the NNDR yield would be higher but would not be returned to the General Fund until 2019/20.	£292,420	10%	£29,242
Increase in bad debts as a result of welfare reform proposals (reduction cap and tax changes)	£549,703	5%	£27,485
Increase in the Apprenticeship levy if TV rate not met and pay costs increase.	£504,052	0.5%	£2,520

Potential Risk Area	Comments		
Demand Led Budgets continued	Potential risk that spending on parts of the budget where the Council has a legal duty to provide the service increases significantly. Individual budgets reviewed as part of the monthly budget monitoring process. All budgets are profiled over the year based upon previous experience and so any variances should show up during the year.		
		Calculated Risk	
Specific Areas	Estimated Exposure	Likelihood Percentage	Balances Required
NEW Building Control company profit forecasts not met in 2018/19	£85,940	25%	£21,485
NEW Costs associated with Town Centre Regeneration not budgeted for	£250,000	50%	£125,000
<b>Total</b>			<b>£407,077</b>

Potential Risk Area	Comments including any mitigation factors		
Changes since budget was set	Potential risk that things change since the budget estimates were made and the estimates are then under budgeted for.		
		Calculated Risk	
Specific Areas	Estimated Exposure	Likelihood Percentage	Balances Required
Transitional Vacancy Rate 4.5%	£542,976	5.00%	£27,149
Less staff time charged to capital than budgeted	£415,690	10.00%	£41,569
Increase in staffing the pension scheme due to auto enrolment (based on % of salary costs not pensioned)	£251,766	5.00%	£12,588
Contractual inflation 1% increase	£245,700	25.00%	£24,768
Utility and fuel inflation usage/costs increase	£871,170	5.00%	£43,559
NEW Borrowing costs will be higher than estimated	£132,940	0.25% increase in basis points	£7,692
NEW Business Unit Reviews (BUR) implementation costs/restructure costs increases the pay bill (% of pay bill for the General Fund)	£16,801,733	0.50%	£84,009
<b>Total</b>			<b>£241,334</b>

Potential Risk Area	Comments including any mitigation factors		
Other Risks	Potential risk that savings options will not be realised as a result of delay or unforeseen circumstances.		
		Calculated Risk	
Specific Areas	Estimated Exposure	Likelihood Percentage	Balances Required
Savings Options	£342,399	2.00%	£6,848
<b>Total</b>			<b>£6,848</b>

Potential Risk Area	Comments including any mitigation factors		
Estimated balances required for any over spend or under -recovery of expenditure and income	This calculation replaces the calculation based on Net Expenditure		
		Calculated Risk	
Specific Areas	Estimated Exposure	Likelihood Percentage	Balances Required
Gross Income (excludes specific income listed above)	£49,408,500	1.50%	£741,128
Gross Expenditure	£72,080,560	1.50%	£1,081,208
Total			<b>£1,822,336</b>
Level of Balances Assumed in General Fund Based on risk			<b>£2,790,089</b>

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FEES AND CHARGES -RECOMMENDED FEE INCREASES FOR 2018/19 APPENDIX C													
Service	Fees and Charges for 2018/19	2017/18 Price £	2018/19 Price £	Increase £	% Increase	Total Budget 2017/18 £	Income changes previously reported £	Other Changes or pressures identified (not yet reported)	Income (Reduction) / Increase	Total Budget 2018/19 £	Fee Principles Applied (Y/N)	Options considered/Rationale	Benchmarking Information
<b>Car Parks:</b>													
<b>New Town:</b>	<b>7am-7pm (6am-7pm at St Georges only) :</b>												
	Mon-Saturday up to 30 Mins (St Georges & Westgate only)	n/a	<b>£0.50</b>	n/a	n/a				£25,000				
<b>Short Stay</b> (The Forum, Marshgate, Westgate, St Georges)	Mon-Saturday up to 1 hour	£1.60	<b>£1.70</b>	£0.10	<b>6.25%</b>				£26,000		Y		
	Mon-Saturday up to 2 hours	£2.20	<b>£2.30</b>	£0.10	<b>4.55%</b>				£10,000		Y		
	Mon-Saturday up to 3 hours	£3.00	<b>£3.00</b>	£0.00	<b>0.00%</b>						Y		
	Mon-Saturday up to 5 Hours	£3.00	<b>£3.50</b>	£0.50	<b>16.67%</b>				£17,000		Y		
	Sunday	£2.00	<b>£2.00</b>	£0.00	<b>0.00%</b>						Y		
	Night Parking 7pm to 7am	£2.00	<b>£2.00</b>	£0.00	<b>0.00%</b>						Y		
<b>Total Short Stay</b>						<b>£1,370,760</b>			<b>£28,000</b>	<b>£1,398,760</b>			
<b>Long stay</b>	Mon-Fri before 8.30am	£7.00	<b>£7.00</b>	£0.00	<b>0.00%</b>						Y		
	Mon-Fri 8.30am to 7pm	£4.40	<b>£4.50</b>	£0.10	<b>2.27%</b>				£2,500		Y		
	Southgate and St Georges' Car Park charge the £4.40/£4.50 tariff from 6am	£4.40	<b>£4.50</b>	£0.10	<b>2.27%</b>						Y		
	Saturday 6am - 6pm	£4.40	<b>£4.50</b>	£0.10	<b>2.27%</b>						Y		
	Sunday	£2.00	<b>£2.00</b>	£0.00	<b>0.00%</b>						Y		
	Night Parking (7pm to 6am or 6pm - 6am)	£2.00	<b>£2.00</b>	£0.00	<b>0.00%</b>						Y		
<b>Total Long Stay</b>						<b>£835,390</b>			<b>£2,500</b>	<b>£837,890</b>			
Railways	Mon-Fri 4am to 4am	£7.00	<b>£7.50</b>	£0.50	<b>7.14%</b>	£675,000			£40,000		Y		
Railways	Saturday	£6.50	<b>£6.50</b>	£0.00	<b>0.00%</b>	£66,000					Y		
Railways	Sunday	£6.00	<b>£6.00</b>	£0.00	<b>0.00%</b>	£75,000					Y		
<b>Total Railways</b>						<b>£816,000</b>			<b>£40,000</b>	<b>£856,000</b>			
Season Tickets	New Town (price per month)	£79.20	<b>£80.00</b>	£0.80	<b>1.01%</b>				£5,000		Y		
	Blue Badge Holders (Season Ticket, price per Annum)	£30.00	<b>£35.00</b>	£5.00	<b>16.67%</b>	£381,500							
	Rail (price per month)	£130.00	<b>£135.00</b>	£5.00	<b>3.85%</b>				£6,000		Y		
<b>Season Tickets SubTotal</b>						<b>£381,500</b>			<b>£11,000</b>	<b>£392,500</b>			
<b>New Town GRAND TOTAL</b>						<b>£3,403,650</b>	<b>£0</b>	<b>£65,000</b>	<b>£81,500</b>	<b>£3,420,150</b>			
<b>Old Town:</b>													
<b>Primett Rd North</b>	<u>Monday - Saturday 0600-1600 hours</u>												
	up to one hour	£0.90	<b>£1.00</b>	£0.10	<b>11.11%</b>						Y		
	up to two hours	£1.40	<b>£1.50</b>	£0.10	<b>7.14%</b>						Y		
	up to three hours	£1.70	<b>£1.80</b>	£0.10	<b>5.88%</b>						Y		
	More than three hours	£5.00	<b>£5.00</b>	£0.00	<b>0.00%</b>						Y		
<b>Primett Rd South</b>	<u>Monday-Friday</u>												
	0600-1600hrs	£2.60	<b>£2.80</b>	£0.20	<b>7.69%</b>						Y		
	1600-0600hrs	£0.30	<b>£0.50</b>	£0.20	<b>66.67%</b>						Y		
	<u>Saturday 0600-1600:</u>												
	up to one hour	£0.90	<b>£1.00</b>	£0.10	<b>11.11%</b>						Y		
	up to two hours	£1.40	<b>£1.50</b>	£0.10	<b>7.14%</b>						Y		
	up to three hours	£1.70	<b>£1.80</b>	£0.10	<b>5.88%</b>						Y		
	More than three hours	£2.40	<b>£2.60</b>	£0.20	<b>8.33%</b>						Y		
	<u>Saturday 4pm-Monday 6am</u>	£0.30	<b>£0.50</b>	£0.20	<b>66.67%</b>						Y		
<b>Church Lane North</b>	<u>Mon-Sat 0600-1600hrs</u>												
	up to one hour	£0.90	<b>£1.00</b>	£0.10	<b>11.11%</b>						Y		
	up to two hours	£1.40	<b>£1.50</b>	£0.10	<b>7.14%</b>						Y		
	up to three hours	£1.70	<b>£1.80</b>	£0.10	<b>5.88%</b>						Y		
	More than three hours	£2.40	<b>£2.60</b>	£0.20	<b>8.33%</b>						Y		
	<u>Saturday 4pm-Monday 6am</u>	Free	<b>Free</b>								Y		
<b>Season Tickets</b>	Old Town (price per month)	£43.50	<b>£45.00</b>	£1.50	<b>3.45%</b>						Y		
<b>Old Town GRAND TOTAL</b>						<b>£151,440</b>	<b>£0</b>	<b>£0</b>	<b>£14,560</b>	<b>£166,000</b>			
<b>Car Parks:</b>	<b>Business Tokens/ Commercial Income</b>	various	<b>various</b>			£135,000	£20,000		£9,000	£164,000	Y	Income from "Business Validations" (Hotels, Mecca Bingo, SLL, Waitrose)	
<b>Loss of income due to price increase</b>					<b>7.50%</b>				£8,000	£8,000	Y	Assume 7.5% attrition rate; above inflation increases, pressures on income levels due to recent retail closures; previous years' analysis suggests a higher attrition rate is prudent.	
<b>TOTAL "All Off Street Car Parks"</b>						<b>£3,690,090</b>	<b>£20,000</b>	<b>£65,000</b>	<b>£97,060</b>	<b>£3,742,150</b>			

FEES AND CHARGES -RECOMMENDED FEE INCREASES FOR 2018/19 APPENDIX C														
Service	Fees and Charges for 2018/19	2017/18 Price £	2018/19 Price £	Increase £	% Increase	Total Budget 2017/18 £	Income changes previously reported £	Other Changes or pressures identified (not yet reported)	Income (Reduction) / Increase	Total Budget 2018/19 £	Fee Principles Applied (Y/N)	Options considered/Rationale	Benchmarking Information	Date of Price Increase
On Street Parking											Y			01 January 2018
Town Centre	up to 30 mins	£0.50	£0.60	£0.10	20.00%	£83,870	£18,130	£18,200	£4,800	£125,000	Y			
	Up to 1 Hour	£1.60	£1.70	£0.10	6.25%						Y			
	Up to 2 Hours	£2.10	£2.50	£0.40	19.05%						Y			
	Up to 3 Hours	£3	£3.20	£0.20	average of 8%						Y			
	Up to 4 Hours	£3.80	£4.00	£0.20							Y			
	Up to 5 Hours	£4.50	£5.00	£0.50							Y			
Over 5 hours	£7.00	£9.00	£2.00	28.57%	Y									
Corey's Mill Lane	up to 1 hr £1.00 up to 2 hrs £1.50 up to 3 hrs (max stay) £2.00	various	no change	£0.00	0.00%	£135,200	£72,800		£0	£208,000	Y			
On Street Parking Total						£219,070	£90,930	£18,200	£4,800	£333,000	Y			
Garages:	Standard Garage (Category A)	£10.35	£10.80	£0.45	4.35%	£3,033,000	£100,000		£112,000	£3,245,000	Y	Price increases proposed take into account the Garage Business Plan built-in rent increases, plus the requested inflationary increase to match RPI (approx 3.7%). This gives the overall increases shown in income changes previously reported. In addition, it is proposed to increase the rents of commercial garages by around 4.5% . The council currently rent out around 50 commercial garages, with weekly rents ranging from £13 to £15 per week, and a single large double garage rented at £60 per week.	Based on RPI plus Garage Business Plan guidance.	01 April 2018 (In line with Housing rent increases)
	Standard Garage (Category B)	£10.25	£10.70	£0.45	4.39%						Y			
	Standard Garage (Category C)	£10.15	£10.50	£0.35	3.45%						Y			
	Road Facing Garages	£11.10	£11.60	£0.50	4.50%						Y			
Garages Total						£3,033,000	£100,000	£0	£112,000	£3,245,000	Y			
Markets:		various	various		3.70%	£450,750		-£31,240	£12,990	£432,500	Y	RPI based increase in rents across the board proposed. This would increase weekly rents by around £2.50-£4.00 on the vast majority of stalls within the market. Since April 2017, the unilateral agreement on stalls selling the same items has been lifted. To date, this has been moderately successful in increasing lettings. However, voids have remained relatively stable at 20% (27 stalls) over the last few months. Since the middle of April 2017, a discounted parking fee of 50p/30 mins has been introduced to try to attract footfall to the market. Overall, however, footfall at the market continues to fall, and a budget pressure of £31k has been reported during 2017/18 monitoring.	A new strategy to revitalise the market was introduced during the last twelve months. Void levels have stabilised, but in order to make the market economically viable, void levels need to decrease. Over the past three years, rent increases have been suppressed in an attempt to maintain the current traders/attract new traders. Increases of 2.4%, 1.2% and 1.2% have been applied in the last three years.	01 January 2018
Markets Total						£450,750	£0	-£31,240	£12,990	£432,500	Y			
Bulky Waste:					4.76%	£97,190			£4,310	£101,500	Y	Higher increase to cost to offset increase in disposal fees.	Latest as at 2016/17 - Benchmarked against other Local Authorities. North Herts. £75.10, Watford £58, Broxbourne £67 and Dacorum £50 for 6 items. Cancellation fee to be keep increased.	01 January 2018
	6 Items	£63.00	£66.00	£3.00							Y			
	Cancellation Fee	£10.00	£10.00	£0.00							0.00%			
Bulky Waste Total						£97,190		£0	£4,310	£101,500	Y			
Cemeteries:		various	various			£186,530		-£34,530	£25,000	£177,000	Y	A separate report has been prepared by the Cemetery Team detailing current charges, usage and income. 25% increase approved by LFSG, phased over two years. In addition, "Non Resident Fees" recommended to increase from Double to Triple.	There is also a benchmarking table comparing our fees with other local authorities. Overall, SBC charges are amongst the lowest. As a result, proposals will be made to increase fees by at least 10%.	01 January 2018
Cemeteries Total						£186,530		-£34,530	£25,000	£177,000	Y			
Parks and Open Spaces:	3.7% increase on the budget agreed by manager	various	various			£119,170		-£9,170	£8,400	£118,400	Y	Proposed increase of 3.7% across all functions. Agreed increases for "old users of pavilions" (as per the agreement made last year) should also be implemented - further details on "Concessions" tab.		01 January 2018
Parks and Open Spaces Total						£119,170		-£9,170	£8,400	£118,400	Y			
Allotments:	Price per rod	£8.50	£8.50	£0.00	0.00%	£23,120				£23,120	Y	No increase proposed; some people have given up their allotment within the last year.	For this year, it is proposed that allotment rents are not increased in 2017, for the following reasons: <b>Previous Increases:</b> allotment charges have increased by around 10% every year for a number of years. These increases were intended to help raise the level of income associated with the allotment service, but the increase has been well over the inflation rate. Rates were frozen last year, and the same proposal is made for 2018/19. <b>Benchmarking:</b> Stevenage has gone from having one of the cheapest allotment rents in Hertfordshire to now having the third highest.	01 January 2018
	5 Rod allotment	£42.50	£42.50	£0.00	0.00%						Y			
	10 Rod allotment	£85.00	£85.00	£0.00	0.00%						Y			
Allotments Total						£23,120			£0	£23,120	Y			

FEES AND CHARGES -RECOMMENDED FEE INCREASES FOR 2018/19 APPENDIX C														
Service	Fees and Charges for 2018/19	2017/18 Price £	2018/19 Price £	Increase £	% Increase	Total Budget 2017/18 £	Income changes previously reported £	Other Changes or pressures identified (not yet reported)	Income (Reduction) / Increase	Total Budget 2018/19 £	Fee Principles Applied (Y/N)	Options considered/Rationale	Benchmarking Information	Date of Price Increase
Fishing	Adult Day Ticket	£8.00	£8.00	£0.00	0.00%						Y	After taking into consideration benchmarking no increase is being proposed.	Latest as at 2016/17 - Benchmarked against Stanborough Lakes, WGC. £7 per fishing rod, £5 for juniors, but also required to pay for car parking at site. No increase as higher than Stanborough Lakes WGC	01 January 2018
	Junior Day Ticket	£6.00	£6.00	£0.00	0.00%						Y			
	Night Fishing	£18.00	£18.00	£0.00	0.00%						Y			
	Average of above	£10.67		£0.00	0.00%	£5,000				£5,000	Y			
Fishing Total						£5,000	£0		£0	£5,000	Y			
Planning:	Major development					£35,500			£8,000	£43,500	Y	This was a new charge introduced for 2011/12. The fees were increased in 2013/14 and significantly in 2016. There was no increase in 2017. The proposed increase reflects that we have had the busiest three months for planning application in our history and demand remains high given the attractiveness of Stevenage for developers. [Some of the percentage increases look artificially high; however, this is distorted by a VAT adjustment that has occurred. The actual increases to paying customers will be lower - in the "10%" region rather than 30%+.]  Harmonising the rates with the other bands for this scale of development.  Latest as to date 2017/18 - NHDC large scale complex developments are £3,000 and other large developments £1,500. East Herts charge bespoke amounts for major applications and £450 to £700 minor proposals. Welwyn charge between £1000 to £1500 for 25 units. . SBC's new charges went live in Jan 2016 and the market has tolerated them, given the previous sizeable increase it is proposed to increase the fees every other (Jan 18/20/22) year subject to market conditions.	01 January 2018	
	100+ residential units, 6000+sqm of commercial /change of use or where the site is 3ha+ PER 100 units /6000sqm/3ha or part of.	£3,000.00	£3,600.00	£600.00	20.00%						Y			
	25-99 residential units, 2001-5999sqm of commercial /change of use or where the site is 1ha-3ha.	£3,000.00	£3,600.00	£600.00	20.00%						Y			
	Development requiring an EIA if not within the above categories	£2,500.00	£3,500.00	£1,000.00	40.00%						Y			
	Other Major Developments										Y			
	Provision of 10-24 dwellings or where the site is between 0.5ha and 1ha.	£1,500.00	£2,100.00	£600.00	40.00%						Y			
	Change of use or provision of 1001sqm - 2000sqm of commercial floor space or on a site with an area exceeding 1ha.	£1,500.00	£2,100.00	£600.00	40.00%						Y			
	Minor Development										Y			
	Single dwelling/replacement dwelling	£150.00	£210.00	£60.00	40.00%						Y			
	2-5 dwellings	£300.00	£420.00	£120.00	40.00%						Y			
	6-9 dwellings	£840.00	£1,075.00	£235.00	27.98%						Y			
	Change of use of buildings/new commercial buildings with a floor space between 0-500sqm or on a site with an area up to 0.5ha.	£150.00	£210.00	£60.00	40.00%						Y			
	Change of use of buildings/new commercial buildings with a floor space between 501sqm and 1000sqm or on a site with an area between 0.5ha and 1 ha	£500.00	£700.00	£200.00	40.00%						Y			
	Householder										Y			
	Domestic extensions, conservatories etc. and alterations to residential properties.	£50.00	£62.50	£12.50	25.00%						Y			
	Specialist Advice										Y			
	Works to listed buildings Developments affecting a conservation area	£100.00	£150.00	£50.00	50.00%						Y			
	Advertisements										Y			
	Per Site	£50.00	£62.50	£12.50	25.00%						Y			
Planning Total						£35,500	£0		£8,000	£43,500	Y			

## FEES AND CHARGES -RECOMMENDED FEE INCREASES FOR 2018/19 APPENDIX C

Service	Fees and Charges for 2018/19	2017/18 Price £	2018/19 Price £	Increase £	% Increase	Total Budget 2017/18 £	Income changes previously reported £	Other Changes or pressures identified (not yet reported)	Income (Reduction) / Increase	Total Budget 2018/19 £	Fee Principles Applied (Y/N)	Options considered/Rationale	Benchmarking Information	Date of Price Increase
Trade Refuse:	Increase in fees to cover additional increase in disposal costs (example of pricing shown, 1100 litre bin)	£18.65	£19.60	£0.95	5.09%	£616,690			£30,800	£647,490	Y	Overall prices will be increased by an average of 5%; however, disposal costs and landfill tax increases will account for around a third of the increase in fees.	Trade Waste has a multitude of different charges. It is not prudent to publish these in full as we are in competition with private contractors. However, we do ensure our prices are competitive, whilst also trying to maximise income for the Council.	01 January 2018
Clinical Waste:	Increase in fees to cover additional increase in disposal costs example of pricing shown Clinical box )	£10.50	£11.05	£0.55	5.24%	£55,080			£2,700	£57,780	Y	Higher increase to offset any increase in disposal and gate fees.	Latest as at 2016/17 - Benchmarked against SRCL.	01 January 2018
Skips:	Increase in fees to cover additional increase in disposal costs (example of pricing shown 6yard skip)	£249.60	£262.00	£12.40	4.97%	£194,470		-£47,000	£7,500	£154,970	Y	Higher increase to offset any increase in disposal and gate fees. This operational area will be highlighted as an area for the Council's new Commercial Manager to focus upon. <b>The manager has highlighted a probable shortfall in income in the current year; overall, this is likely to be a NET loss of income of around £47,000 (after a reduction in some costs related to lower volumes).</b>	Latest as at 2016/17 - Benchmarked against other providers such as Stevenage Skip Hire £235.	01 January 2018
Transfer Station:	Increase in fees to cover additional increase in disposal costs example of pricing shown, medium panel van)	£173.10	£181.50	£8.40	4.85%	£70,560			£3,000	£73,560	Y	Higher increase to offset any increase in disposal and gate fees. This operational area will be highlighted as an area for the Council's new Commercial Manager to focus upon.	Latest as at 2016/17 - Benchmarked against a Transfer Station for Mixed non-hazardous waste £178.	01 January 2018
Increase disposal cost of waste for Trade, Clinical, Skips and Transfer Station:						-£360,460			-£18,000	-£378,460	Y	Projected Trade Waste Recharges (Disposal costs) of 5% are indicative percentage received from HCC for the purposes of providing an approximate level of charge.		01 January 2018
Hackney Carriages:						£23,500			£0	£23,500	Y	Current charges were set in 2014 and are due for review. A further review will be undertaken in 2018 to ensure that income is maximised as far as permitted by legislation (SBC is unable to recover the cost of enforcement against drivers). The review has been delayed due to significant changes in method of delivery which will impact on costs and needs a full year to be quantified.	Not applicable, cost recovery only.	01 January 2018
Environmental Health & Licensing:	Housing Act 2004				2.20%	£11,410			£340	£11,750	Y	It is proposed that the charge for the processing and issuing of Houses in Multiple Occupation (HMO) licences and the service of Housing Act notices be increased to reflect the time spent by officers on these activities. An additional charge is proposed for cases where a licence is only applied for after local authority intervention.	Not applicable, cost recovery only.	01 January 2018
	Licence for Houses in Multiple Occupation (HMO)	£696.00	£708.00	£12.00	1.72%									
	Service of Housing Act Notices	£372.00	£382.00	£10.00	2.69%									
Environmental Health & Licensing:	Food Premises	various	various	£0.00	0.00%	£10,790				£10,790	Y	Cost recovery only	Not applicable, cost recovery only.	01 January 2018
	Destruction Certificate	£125.00	£125.00	£0.00	0.00%									
	Health Certificate	£102.00	£102.00	£0.00	0.00%									
Environmental Health & Licensing:	Licensing including, Acupuncture, sex establishments, street trading etc.	various	various		0.00%	£12,890				£12,890	Y	The majority of fees are set by legislation; the remainder can only be charged at a level which recovers the cost of administration (excluding enforcement).	Not applicable, cost recovery only.	01 January 2018
Housing General Fund:	Careline Alarm- private (Shortfall funded from General Fund)	various	various	various	Approx. 3.70%	£105,000			£4,000	£109,000	Y	This budget relates to private careline tenants and any increase in income means the General Fund subsidy is reduced.		
Sub Totals							£210,930	-£168,740	£302,900	Where there are multiple fees in a service area, an example has been given to demonstrate the price increases				
						NET INCREASE from Fees & Charges				£134,160				
						Target (as per MTFS)				£296,594				
						Variance				-£162,434				



CONCESSIONS 2018/19 APPENDIX D



																Current Qualification for Concession		
Service	Scoring (scale of 0-3, with 0 = No you do not agree to 3 = Strongly agree)	Fees and Charges for 2016/17	Concessionary Price 2016/17	Value of Concession 2016/17	Concession as a Percentage 2016/17	Fees and Charges for 2017/18	Concessionary Price 2017/18	Value of Concession 2017/18	Concession as a Percentage 2017/18	Concessionary Price Increase % 2017/18	Fees and Charges for 2018/19	Concessionary Price 2018/19	Value of Concession 2017/18	Concession as a Percentage 2017/18	Concessionary Price Increase % 2018/19	Age related	Benefit Recipients	Other
Allotments (fees shown are an average total fee based on average plot size)		£21.25	£13.81	£7.44	35%	£20.00	£15.00	£5.00	25%	8.60%	£20.00	£15.00	£5.00	25%	0.00%		Disability Living Allowance/Job Seekers Allowance Employment Support Allowance/Attendance Allowance/Income Support/Housing Benefit/Council Tax Support	No concession given
Bulky Waste (Only available to Stevenage Residents)																	Disability Living Allowance Job Seekers Allowance Employment Support Allowance Attendance Allowance Income Support Housing Benefit Council Tax Support State Pension	No concession given
- Household Junk per 6 items		£60.00	£39.00	£21.00	35%	#REF!	#REF!	#REF!	#REF!	#REF!	£66.00	£49.50	£16.50	25%	#REF!			
- Garden Waste per bag		£6.05	£3.93	£2.12	35%	£6.17	£4.63	£1.54	25%	17.77%	£6.40	£4.80	£1.60	25%	3.71%			
Football/Rugby Pitches (Single Match Bookings)																	No concession given	Junior Football (Under 18), Scout, Brownies and Cub Groups, Stevenage Schools
- With Shower Adult Price & Junior Price)		£65.61	£42.65	£22.96	35%	£67.25	£50.44	£16.81	25%	18.27%	£69.75	£52.31	£17.44	25%	3.72%			
- Without Shower Adult Price & Junior Price)		£55.74	£36.23	£19.51	35%	£57.13	£42.85	£14.28	25%	18.27%	£59.20	£44.40	£14.80	25%	3.62%			
Ridlins Athletic Track (service used by concessionary users only)																	No concession given	Juniors (Under 18), Faith Groups, Stevenage Schools, Stevenage Schools Discount
- Track Use (per person - per session)		£4.52	£2.94	£1.58	35%	£4.63	£3.47	£1.16	25%	18.27%	£4.78	£3.59	£1.20	25%	3.17%			
- With floodlights (Club Hire)		£54.37	£35.34	£19.03	35%	£55.73	£41.79	£13.93	25%	18.27%	£57.50	£43.13	£14.38	25%	3.19%			
- Without floodlights (Club Hire)		£39.77	£29.83	£9.94	25%	£40.76	£30.57	£10.19	25%	2.50%	£42.25	£31.69	£10.56	25%	3.64%			
- Meetings		£49.32	£36.99	£12.33	25%	£50.56	£37.92	£12.64	25%	2.50%	£52.50	£39.38	£13.13	25%	3.85%			
Pavilions (per hour)												Please see separate sheet for details of charges for "existing Paviillion users"					No concession given	
Small Pavilion Hall		£15.00	£9.75	£5.25	35.00%	£15.38	£11.53	£3.84	25%	18.27%	£15.90	£11.93	£3.97	25%	3.46%			SNH Athletic Club Community Groups Reduced rate for all the above if they block book

CONCESSIONS 2018/19 APPENDIX D

																Current Qualification for Concession		
Service	Scoring (scale of 0-3, with 0 = No you do not agree to 3 = Strongly)	Fees and Charges for 2016/17	Concessionary Price 2016/17	Value of Concession 2016/17	Concession as a Percentage 2016/17	Fees and Charges for 2017/18	Concessionary Price 2017/18	Value of Concession 2017/18	Concession as a Percentage 2017/18	Concessionary Price Increase % 2017/18	Fees and Charges for 2018/19	Concessionary Price 2018/19	Value of Concession 2017/18	Concession as a Percentage 2017/18	Concessionary Price Increase % 2018/19	Age related	Benefit Recipients	Other
Small Pavilion Hall - Not for Profit (Existing Clients)		£15.00	£10.55	£4.45	29.7%	£15.38	£11.53	£3.84	25%	9.30%	£15.90	£11.93	£3.97	25%	3.46%		Juniors (Under 17) Scout, Brownies and Cub Groups Toddler and Play Groups	Juniors (Under 17) Scout, Brownies and Cub Groups Toddler and Play Groups
Large Pavilion Hall		£50.00	£32.50	£17.50	35.00%	£51.25	£38.44	£12.81	25%	18.27%	£53.00	£39.75	£13.25	25%	3.41%			SNH Athletic Club Community Groups Reduced rate for all the above if they block book
Large Pavilion Hall - Not for Profit (Existing Clients)		£50.00	£10.55	£39.45	78.9%	£15.38	£11.53	£3.84	25%	9.30%	£53.00	£13.40	£39.60	75%	16.21%			Juniors (Under 17) Scout, Brownies and Cub Groups Toddler and Play Groups
<b>Bandley Hill Play centre (per hour)</b>																	<b>Budget Manager has expressed a desire to limit increases at the Play Centres to 2% as the groups who use them are not-for-profit. An attached sheet gives the breakdown of users.</b>	Concessionary rates agreed by Committee Meeting
Small Hall		£15.00	£9.75	£5.25	35%	£15.38	£11.53	£3.84	25%	18.27%	£15.90	£11.77	£4.13	26%	2.07%			
Medium Hall - Voluntary Organisations - groups & clubs		£25.00	£16.25	£8.75	35%	£25.63	£19.22	£6.41	25%	18.27%	£26.55	£19.61	£6.94	27%	2.04%			
Medium Hall - Not for profit		£25.00	£16.25	£8.75	35%	£25.63	£19.22	£6.41	25%	18.27%	£26.55	£19.61	£6.94	27%	2.04%			
<b>Pin Green Play Centre (per hour)</b>																	No concession given	Concessionary rates agreed by Committee Meeting
Small Hall - Voluntary Organisations - groups & clubs		£15.00	£9.75	£5.25	35%	£15.38	£11.53	£3.84	25%	18.27%	£15.90	£11.77	£4.13	26%	2.07%			
Small Hall		£15.00	£9.75	£5.25	35%	£15.38	£11.53	£3.84	25%	18.27%	£15.90	£11.77	£4.13	26%	2.07%			
<b>St Nicholas Play centre (per hour)</b>																		
Small Hall		£15.00	£9.75	£5.25	35%	£15.38	£11.53	£3.84	25%	18.27%	£15.95	£11.77	£4.18	27%	2.07%		No concession given	Concessionary rates agreed by Committee Meeting
Medium Hall		£25.00	£16.25	£8.75	35%	£25.63	£19.22	£6.41	25%	18.27%	£26.55	£19.61	£6.94	27%	2.04%			
Large Hall		£50.00	£32.50	£17.50	35%	£51.25	£38.44	£12.81	25%	18.27%	£53.00	£39.24	£13.76	26%	2.09%			
<b>Animal Control - Stray Dogs</b>																		
- Admin Charge		£25.00	£18.75	£6.25	25%	£25.00	£18.75	£6.25	25%	0.00%	£26.00	£19.50	£6.50	25%	4.00%		The concessionary rate of 25% shall apply in domestic premises where the occupant (occupant includes the partner, but does not include other members of the household or other residents) is in receipt of: Income support Job seekers allowance (income based) Guaranteed pension credit Council tax benefit (not single person's discount) Housing benefit	No concession given
- Admin Charge (if dog is micro-chipped)		n/a	n/a	n/a	n/a	£12.50	£9.38	£3.13	25%	n/a	£13.00	£9.75	£3.25	25%	n/a			
- Return of Dogs to owners premises		£35.00	£26.25	£8.75	25%	£35.00	£26.25	£8.75	25%	0.00%	£40.00	£30.00	£10.00	25%	14.29%			
- Kennelling		£23.00	£17.25	£5.75	25%	£15.00	£11.25	£3.75	25%	-34.78%	£15.00	£11.25	£3.75	25%	0.00%			

FINANCIAL SECURITY OPTIONS 2018/19 - 2022/22

(Key- figures expressed as a negative value in the savings column are a

Ref No	score	Assistant Director	Name of Service	Description of Savings Proposal	Budget 2017/18	Actual 2016/17	Implementation Costs	Financial Security Option in 2018/19	Financial Security Option in 2019/20	Financial Security Option in 2020/21	Financial Security Option in 2021/22	Ongoing (Y/N) or No of	Statutory Function (Y/N)	Impact of Saving Proposal on Public/ Customers/ Staff/ Members/Partnerships etc. (include any impact on key corporate programmes/performance indicator measures)	Potential Timing	361,105	482,811	2,822	2,822	
					£	£	£	£	£	£	£					£ General Fund Year 1	£ General Fund Year 2	£ HRA Year 1	£ HRA Year 2	
CATEGORY A - IMMEDIATE EFFICIENCY OPTIONS																				
FS1		AD Planning & Regulatory	Planning & Regulation	Increase planning application fee income	247,830	283,479		85,000	85,000	85,000	85,000	Y	Y	Planning fees expected for SG1 (18/19), West of Stevenage (19/20), then Lyton Way/South of Stevenage/ SG1 part 2 in future years. Will require addition resources, which have been built into Planning & Regulatory business review (£42K).	commenced in 2017/18	£85,000	£85,000	£0	£0	
TOTAL					£247,830	£283,479	£0	£85,000	£85,000	£85,000	£85,000						£85,000	£85,000	£0	£0
CATEGORY B - PROCUREMENT OPTIONS																				
FS14	3	AD Finance & Estates	Audit	Reduction in Audit days purchased from SIAS by 10% (from 390 days to 360 days)	82,650	82,650		8,550	8,550	8,550	8,550	Y	N	The level of Audit days has been discussed with SIAS Even with a reduction the S151 officer and SIAS consider there are sufficient days available as there are contingency days within the plan.	1 April 2018	£5,729	£5,729	£2,822	£2,822	
FS26	3	AD Communities & Neighbourhood	SLL contract	Review of contract sum through efficiencies	1,038,010	1,028,750		200,000	300,000	300,000	300,000	Y	N	The contract has been reviewed as part of the work completed by SALC and SLL have agreed to reduce the contracted sum by £200K in 2018/19 and up to £300K in 2019/20 through reducing costs associated with overheads. An innovation group has been set up to look at initiatives between SLL and SBC.	1 April 2018	£200,000	£300,000	£0	£0	
TOTAL					1,120,660	1,111,400	0	208,550	308,550	308,550	308,550						205,729	305,729	2,822	2,822
CATEGORY C - NEW INCOME GENERATION/COMMERCIALISATION OPTIONS																				
FS2	3	AD Planning & Regulatory	Planning & Regulation	Increase income from Corey's Mill 2 (from additional parking bays to be added) 2016/17 actuals only 6 months. 2017/18 working budget now projected as £195,200	135,200	116,900		40,000	40,000	40,000	40,000	Y	N	This is additional income from the second phase of parking bays. Within the Planning & Regeneration business unit review there is a proposed permanent resident parking officer will support the parking manager in delivering SBC's first resident only parking schemes, including consultation, management, and reviews.	commenced in 2017/18	£40,000	£40,000	£0	£0	
FS15	3	AD Finance & Estates	Estates	Generate income from employing a grade 3 small sales disposal assistant	0	0		7,000	10,000	10,000	10,000	Y	N	A post has been evaluated (grade 3) and supports the Land Sales Disposal post to deliver small sale land disposals from members of the public that want to buy small bits of land. Its is anticipated that if the post is proven then the target may be stretched/increased. A pilot will start in November.	1 November 2017	£7,000	£10,000	£0	£0	
HF34	3	AD Housing & Investment	Tenancy Services	Aldwyck: Ripon road from April 2018 charge £3k per annum per property (x3 3 bed house (although the 3 are knocked through into 1)) currently charging £4,500. Above subject to negotiation.	4,500	4,500	0	4,670	4,670	4,670	4,670	Y	N	These properties are GF Properties. We value the support services provided by Aldwyck, but need to be more realistic of the charges made to Aldwyck. This proposal will also more closely align the treatment of Aldwyck and Origin.	1 April 2018	£4,670	£4,670	£0	£0	
TOTAL					139,700	121,400	0	51,670	54,670	54,670	54,670						£51,670	£54,670	£0	£0
TOTAL RECOMMENDED 2018/19 ONWARDS					1,508,190	1,516,279	0	345,220	448,220	448,220	448,220	TOTAL NEW OPTIONS RECOMMENDED FOR 2018/19					342,399	445,399	2,822	2,822
APPROVED OPTIONS WITH 2018/19 IMPACTS																				

FINANCIAL SECURITY OPTIONS 2018/19 - 2022/22

(Key- figures expressed as a negative value in the savings column are a

																361,105	482,811	2,822	2,822
Ref No	score	Assistant Director	Name of Service	Description of Savings Proposal	Budget 2017/18	Actual 2016/17	Implementation Costs	Financial Security Option in 2018/19	Financial Security Option in 2019/20	Financial Security Option in 2020/21	Financial Security Option in 2021/22	Ongoing (Y/N) or No of	Statutory Function (Y/N)	Impact of Saving Proposal on Public/ Customers/ Staff/ Members/Partnerships etc. (include any impact on key corporate programmes/performance indicator measures)	Potential Timing	£ General Fund Year 1	£ General Fund Year 2	£ HRA Year 1	£ HRA Year 2
PBB1 S42	N/A	AD Communities & Neighbourhood	Community Centre grant funding	Reduction in Community Centre grant funding	75,160	93,862		18,706	37,412	37,412	37,412	Y	N	This option was agreed in 2014/15 but reduced to dampen the impact on community groups. The final reduction is in year 2019/20. The total funding reduction will be £108,919.	1 April 2018	£18,706	£37,412	£0	£0
TOTAL					75,160	93,862	0	18,706	37,412	37,412	37,412					£18,706	£37,412	£0	£0
RECOMMENDED FINANCIAL SECURITY					1,583,350	1,610,141	0	363,926	485,632	485,632	485,632					361,105	482,811	2,822	2,822
																99%		1%	



FINANCIAL SECURITY 2018/19 - 2021/22

APPENDIX F

FINANCIAL SECURITY 2018/19 - 2021/22															Included in MTFS	£470,371	£422,709	£111,536	£75,100
															SUMMARY				
Ref No	FTFC	score	Lead Officer	Name of Service	Description of Growth Proposal	Budget 2017/18	Actual 2016/17	2017/18 Implications	Growth in 2018/19	Growth in 2019/20	Growth in 2020/21	Growth in 2021/22	On-going	Description of Growth Proposal	£ General Fund Year 1	£ General Fund Year 2	£ HRA Year 1	£ HRA Year 2	
CATEGORY - Future Town Business Review Growth																			
FS10	FS	2.8	Chief Executive	Business reviews Council wide	Review of Service	24,844,850		£401,194	£258,398	£144,409	£143,909	£177,571	Y	The Chief Executive and Strategic Directors have considered the Business Reviews and have approved a number of business restructures. The associated costs are shown per year, with an estimation only of any implimentation costs .	£195,345	£116,142	£63,053	£28,266	
TOTAL GROWTH OPTIONS						£24,844,850	£0	£401,194	£258,398	£144,409	£143,909	£177,571			£195,345	£116,142	£63,053	£28,266	
REVENUE GROWTH - New Proposals / Services																			
G18		2.6667	AD Stevenage Direct Services	SDS (Env Services)	Town Centre: Mainstream 2017/18 Improved Floral Displays and cleansing (7 flower towers and 20 hanging baskets around the joyride)	£683,360	£641,516		£10,000	£10,000	£10,000	£10,000	Y	Pilot project 2017/18. Growth proposal will support economic growth and improved town centre offer and cleansing to complement regeneration infrastructure improvements. Link to raising the SBC cleanliness index score against Env Protection Act 1990 Code of Practice on Litter and Refuse. <b>LFSG- recommend in the future seeing if businesses would pay a contribution.</b>	£10,000	£10,000	£0	£0	
G5		2.6667	AD Planning & Regulatory	Economic Development	Business Relationship Manager (ES74113) given an annual budget of £10,000	£0	£0		£10,000	£10,000	£10,000	£10,000	Y	An events and marking budget for the Business Relationship manager, supporting local business and inward investment. Highlighting the attractiveness of Stevenage as a destination for investment and raising it's profile.	£10,000	£10,000	£0	£0	
TOTAL GROWTH OPTIONS						£683,360	£641,516	£0	£20,000	£20,000	£20,000	£20,000			£20,000	£20,000	£0	£0	

## FINANCIAL SECURITY 2018/19 - 2021/22

## APPENDIX F

														Included in MTFS	£470,371	£422,709	£111,536	£75,100
														SUMMARY				
Ref No	FTFC	score	Lead Officer	Name of Service	Description of Growth Proposal	Budget 2017/18	Actual 2016/17	2017/18 Implications	Growth in 2018/19	Growth in 2019/20	Growth in 2020/21	Growth in 2021/22	On-going	Description of Growth Proposal	£ General Fund Year 1	£ General Fund Year 2	£ HRA Year 1	£ HRA Year 2
<b>REVENUE GROWTH - FTFC</b>																		
G15	TCR	3	AD Regeneration	Regeneration	Cost relating to the procurement & initiation of SG1 (2017/18 budget is carry forward + £303K from business rates) Base budget £50K. Figure in 2018/19 is the remaining unused budget projected at end of 2017/18.	£591,790	£218,464		£0	£80,000	£80,000	£80,000	?	Funds required to support the procurement of a development partner. Services such as legal support, design advice and commercial advice are essential in large processes such as these. On going funds beyond 2018/19 will be required to cover commercial advice and legal support as the development will be phased and each stage agreement will require separate agreements where specialist advice will be required.	£0	£80,000	£0	£0
G16	TCR	2.8333	AD Regeneration	Regeneration	Stevenage Central Comms manager	£0	0		£56,980	£56,980	£56,980	£56,980	DURING REGENERATION	This funding will cover the Stevenage Central Communications Manager post and marketing budget to assist with promotion of schemes within the town. The Communication Manager is funded in 2017/18 from the one off Regeneration budget in 2017/18. Assumes grade 10 evaluation.	£56,980	£56,980	£0	£0
G17	TCR	2.8333	AD Regeneration	Regeneration	Stevenage Central marketing budget	£0	0		£45,110				DURING REGENERATION	This budget will facilitate the marketing of the SG1 scheme and maybe in conjunction with the Council's preferred development partner. This will include the use of a Stevenage shop and branding to promote the scheme. (See future years below)	£45,110		£0	£0
G22	PAOP	2.6667	FTFC Board	Performing at our peak	Increase in licences for new corporate insight tool	£20,000	£0		£32,000	£32,000	£32,000	£32,000	Y	The increase in licences is to enable roll out of the inphase tool used for Corporate performance to more managers to enable greater insight into performance information.	£21,440	£21,440	£10,560	£10,560
G23	PAOP	2.6667	FTFC Board	Performing at our peak	Licence costs for new INTRANET				£10,000	£10,000	£10,000	£10,000	Y	The new INTRANET is being commissioned in 2017/18, this will allow data for CSC and other services to be easily accessible, helping to avoid doubling handling of customers and providing staff with an up-to-date register of information	£6,700	£6,700	£3,300	£3,300
<b>TOTAL FTFC Board</b>						<b>£611,790</b>	<b>£218,464</b>	<b>£0</b>	<b>£144,090</b>	<b>£178,980</b>	<b>£178,980</b>	<b>£178,980</b>			<b>£130,230</b>	<b>£165,120</b>	<b>£13,860</b>	<b>£13,860</b>

## FINANCIAL SECURITY 2018/19 - 2021/22

## APPENDIX F

														Included in MTFS	£470,371	£422,709	£111,536	£75,100
														SUMMARY				
Ref No	FTFC	score	Lead Officer	Name of Service	Description of Growth Proposal	Budget 2017/18	Actual 2016/17	2017/18 Implications	Growth in 2018/19	Growth in 2019/20	Growth in 2020/21	Growth in 2021/22	On-going	Description of Growth Proposal	£ General Fund Year 1	£ General Fund Year 2	£ HRA Year 1	£ HRA Year 2
<b>SERVICE PRESSURES</b>																		
G7		2.8333	AD Corporate Projects, Customer Services & ICT	IT Shared Service	Vmware Licence Review - SBC share	£0	£0		£6,920	£6,920	£6,920	£6,920	Y	Licence costs relating to software purchased as part of ICT review	£4,636	£4,636	£2,284	£2,284
G8		3	AD Corporate Projects, Customer Services & ICT	IT Shared Service	IT Policy Toolkit - SBC Share	£0	0		£3,000	£3,000	£3,000	£3,000	Y	Licence costs relating to software purchased as part of ICT review. This is a policy framework, which will be available on line and will be updated with the latest policies and is an essential tool to manage ICT security.	£2,010	£2,010	£990	£990
G26		2.8333	AD Corporate Projects, Customer Services & ICT	IT Shared Service	ICT Improvement Plan	£0	0	£0	£95,000	£90,000	£80,000	£80,000	Y	Ongoing £80K for Cyber Security. £10K training for 2 years 2018/19-2019/20, (only SBC share shown). SUBJECT TO APPROVAL OF THE ICT IMPROVEMENT PLAN REPORT TO THIS EXECUTIVE.	£63,650	£60,300	£31,350	£29,700
G13		2.8333	AD Housing & Investment	Design and Technical Services	Service Manager post to manage the compliance contract (included in the July Executive compliance report)				£20,000	£20,000	£20,000	£20,000	Y	Increase in staff 1.0 FTE (shared with other LA's)	£20,000	£20,000	£0	£0
G20		2.8	AD Stevenage Direct Services	SDS (Env Services)	Transport Subsidy (actual 2016/17 is an estimate as the figures have not been finalised).	£216,000	£216,000		£34,500	£34,500	£34,500	£34,500	Y	Ongoing discussions with Herts Waste Partnership are likely to have an impact on the amount of Transport Subsidy that SBC receive; Current estimates are for a pressure of around £34.5k, although discussions are still taking place and the final outcome is not yet known.	£34,500	£34,500	£0	£0
<b>TOTAL SERVICE PRESSURES</b>						<b>£216,000</b>	<b>£216,000</b>	<b>£0</b>	<b>£159,420</b>	<b>£154,420</b>	<b>£144,420</b>	<b>£144,420</b>			<b>£124,796</b>	<b>£121,446</b>	<b>£34,624</b>	<b>£32,974</b>
<b>TOTAL GROWTH AND SERVICE PRESSURES</b>						<b>£26,356,000</b>	<b>£1,075,980</b>	<b>£401,194</b>	<b>£581,908</b>	<b>£497,809</b>	<b>£487,309</b>	<b>£520,971</b>		<b>Growth</b>	<b>£470,371</b>	<b>£422,709</b>	<b>£111,536</b>	<b>£75,100</b>

FINANCIAL SECURITY 2018/19 - 2021/22

APPENDIX F

FINANCIAL SECURITY 2018/19 - 2021/22														Included in MTFS		£470,371	£422,709	£111,536	£75,100
														SUMMARY					
Ref No	FTFC	score	Lead Officer	Name of Service	Description of Growth Proposal	Budget 2017/18	Actual 2016/17	2017/18 Implications	Growth in 2018/19	Growth in 2019/20	Growth in 2020/21	Growth in 2021/22	On-going	Description of Growth Proposal	£ General Fund Year 1	£ General Fund Year 2	£ HRA Year 1	£ HRA Year 2	
FUTURE TRANSFORMATIONAL BIDS-TO BE BID FOR TOTAL FUND EST £100k PER YEAR																			
G14	HD	2.6667	AD Housing Development	Housing Development	Seed money for business case for Wholly Owned Companies/Joint Ventures	£0	£0		£35,000	£0			N	A further amount will be required as part of the business case submission, including client governance role and set up costs and backfill for secondments and company set up.	£35,000	£0	£0	£0	
TOTAL TRANSFORMATION FUND						£0	£0	£0	£35,000	£0	£0	£0			£35,000	£0	£0	£0	
MEMBER PROPOSALS FOR CONSIDERATION:																			
G27	HD	1	Member	LCB budgets	Increase LCB budgets - proposed by Member	£100,800	£98,441		£19,500	£19,500	£19,500	£19,500	N	Each member's Local Community Budget (LCB) be increased from the current £2,500 a year to £3,000 a year. Until about 3 years ago, it was £3,300 a year. This growth item would cost £19,500. Also suggested (see FS27) a reduction in the Youth Mayor's LCB from the current £3,300 to £2,000 a year, which would save £1,300 a year.	£19,500	£19,500	£0	£0	
TOTAL MEMBER OPTIONS						£100,800	£98,441	£0	£19,500	£19,500	£19,500	£19,500			£19,500	£19,500	£0	£0	
FUTURE YEARS GROWTH BIDS TO BE CONSIDERED 2019/20 BUDGET SETTING																			
G19		2.3333	AD Stevenage Direct Services	Stevenage Direct Services	Risk Assessment H&S Training for Employees working in High Risk Activities	£10,700	£9,124		£0	£15,000	£0	£0	N	Funding in year one 2018/19 funded from HR corporate training budgets in 2017/18	£0	£15,000	£0	£0	
G21	TCR	2.4	AD Regeneration	Regeneration	Employment Project	£0	£0		£0	£200,000	£200,000	£200,000	N	Funds used to support 250 Stevenage people into employment per annum	£0	£200,000	£0	£0	
G17	TCR	2.8333	AD Regeneration	Regeneration	Stevenage Central marketing budget-potentially fund from business rate gains	£0	£0		£0	£106,000	£106,000	£106,000	Y	This funding will cover marketing of SG1, setting up information office etc. in the Town Centre	£0	£106,000	£0	£0	
TOTAL FUTURE GROWTH BIDS TO BE CONSIDERED 2019/20						£10,700	£9,124	£0	£0	£321,000	£306,000	£306,000			£0	£321,000	£0	£0	
FUTURE PRESSURES NOT CURRENTLY COSTED																			
HG8		n/a	AD Housing & Investment	County funding	Homeless funding is at risk of being cut or reduced as County are reviewing their funding	£81,490	£81,492		put the pressure in when HCC intention known					This loss of grant would mean a reduction in the HRA surplus. Other Supporting people grant has been withdrawn.			put the pressure in when HCC intention known	£0	

FINANCIAL SECURITY 2018/19 - 2021/22

APPENDIX F

FINANCIAL SECURITY 2018/19 - 2021/22															Included in MTFS	£470,371	£422,709	£111,536	£75,100
Ref No	FTFC	score	Lead Officer	Name of Service	Description of Growth Proposal	Budget 2017/18	Actual 2016/17	2017/18 Implications	Growth in 2018/19	Growth in 2019/20	Growth in 2020/21	Growth in 2021/22	On-going	Description of Growth Proposal	SUMMARY				
															£ General Fund Year 1	£ General Fund Year 2	£ HRA Year 1	£ HRA Year 2	
HG7		n/a	AD Housing & Investment	Across all areas	Implications of implementing the GDPR are as yet unknown but may require resourcing during 17/18									The GDPR will change the way we can collect or transfer data and where data is stored. We may also need to change the way it is collected and, subject access requests will have even shorter timescales as fines for noncompliance hit new levels. Documentation will need to be changed and the team are currently working on this with FOI officer. At the lowest level this will require forms to be changed to accommodate requirements of GDPR.			£0	£0	
G12		n/a	AD Housing & Investment	Design and Technical Services	Delivery of the compliance service and repairs and maintenance								Y	Likely increase in the compliance repairs and maintenance on the corporate buildings based on spend profile from recent years. This is currently being reviewed and could be a cost of potentially up to £35K per year.	£0	£0	£0	£0	
HG10		n/a	AD Housing & Investment	Investment	retrofitting of sprinklers				Not yet known					cost of maintaining new sprinkler systems if fitted will be partly recoverable from leaseholders (subject to leases and partly a cost to tenants which may not be recoverable through service charges unless consulted on).	£0	£0	Not yet known	£0	
TOTAL POTENTIAL PRESSURES						£0	£0	£0	£0	£0	£0	£0			£0	£0	£0	£0	

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### Equality at Stevenage Borough Council

Stevenage Borough Council as a service provider, employer and community leader is committed to achieving equal opportunities for everyone. We want to deliver services that are fair, accessible and open to everyone who needs them.

Equality Impact Assessments (EqIAs) are an important part of the process in ensuring that our intention is translated into action. They help to ensure that decisions are made in a fair, transparent and accountable way, considering the needs and the rights of different people in the community.

Based on the protected characteristics under the Equality Act 2010, the EqIA considers the impact on the following groups when making decisions, updating policies and starting new projects:

- Age
- Disability
- Gender reassignment
- Marital status
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation.

Although non-statutory, the Council has chosen to adopt the Socio-Economic Duty and so decision-makers should use their discretion in considering the impact on people in terms of their social or economic background.

EqIAs also help the council to demonstrate compliance with the requirements of the Public Sector Equality Duty (Section 149 of the Equality Act 2010). The Duty states that a public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is unlawful under this Act
- advance equality of opportunity between people who share a protected characteristic and those who do not
- foster good relations between people who share a protected characteristic and those who do not.

### Savings Proposals 2018/19

Prior to their consideration at Executive in November 2017, all savings proposals were reviewed to determine any potential impact on Stevenage residents in terms of their protected characteristics under the Equality Act 2010. The majority of these have no public impact and so have not been subject to any further EqlA.

Where a negative, positive or disproportionate impact is likely, assistant directors and other appropriate managers have drafted Brief EqlAs. These have been summarised over the following pages and will inform the recommendations made at Executive on 23 January and 14 February 2018. Action to further analyse or mitigate the impact on equality groups is identified where appropriate.

The following activity has taken / will take place:

November 2017 – February 2018   EqlAs finalised considering further evidence as  
– necessary

January and February 2018 –   Consideration of all completed EqlAs at Council  
meetings



# FINANCIAL SECURITY : 2018/19 Appendix G

## Summary of draft Equality Impact Assessments

Saving Ref	Saving proposed	Summary of impact	Action	Contact Officer
HFS1	Tree works budget saving of £10,000	<p><b>Negative – low and not likely</b>  <b>Age, Disability, Pregnancy &amp; Maternity, Socio-economic:</b>                      SBC's Concessions Policy provides for a 25% discount for works carried out by the council. However after this concession the cost of tree work may still be unaffordable for some people.</p> <p>However we do not need to complete an EqIA because based on current levels of spending there should be no impact on the service. A residual budget of £8,000 has been retained compared to the spend of £5,774 in 2016/17.</p>	No further action or EqIA is required	Jaine Cresser
FS2 Page 177	Additional Pay and Display parking bays at Coreys Mill Lane	<p><b>Positive</b>  <b>Disability</b>                      Blue Badge holders will be entitled to park for free in P&amp;D bays and are also permitted to park on double yellow lines.</p> <p><b>Negative</b>  <b>Socio-economic</b>                      Charging for parking can be considered detrimental to people in financial difficulty but these would remain affordable in relation to the charges within the Lister Hospital and the overall cost of motoring. There are strong bus links to the hospital which may prove to be more cost-effective for people on lower incomes.</p>		Zayd Al-Jawad
FS24	Proposed new Woodland Burial service	<p><b>Positive</b>  <b>All characteristics</b>                      Any and all will be able to use and benefit from the woodland burial service if requested.</p>	Purchase of temporary pathway matting for mourners to access the graveside (to be removed as the woodland matures)	Kevin Basford (interim) on behalf of Craig Miller

# FINANCIAL SECURITY : 2018/19 Appendix G

## Summary of draft Equality Impact Assessments

Saving Ref	Saving proposed	Summary of impact	Action	Contact Officer
HF42	Remove Death in Service benefit for ex-SHL staff	<p><b>Staff groups</b></p> <p><b>Age</b> 27% of the staff affected are over 60 and none under 30. The whole group represents 11% of the workforce, the remaining 89% does not have access to the benefit</p> <p><b>Sex</b> 67% of the 73 staff are female, however the majority of SBC female staff do not have access to this benefit but do have access to the pension scheme.</p> <p><b>Socio-economic</b> 22% or 16 of the 73 staff are a grade 3 or below, however the wider SBC staff group do not have access to this benefit, but can access through the pension scheme.</p>		Jackie Foglietta
HF40	Introduction of charge for support service in independent living / Flexicare schemes	<p><b>Age</b> Hertfordshire County Council are consulting with non-residential residents about charging for some of their community based adult social care services that they currently provide for free. This will impact on a lot of people over 60 in the independent living/flexicare schemes as they are more likely to be in receipt of some care due to their age/medical conditions. Charges will be effective from 15 April 2018. Level of charges unknown as people will need reassessing.</p> <p>Hertfordshire County Council funding for Flexicare housing related alarm contract ends in January 2018 and for support at the end of March 2018 which would mean more cost to Stevenage Borough Council which we may need to pass on to residents.</p> <p><b>Socio-economic</b></p>	Complete a full EqlA to further assess impact (December 2018)	Jaine Cresser

# FINANCIAL SECURITY : 2018/19 Appendix G

## Summary of draft Equality Impact Assessments

Saving Ref	Saving proposed	Summary of impact	Action	Contact Officer
		<p>Any increase/ new charges in future years need to be affordable and considered in conjunction with other changes in charges. Support charge is not eligible for housing benefit and could have a negative impact for those on lower incomes.</p> <p><b>Other</b> Government proposals for supported housing funding through 'sheltered rent' to be implemented in 2020. The details are still being worked on and are out for consultation until Jan 2018</p>		

## Brief Equality Impact Assessment

### For a minor operational change / review / simple analysis

What is being assessed?	<b>HFS1: Tree works budget saving of £10,000</b>	What are the key aims of it?	This £18,000 budget was introduced for tree works in gardens where tenants could not afford the works themselves. This recommendation is to reduce the budget in line with actual spend.		
Who may be affected by it?	Vulnerable tenants				
Date of full EqlA on service area (planned or completed)					
Form completed by:	Jaine Cresser	Start date	30 October 2017	End date	
		Review date			

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What data / information are you using to inform your assessment?	Tree work expenditure code. Record of work carried out to date for tenant tree work.	Have any information gaps been identified along the way? If so, please specify	None
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Explain the <b>potential positive, negative or unequal impact</b> on the following characteristics and <b>how likely</b> this is:			
Age	<b>Negative.</b> Concessions policy only gives 25% discount for works carried out by the council. Even after this concession the cost of tree work may still be unaffordable.	Race	N/A
Disability	<b>Negative.</b> Concessions policy only gives 25% discount for works carried out by the council. Even after this concession the cost of tree work may still be unaffordable.	Religion or belief	N/A
Gender reassignment	N/A	Sex	N/A
Marriage or civil	N/A	Sexual orientation	N/A

partnership			
Pregnancy & maternity	<b>Negative.</b> Concessions policy only gives 25% discount for works carried out by the council. Even after this concession the cost of tree work may still be unaffordable.	Socio-economic <sup>1</sup>	<b>Negative.</b> Concessions policy only gives 25% discount for works carried out by the council. Even after this concession the cost of tree work may still be unaffordable.
Other	Overall, a negative impact is not likely to occur as based on current levels of spending there should be no impact on the service. A residual budget of £8,000 has been retained compared to the spend of £5,774 in 2016/17.		

Where there is a likely <b>positive impact</b> , please explain how it will help to <b>fulfil our legislative duties</b> to:					
Remove discrimination & harassment		Promote equal opportunities		Encourage good relations	

### What further work / activity is needed as a result of this assessment?

Action	Responsible officer	How will this be delivered and monitored?	Deadline
None			

Approved by Strategic Leadership Team  
Date: TBC

<sup>1</sup>Although non-statutory, the council has chosen to implement the Socio-Economic Duty and so decision-makers should use their discretion to consider the impact on people with a socio-economic disadvantage.

## Brief Equality Impact Assessment

### For a minor operational change / review / simple analysis

What is being assessed?	<b>FS2: Additional Pay &amp; Display parking bays at Coreys Mill Lane</b>	What are the key aims of it?	To manage parking provision along Coreys Mill Lane.	
Who may be affected by it?	All members of the public			
Date of full EqlA on service area (planned or completed)	TBC			
Form completed by:	Zayd Al-Jawad	Start date	30 October 2017	End date
		Review date		

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What data / information are you using to inform your assessment?	EqlA for saving option S103 in January 2014.	Have any information gaps been identified along the way? If so, please specify	No
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Explain the <b>potential positive, negative or unequal impact</b> on the following characteristics and <b>how likely</b> this is:			
Age	None identified.	Race	None identified.
Disability	Blue Badge holders will be entitled to park for free in P&D bays and are also permitted to park on double yellow lines so will not be adversely affected by these proposals.	Religion or belief	N/A
Gender reassignment	N/A	Sex	N/A
Marriage or civil partnership	N/A	Sexual orientation	N/A
Pregnancy &	N/A	Socio-	11 respondents to a Café Choice survey in 2013 attended

maternity		economic <sup>2</sup>	<p>the hospital regularly and so would be impacted by the introduction of parking charges. A further four stated that 'money generally' was a concern for them.</p> <p>Charging for parking can be considered economically detrimental to those who are struggling financially but the charges would remain affordable in relation to those charged within the Lister Hospital car park and in relation to the overall cost of motoring.</p> <p>Pay and Display parking has been in place in the town centre for some years and this has not caused any equality challenges. There are strong bus links to Lister Hospital which may prove to be more cost-effective for people on lower incomes.</p>
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Where there is a likely <b>positive impact</b> , please explain how it will help to <b>fulfil our legislative duties</b> to:					
Remove discrimination & harassment	N/A	Promote equal opportunities	N/A	Encourage good relations	N/A

### What further work / activity is needed as a result of this assessment?

Action	Responsible officer	How will this be delivered and monitored?	Deadline

Approved by Strategic Leadership Team

Date: TBC

<sup>2</sup>Although non-statutory, the council has chosen to implement the Socio-Economic Duty and so decision-makers should use their discretion to consider the impact on people with a socio-economic disadvantage.

## Brief Equality Impact Assessment

### For a minor operational change / review / simple analysis

What is being assessed?	FS24: Proposed New Woodland Burial Service	What are the key aims of it?	To provide an alternative natural woodland burial service			
Who may be affected by it?	Visitors, Staff, Funeral Directors					
Date of full EqlA on service area (planned or completed)	October 2017					
Form completed by:	Kevin Basford / Paul Seaby / Claire Skeels	Start date	20 October 2017	End date	25 October 2017	
		Review date		April 2021		

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What data / information are you using to inform your assessment?	Main EqlA Site Inspection Proposal Plans Planning Guidance	Have any information gaps been identified along the way? If so, please specify	We have been asked by our planning consultation questions regarding the safe egress of mourners to the graveside. Subsequently, a temporary pathway is to be laid using chequered heavy duty re-usable panels to be removed as the woodland matures.
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Explain the <b>potential positive, negative or unequal impact</b> on the following characteristics and <b>how likely</b> this is:			
Age	positive	Race	positive
Disability	positive	Religion or belief	positive
Gender reassignment	positive	Sex	positive
Marriage or civil partnership	positive	Sexual orientation	positive
Pregnancy & maternity	positive	Socio-economic <sup>3</sup>	positive
Other	positive		

<sup>3</sup>Although non-statutory, the council has chosen to implement the Socio-Economic Duty and so decision-makers should use their discretion to consider the impact on people with a socio-economic disadvantage.



Where there is a likely <b>positive impact</b> , please explain how it will help to <b>fulfil our legislative duties</b> to:					
Remove discrimination & harassment	Any and all will be able to use and benefit from the woodland burial service if requested.	Promote equal opportunities	Any and all will be able to use and benefit from the woodland burial service if requested.	Encourage good relations	Any and all will be able to use and benefit from the woodland burial service if requested.

### What further work / activity is needed as a result of this assessment?

Action	Responsible officer	How will this be delivered and monitored?	Deadline
Purchase of temporary pathway matting	Claire Skeels / Cristian Pinta	Procured in accordance with SBC's policy	March 2018

Approved by Strategic Leadership Team

Date: TBC

## Brief Equality Impact Assessment

### For a minor operational change / review / simple analysis

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What is being assessed?	<b>HF42: Remove Death in Service benefit for ex-SHL staff</b>	What are the key aims of it?	When ex SHL transferred back to SBC the Death in Service was seen as a preserved right. The benefit for existing SBC staff was removed from 2010/11 onwards. The scheme costs £8.3K for those eligible staff. Death in service is a benefit for those staff in the pension scheme of 3xsalary. Of the 73 staff this applies to (out of 663 paid in September), currently 18 are not in the pension scheme.		
Who may be affected by it?	73 staff or 11% of workforce				
Date of full EqlA on service area (planned or completed)					
Form completed by:	Clare Fletcher Jackie Foglietta	Start date	20 October 2017	End date	
		Review date			

What data / information are you using to inform your assessment?	MALE	24	AGE	Number of staff	Have any information gaps been identified along the way? If so, please specify	No info is available for the 73 other than age, gender and grade.
	FEMALE	49	under 30	0		
			30-40	8		
			41-50	16		
			50-60	29		
			over 60	20		
			Total	73		
			Grade	Number of staff		
			1-3	16		
			4-6	46		
		7-9	7			
		10 and over	4			

Explain the <b>potential positive, negative or unequal impact</b> on the following characteristics and <b>how likely</b> this is:			
Age	27% of the staff affected are over 60 and none under 30. The whole group represents	Race	Not envisaged to have an unequal impact on race

	11% of the workforce, the remaining 89% does not have access to the benefit		
Disability	Not envisaged to have an unequal impact	Religion or belief	Not envisaged to have an unequal impact
Gender reassignment	Not envisaged to have an unequal impact	Sex	67% of the 73 staff are female, however the majority of SBC female staff do not have access to this benefit but do have access to the pension scheme.
Marriage or civil partnership	Not envisaged to have an unequal impact	Sexual orientation	Not envisaged to have an unequal impact
Pregnancy & maternity	Not envisaged to have an unequal impact	Socio-economic <sup>4</sup>	22% or 16 of the 73 staff are a grade 3 or below, however the wider SBC staff group do not have access to this benefit, but can access through the pension scheme.
Other			

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Where there is a likely <b>positive impact</b> , please explain how it will help to <b>fulfil our legislative duties</b> to:					
Remove discrimination & harassment	Not envisaged to have an unequal impact	Promote equal opportunities	Removing this benefit for a small number of staff is a more equitable position. Furthermore auto enrolment means all staff who meet the relevant criteria are entered into the pension scheme which has this benefit and pension contributions are based on the staff members pay.	Encourage good relations	

### What further work / activity is needed as a result of this assessment?

Action	Responsible officer	How will this be delivered and monitored?	Deadline

### Approved by Strategic Leadership Team

<sup>4</sup>Although non-statutory, the council has chosen to implement the Socio-Economic Duty and so decision-makers should use their discretion to consider the impact on people with a socio-economic disadvantage.



Date: TBC

## Brief Equality Impact Assessment

### For a minor operational change / review / simple analysis

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What is being assessed?	<b>Introduction of charge for support service in independent living/flexicare schemes for people who get a free service</b>		What are the key aims of it?	Introduction of a £2.00 charge for those 670 people in independent living/flexicare schemes that do not pay anything towards the cost of the 24 hour/7 day a week emergency response service via the alarm or providing the alarm equipment or the support service provided to them through the supported housing officer. This is due to the supporting people/housing related support grant legacy where no one in receipt of housing benefit or fairer charging paid for the service and also protected people from 2003 (19 people). The support service is not eligible for housing benefit, but this introductory charge of £2.00 is a move to make some charge for the service since the grant from HCC has been removed. This option has the support of the housing portfolio holder.		
Who may be affected by it?	Residents living in sheltered housing/flexicare schemes who currently don't pay for anything for the support service (those on housing benefit, fairer charging, protected due to supporting people implementation in 2003)					
Date of full EqIA on service area (planned or completed)		December 2018				
Form completed by:	Karen Long		Start date	Nov 17	End date	Jan 18
			Review date	Nov 18		

What data / information are you using to inform your assessment?	<ul style="list-style-type: none"> <li>• Data of those on full/partial housing, fairer charging or those that are protected due to supporting people implementation in 2003.</li> <li>• Age profile of sheltered/flexicare housing tenants</li> <li>• Scheme profile data</li> </ul>	Have any information gaps been identified along the way? If so, please specify	
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Explain the <b>potential positive, negative or unequal impact</b> on the following characteristics and <b>how likely</b> this is:			
Age	<p>Hertfordshire County Council are consulting with non-residential residents about charging for some of their community based adult social care services that they currently provide for free. This will impact on a lot of people over 60 in the independent living/flexicare schemes as they are more likely to be in receipt of some care due to their age/medical conditions. Charges will be effective from 15 April 2018. Level of charges unknown as people will need reassessing.</p> <p>Hertfordshire County Council funding for Flexicare housing related alarm contract ends in January 2018 and for support at the end of March 2018 which would mean more cost to Stevenage Borough Council which we may need to pass on to residents.</p>	Race, Religion or belief, Sex, Sexual orientation	Residents – no impact Staff – no impact
Disability, Gender reassignment, Marriage or civil partnership, Pregnancy & maternity	Residents – no impact Staff – no impact	Socio-economic <sup>5</sup>	Any increase/ new charges in future years need to be affordable and considered in conjunction with other changes in charges. Support charge is not eligible for housing benefit and could have a negative impact for those on lower incomes.
Other	Government proposals for supported housing funding through 'sheltered rent' to be implemented in 2020. The details are still being worked on and are out for consultation until Jan 2018		

<sup>5</sup>Although non-statutory, the council has chosen to implement the Socio-Economic Duty and so decision-makers should use their discretion to consider the impact on people with a socio-economic disadvantage.

Where there is a likely <b>positive impact</b> , please explain how it will help to <b>fulfil our legislative duties</b> to:					
Remove discrimination & harassment		Promote equal opportunities	The government proposals for Supported Housing funding would mean that long-term supported housing will remain funded via the welfare system and will ensure the best outcomes for tenants and manage costs.	Encourage good relations	

### What further work / activity is needed as a result of this assessment?

Action	Responsible officer	How will this be delivered and monitored?	Deadline
Complete a full EqlA to further assess impact	Karen Long	This will be completed as part of the review of service charges for 2019 and reviewed after the outcome of the government proposals and HCC proposals.	Dec 2018

Approved by Strategic Leadership Team  
Date: TBC

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# Full Equality Impact Assessment APPENIDX H STAFF EQIA

## For a policy, project, service or other decision that is new, changing or under review

What is being assessed?			Impact of FINANCIAL SECURITY OPTIONS (2018/19) on the workforce profile		
Lead Assessor	Interim Senior HR & OD Manager			Assessment team	Jackie Foglietta Sue Vanneck
Start date	November 2017	End date	March 2019		
When will the EqIA be reviewed?		Ongoing as Business Unit reviews progress through implementation.			

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Who may be affected by it?	Early indications from the proposals for the Budget 2018/19 are that there are likely to be posts deleted, and potentially resultant redundancies, arising from the restructuring of services through Business Unit reviews, which will affect all staff. Whilst redundancies are likely to be offset by the creation of new posts, the situation requires ongoing monitoring as the detail of Business Unit review proposals are further developed and we will continue to consider the impact on the equality profile of and diversity within the workforce throughout implementation.
What are the key aims of it?	<p>The purpose of this EqIA is to identify any impact on the workforce profile of the proposed 2018/19 financial security options, specifically in relation to the implementation of Business Unit reviews. As it is anticipated the reviews will affect the whole workforce over time there is no specific group identified which could be particularly impacted, either positively or negatively.</p> <p>Business Unit reviews are designed to create the corporate capacity and working environment necessary to successfully deliver the Future Town Future Council corporate plan and will enable the Council to embed the principles of the Target Operating Model agreed through the 2016 Senior Management Review.</p> <p>Whilst the initial implementation of the reviews will focus on the 4<sup>th</sup> tier management level, all staff will potentially be affected as review proposals are fully implemented throughout 2018/19. Each Business Unit review will include consideration of equality issues as relevant to the group(s) of staff affected.</p> <p>The Council values diversity in its workforce. We recognise that the composition, skills, understanding</p>

	<p>and commitment of our workforce adds to our ability to deliver responsive, personalised services to our equally diverse community.</p> <p>There are policies in place to support staff through periods of reorganisation, including Redundancy and Redeployment. These ensure there are clear procedures in place for staff impacted by reorganisations/restructures that are applied consistently across the Council. Each of these policies has had an EqIA.</p> <p>The Council is committed to supporting all staff affected by change, in the first instance through their line managers and HR&amp;OD as well as their Trade Union (if they are a member). In addition, support is available to staff in the form of our Employee Assistance Programme (Optum) as well as outplacement support for any staff impacted by redundancy.</p>
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What <b>positive measures</b> are in place (if any) to help <b>fulfil our legislative duties</b> to:					
Remove discrimination & harassment	<p>A Redundancy Policy –to ensure fair and non-discriminatory selection methods.</p> <p>A Redeployment Policy to ensure there is a streamlined procedure for identifying suitable alternative employment wherever possible.</p>	Promote equal opportunities	Redeployment opportunities are considered for all staff at risk of redundancy.	Encourage good relations	Consultation with Trade Unions and staff on the proposals.

What sources of data / information are you using to inform your assessment?	<p>Workforce profile data (correct as at November 2017), broken down by protected characteristics including: age, gender, religion, and full time/part time working, ethnicity, disability, sexual orientation and pay grade.</p> <p>Where possible and appropriate, comparisons of the workforce profile are made with the make-up of the local community (Census 2011).</p> <p>Profile data for staff potentially at risk of redundancy, (note this information will be identified as Business Unit review proposals are further developed).</p> <p>NB: Where there are less than 10 individuals per protected characteristic, the numbers will be starred out, to protect individual's personal information.</p>
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In assessing the potential impact on people, are there any overall comments that you would like to make?	This will be a working document that will need to be reviewed at regular intervals to consider the impact of the proposed changes as more information becomes available.
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## Evidence and impact assessment

Explain the potential impact and opportunities it could have for people in terms of the following characteristics, where applicable:

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Age					
Positive impact	In line with our policies we will aim to redeploy staff wherever possible to retain skills and experience	Negative impact	There is potential to lose older employees as redundancy pay increases with length of service		Unequal impact
Please evidence the data and information you used to support this assessment					
		SBC Headcount	SBC Percentage	% of profile at risk	% of Stevenage Community
	Under 25 (16-24)	34	5.62	*	12.35
	25-29	41	6.78	*	7.31
	30-34	72	11.90	*	20.84
	35-39	52	8.60	*	
	40-44	51	8.43	*	
	45-49	86	14.21	*	21.13
	50-54	101	16.69	*	
	55-59	93	15.37	*	
	60-64	61	10.08	*	4.84
	65 and over	14	2.31	*	15.15
	Total	605	100.00		
	The table reflects that Stevenage Borough Council has a higher representation across the age ranges between 25-44 and 45-59 when compared with the local community. However, Stevenage Borough Council				

	<p>has a lower representation in the age ranges 16-24 and “65 and over” when compared with the local community, (although it should be noted that the local community “under 25” figure covers the age range 15-24.</p> <p>Comparisons for 16-25s can be misleading as many residents in this age range seek education and training as well as employment.</p> <p>With regards to the age range 65+, comparisons for 65 and over can be misleading as health factors attributed to age may impact on a person’s ability to work. Many people may also not want to work as they get older. To provide a point of comparison, in the East of England between September and November 2013, 12.2% of people over 65 were in employment (Office for National Statistics).</p> <p>In terms of staff potentially affected by the proposals, it is not yet possible to determine whether the proposals will have any significantly impact.</p>		
What opportunities are there to promote equality and inclusion?	We will look to retain employees in line with the Redeployment Policy wherever it is possible to identify suitable alternative employment.	What do you still need to find out? Include in actions (last page)	We need to continue to keep the potential impact under review, as further detail is known.

Disability					
e.g. physical impairment, mental ill health, learning difficulties, long-standing illness					
Positive impact	We will consider and make reasonable adjustments to support disabled staff with both selection processes and appointment into available suitable alternative employment opportunities.	Negative impact		Unequal impact	
Please evidence the data and					
		SBC Headcount	SBC Percentage		

information you used to support this assessment				% Profile of staff at risk	
	No	530	87.60	*	
	Not stated	33	5.45	*	
	Prefer not to say	8	1.32	*	
	Yes	34	5.62	*	
	Total	605	100.00		
	As demonstrated in the table, there is not yet sufficient information to determine whether employees who have self-declared themselves as disabled are going to be disproportionately impacted by the proposals.				
In comparison with the local community, 7.5% of residents (aged 16-64) have declared themselves as having a disability.					
What opportunities are there to promote equality and inclusion?	It may be possible to work with specialist organisations to assist with identifying and funding appropriate reasonable adjustments (such as Access to Work).		What do you still need to find out? Include in actions (last page)	We need to continue to keep the potential impact under review, as further detail is known.	

## Gender reassignment

Positive impact	n/a	Negative impact	n/a	Unequal impact	n/a
Please evidence the data and information you used to support this assessment			Headcount	SBC Percentage	% Profile at risk
		Man	255	42.15	*
		Prefer not to say	28	4.63	*
		Woman	322	53.22	*
		Total	602	100.00	
As demonstrated in the table, it is not yet possible to determine whether there would be any disproportionate impact.					
What opportunities are there to promote equality and inclusion?				What do you still need to find out? Include in actions (last page)	

## Marriage or civil partnership

Positive impact	n/a	Negative impact	n/a	Unequal impact	n/a
Please evidence the data and information you used to support this assessment			Headcount	SBC Percentage	% Profile at risk
		Civil Partnership	4	0.66	*
		Divorced	19	3.14	*
		Living with Partner	35	5.79	*
		Married	303	50.08	*
		Not Stated	56	9.26	*
		Prefer not to say	5	0.83	*
		Separated	8	1.32	*
		Single	171	28.26	*
		Widowed	4	0.66	*
		Total	605	100.00	
		As demonstrated in the table, it is not yet possible to determine whether there would be any disproportionate impact.			
What opportunities are there to promote equality and inclusion?				What do you still need to find out? Include in actions (last page)	

Pregnancy & Maternity					
Positive impact	The Redeployment Policy provides priority status to employees who are on a period of maternity/adoption leave if their post is being made redundant. Pregnancy related absence will not form any part of redundancy selection criteria		Negative impact		Unequal impact
Please evidence the data and information you used to support this assessment		There are employees within the Council workforce who are pregnant or on a period of maternity/adoption leave; however it is not yet possible to determine whether they will be impacted by the proposals and this will be kept under review as implementation progresses.			
What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)	We need to continue to keep the potential impact of the proposals under review, as further detail is known and consider whether there are any pregnancy or maternity/adoption leave considerations.		

Race					
Positive impact	A Recruitment & Selection Policy is in place, to promote equality.	Negative impact	n/a	Unequal impact	n/a
Please evidence the data and information you used to support this assessment					
		Headcount	SBC Percentage	% Profile at risk	
	BME	47	7.77	*	
	Not stated	61	10.08	*	
	Other Background	29	4.79	*	
	Prefer not to say	5	0.83	*	
	White - British	463	76.53	*	
	Total	605	100		

	Stevenage Borough Council has a combined representation of people from a BME or other background of 12.56%, which is lower than the representation among the population of Stevenage at 16.9% (Census 2011).		
What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)	We need to consider how the proposals may impact upon this profile, once further detail is known.

Religion or belief					
Positive impact	n/a	Negative impact	n/a	Unequal impact	n/a
Please evidence the data and information you used to support this assessment					
The religion/belief of Stevenage Borough Council employees is broadly comparable to that of the Stevenage population.					
What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)		We need to consider how the proposals may impact upon this profile, once further detail is known.	



## Sex

Positive impact	In line with our policies we will aim to redeploy staff wherever possible to retain skills and experience regardless of sex.	Negative impact	n/a	Unequal impact	n/a															
Please evidence the data and information you used to support this assessment																				
<table><tr><td></td><td>SBC Headcount</td><td>SBC Percentage</td><td>% of profile at risk</td></tr><tr><td>Female</td><td>333</td><td>55.04</td><td>*</td></tr><tr><td>Male</td><td>272</td><td>44.96</td><td>*</td></tr><tr><td>Total</td><td>605</td><td>100.00</td><td></td></tr></table>						SBC Headcount	SBC Percentage	% of profile at risk	Female	333	55.04	*	Male	272	44.96	*	Total	605	100.00	
	SBC Headcount	SBC Percentage	% of profile at risk																	
Female	333	55.04	*																	
Male	272	44.96	*																	
Total	605	100.00																		
Stevenage Borough Council currently has a slightly larger percentage of female employees and this is reflective of the Stevenage local community profile (ONS mid-2016 estimates: 49.30% residents male and 50.70% of residents female).																				
What opportunities are there to promote equality and inclusion?			What do you still need to find out? Include in actions (last page)	We need to consider how the proposals may impact upon this profile, once further detail is known.																

## Sexual orientation

e.g. straight, lesbian / gay, bisexual

Positive impact	In line with our policies we will aim to redeploy staff wherever possible to retain skills and experience regardless of sexual orientation.	Negative impact	n/a	Unequal impact	n/a
Please evidence the data and information you					
		SBC Headcount	SBC Percentage	% of Profile	

used to support this assessment				at risk	
	Bisexual	4	0.66	*	
	Gay Man	3	0.50	*	
	Heterosexual	499	82.48	*	
	Lesbian	2	0.33	*	
	Not Stated	83	13.72	*	
	Prefer not to say	14	2.31	*	
	Total	605	100.00		
<p>Due to the small numbers in each of the categories it is not possible to fully assess the potential impact of the proposals. This will be kept under review as the proposals develop.</p> <p>No data was gathered in the Census 2011 about the local community's sexual orientation.</p>					
What opportunities are there to promote equality and inclusion?			What do you still need to find out? Include in actions (last page)	We need to consider how the proposals may impact upon this profile, once further detail is known.	

Socio-economic <sup>1</sup>					
e.g. low income, unemployed, homelessness, caring responsibilities, access to internet, public transport users					
Positive impact	Stevenage Borough Council is a Living Wage Employer. Redundancy pay is based on contractual pay and exceeds the statutory minimum.	Negative impact	n/a	Unequal impact	n/a
Please evidence the data and information you used to support					
		SBC Headcount	SBC Percentage	% of Profile at risk	
	Apprentice/Graduate	14	2.31	*	
	Grade 1	27	4.46	*	

<sup>1</sup>Although non-statutory, the council has chosen to implement the Socio-Economic Duty and so decision-makers should use their discretion to consider the impact on people with a socio-economic disadvantage.

this assessment	Grade 2	59	9.75	*
	Grade 3	103	17.02	*
	Grade 4	87	14.38	*
	Grade 5	70	11.57	*
	Grade 6	96	15.87	*
	Grade 7	42	6.94	*
	Grade 8	28	4.63	*
	Grade 9	13	2.15	*
	Grade 10	25	4.13	*
	Grade 11	13	2.15	*
	Grade 12	17	2.81	*
	Chief Officer	11	1.82	*
	Total	605	100.00	
	Due to the small numbers in each of the categories it is not possible to fully assess the potential impact of the proposals. This will be kept under review as the proposals develop.			

What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)	We need to consider how the proposals may impact upon this profile, once further detail is known.
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Other					
please feel free to consider the potential impact on people in any other contexts					
Positive impact	n/a	Negative impact	n/a	Unequal impact	n/a
Please evidence the data and information you used to support this assessment		No other impacts are anticipated.			
What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)			

## What are the findings of any consultation with?

All figures quoted are rounded to two decimal places

Staff?	Business Unit review proposals will be subject to consultation with staff and Trade Unions in accordance with statutory requirements.	Residents?	N/A
Voluntary & community sector?	N/A	Partners?	N/A
Other stakeholders?	N/A		

## Overall conclusion & future activity

Explain the <b>overall findings</b> of the assessment and <b>reasons for outcome (please choose one)</b> :		
1. No inequality, inclusion issues or opportunities to further improve have been identified		
Negative / unequal impact, barriers to inclusion or improvement opportunities identified	2a. Adjustments made	
	2b. Continue as planned	We will continue to adhere to Redundancy and Redeployment Policies to ensure consistency, fairness and transparency and we will work with partners to ensure reasonable adjustments are in place for disabled employees.
	2c. Stop and remove	

Detail the <b>actions that are needed</b> as a result of this assessment and how they will help to <b>remove discrimination &amp; harassment, promote equal opportunities</b> and / or <b>encourage good relations</b> :				
Action	Will this help to remove, promote and / or encourage?	Responsible officer	Deadline	How will this be embedded as business as usual?
Ongoing review as further detail becomes available.	All	SLT/HR&OD	Ongoing	Will be built into consultation process
Explore opportunities to work with other organisations and charities to assist in identifying and implementing reasonable adjustments for disabled staff.	Remove and promote	HR&OD	Ongoing	Will form part of individual consultation meeting discussions
Consider whether any proposed redundancies include staff affected by pregnancy or maternity leave.	Remove and promote	SLT/HR&OD	Ongoing	Will form part of individual consultation meeting discussions
Continue to monitor the profile of the workforce through the production of regular workforce information.	Remove and promote	HR&OD/SLT	Ongoing	As part of routine workforce profile reporting arrangements



**Approved by Strategic Director:**  
**Date:**

Part I – Release to Press



**Meeting** EXECUTIVE  
**Portfolio Area** Resources  
**Date** 23 JANUARY 2018



## DRAFT CAPITAL STRATEGY 2017/18-2022/23

### KEY DECISION

**Authors** Clare Fletcher x 2933  
**Lead Officers** Clare Fletcher x 2933  
**Contact Officer** Clare Fletcher x 2933

### 1. PURPOSE

- 1.1 To approve revisions to the 2017/18 General Fund and Housing Revenue Account Capital Programme and approve the draft Capital Programme for 2018/19 for consideration by the Overview & Scrutiny Committee.
- 1.2 To provide Members with an update on the Council's draft 5 Year Capital Strategy and the resources available to fund the Capital Strategy.
- 1.3 To provide Members with an update on recent government consultation on prudential borrowing and Minimum Revenue Payments (MRP).
- 1.4 To set out the Council's approach to funding its key Future Council priorities.
- 1.5 To update Members on the work of the Leader's Financial Security Group (LFSG) in reviewing all General Fund capital bids prior to inclusion in the draft 2018/19 onwards Capital Strategy.

### 2. RECOMMENDATIONS

- 2.1 That the revised General Fund and HRA 2017/18 capital programme, as detailed in Appendix A and Appendix B to the report be approved.
- 2.2 That the draft 2018/19 General Fund Capital Programme as detailed in Appendix A to the report be approved for consideration by the Overview and Scrutiny Committee.

- 2.3 That the draft 2018/19 HRA Capital Programme as detailed in Appendix B to the report be approved for consideration by the Overview and Scrutiny Committee.
- 2.4 That the updated forecast of resources as summarised in Appendix A (General Fund) and Appendix B (HRA) to the report be approved.
- 2.5 That the Government's potential changes to prudential borrowing and MRP as outlined in paragraph 3.21-3.26 of the report be noted.
- 2.6 That the approach to resourcing the General Fund capital programme as outlined in paragraph 4.3.6 and 4.3.11 of the report be approved.
- 2.7 That the growth bids identified for inclusion in the Capital Strategy (Appendix C to the report) be approved.
- 2.8 That the 2018/19 de-minimis expenditure limit (section 4.7 of the report) be approved for consideration by the Overview and Scrutiny Committee.
- 2.9 That the 2018/19 contingency allowance (section 4.8 of the report) be approved for consideration by the Overview and Scrutiny Committee
- 2.10 That the work undertaken by LFSG on behalf of the Executive in reviewing and challenging the General Fund Capital Strategy be noted.

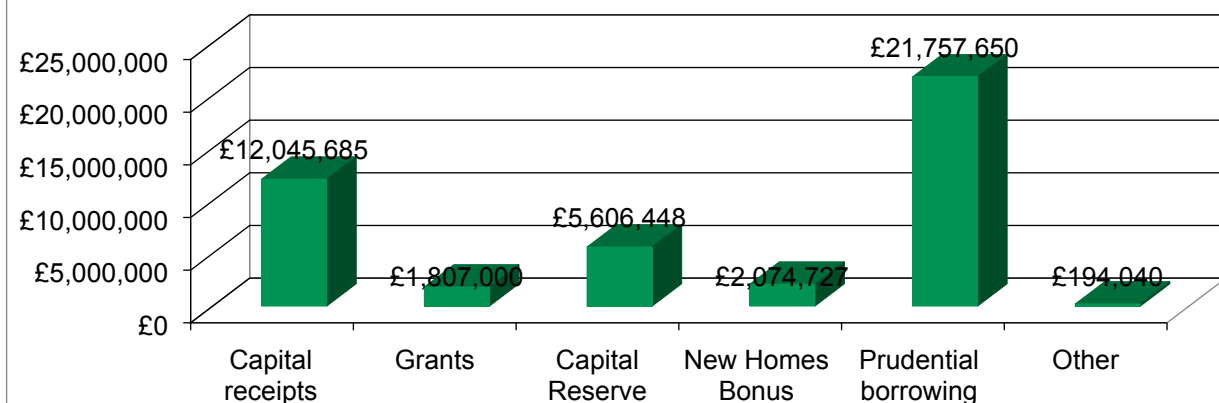
### **3. BACKGROUND**

- 3.1 **General Fund** – Over the last five years the General Fund capital programme has been financially constrained, as the existing capital programme and additional bids for capital expenditure have been in excess of the projected resources available. These works have been, in the main, to keep existing assets operational (without improvement) and the replacement of vehicles over an extended life cycle of seven years. The outcomes of the programme has meant not developing assets to future proof them, nor providing new assets.
- 3.2 This approach has generally meant that only high priority works have been approved e.g. when boilers or roofs have had to be replaced to avoid closure of a building. This has been a necessity rather than a 'whole place' approach due to funding constraints and hasn't allowed for the future needs of assets and users.
- 3.3 Since 2015/16 capital schemes have been rebid for based on a set of criteria, in an attempt to ensure scarce resources are targeted, which has been updated to reflect the Future Town Future Council (FTFC) corporate priorities, as set out below;
- Category 1 : FTFC
  - Category 2 : Income generating asset schemes (Financial Security)
  - Category 3 : Mandatory requirements
  - Category 4 : Schemes to maintain operational effectiveness
  - Category 5 : Match funding schemes



- 3.4 In addition prudential borrowing would only 'normally' be used to support category 2 schemes (Income generating asset schemes -Financial Security), with capital receipt, external grants and a new revenue reserve for capital being used to fund the other categories. The following principles have been applied to new bids:
- Assets due for regeneration should have only essential or health and safety growth bids.
  - Re-profile spend to later years if reviews of the service are due.
  - Include only the initial works to schemes until the business case is proven.
- 3.5 However, over the last two years there has been a change in the approach to capital works and the council's assets, (from that outlined in paragraph 3.1). This was partly triggered by the ward Members' walk about with senior officers, which culminated in the introduction of the Co-operative Neighbourhood Management programme, (a 'Future Town Future Council' (FTFC) priority). This was implemented to improve the 'whole place' by improving assets within an area and subsequently a number of significant programmes have been approved. These include the garage improvement programme (July 2016, £9.24Million) and the playground improvement programme (February 2017 £1.489Million).
- 3.6 In addition the Council has started to redevelop existing assets to deliver on regeneration and housing delivery priorities. The Archer Road redevelopment looked at placement of assets, housing need and re-provision of neighbourhood facilities.
- 3.7 To deliver a sustainable approach to maintaining the 'whole place' and the portfolio of assets for the future, schemes such as the playground improvement programme have sought to look at what facilities should be provided within Stevenage, based on mapping of need/location. Although some play sites were rationalised, a more imaginative approach has been taken to decommissioned sites which has/will allow significant improvements to a smaller number of play areas, while ensuring decommissioned sites are appropriately landscaped.
- 3.8 This type of approach has been used in the garage programme with works being partly funded from disposing of some sites for other uses, e.g. residential.
- 3.9 However, the Council does need an overarching strategy on how to manage its assets and this is key when considering the outcomes achieved from investment. To determine whether this delivers value for money or whether a better outcome can be gained from redevelopment or revised provision. The Council's Asset Management Plan to the February Executive will set out a recommended approach to the Council's assets.
- 3.10 The existing approved capital programme (approved February 2017 and as amended by quarterly monitoring and supplementary reports) is fully funded and shown in the following chart.

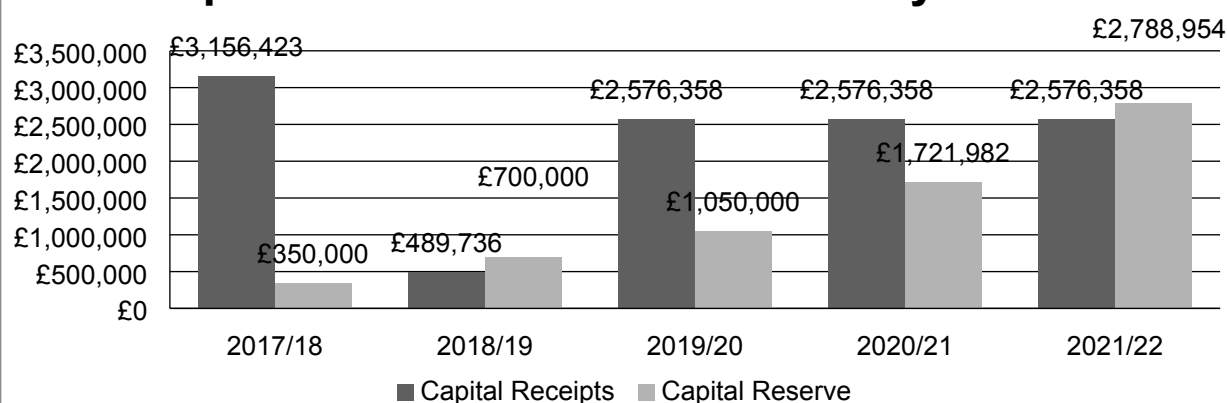
## Resources (2nd Quarter Capital Report 2017/18)



\*Prudential borrowing includes £15Million for commercial property acquisition

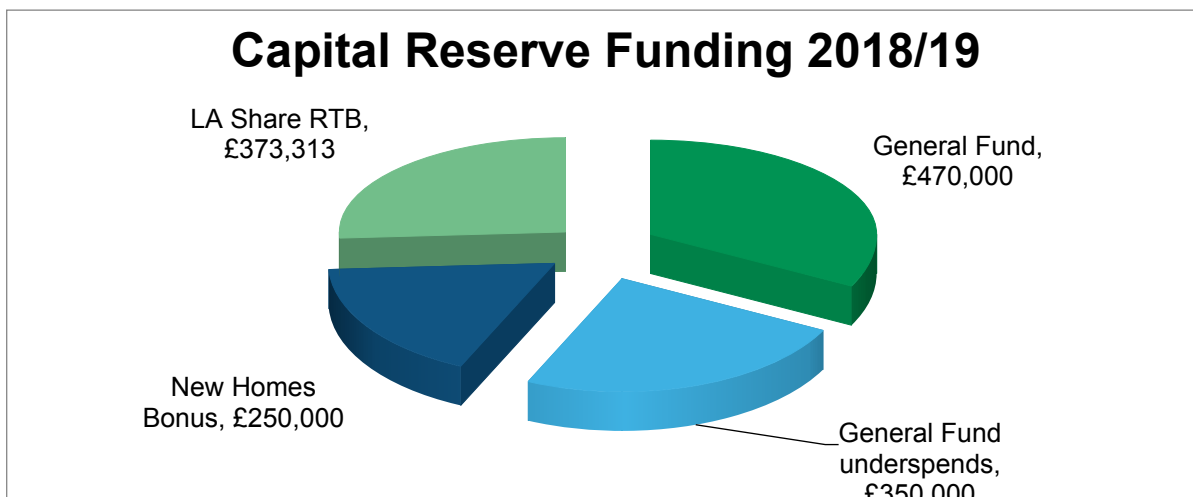
3.11 The level of resources available is also summarised in the chart below.

## Capital Resources unallocated at year end



3.12 The level of capital receipts shown in the chart above remains static from 2019/20 onwards, (£2.58Million) as the current programme does not need to use them. However, there are no new disposal receipts identified after 2019/20 and when future years' capital need are identified, will put more demand on revenue resources and borrowing, if new disposal sites are not identified.

3.13 The other main source of funding, the Capital Reserve, will receive a 2018/19 budgeted £470,000 contribution from the General Fund with potentially up to £350,000 underspends, (identified at year end), giving a General Fund maximum contribution of £820,000 (represents 1.16% of gross General Fund expenditure ) per year. New Homes Bonus contributes £250,000 and £373,313 (2018/19) from the Local Authority Share of right to buy receipts as shown in the following chart.



- 3.14 The existing General Fund programme does not include any financials for SBC funding any town centre regeneration (SG1), although the Council has invested already in public realm works and there is some third part funding from the Local Enterprise Board (LEP) in the proposed draft Capital Strategy.
- 3.15 Officers will be presenting a report to the January Executive recommending the preferred developer to deliver the first phase of regeneration in the town centre (SG1). SG1 will be one of the biggest regeneration schemes in the East of England and is the Council's top priority and this is also echoed by the 2017 resident's survey. To ensure the deliverability and success of this scheme it is inevitable that the Council will need to invest resources during the period of development and the Council will need to build up capital reserves, earmark capital receipts and revenue resources to do this.
- 3.16 SG1 is the starting point for regeneration mainly due to the large amount of public sector land holdings, but as part of the wider regeneration of the town, the Council has ambitions to upgrade its leisure facilities which again will require the Council to identify a level of resources to deliver this.
- 3.17 The changing approach to place shaping and ambitions around medium and longer term regeneration and housing development will mean prioritising resources to this end, ensuring that the use and development of assets must be financially sustainable. This may involve consolidation of assets by location, divesting poor condition/high cost assets, development resourced by residential outcomes, identification of more land and some prudential borrowing.
- 3.18 The Council has ambitions to deliver generational change in Stevenage while at the same time managing diminishing resources for both its General Fund and HRA, as government funding is withdrawn and legislative changes impact on income.
- 3.19 To determine the medium term spending priorities, the Leader's Financial Security Group (LFSG) met in November and December to review all General Fund capital bids (2018/19 onwards) and made a number of recommendations and these are contained within this report and summarised in Appendix C.

- 3.20 **HRA** -The HRA capital programme was revised in September 2017 as part of the 30 Year Business Plan. The 30 year HRA capital programme totalled £1,155Million with an identified funding shortfall of £26Million. The 2018/19 programme does not include any higher value voids levy as set out in the Final HRA rent setting and budget report to this meeting.
- 3.21 **Consultation**- The Government has recently closed consultation on the use of prudential borrowing for purely commercial reasons, maximum MRP periods (50 years freehold, all other assets 40 years) and new disclosures required in the Capital Strategy. The government has recommended these changes be introduced from 2018/19. Consultation closed on the 22 December and the Assistant Director (Finance and Estates) responded to the consultation.
- 3.22 Under the proposed new guidance local authorities would not be able to borrow to invest for purely yield bearing opportunities, e.g. commercial property purchased to generate an income stream. This would become classified as ‘borrowing in advance of need’. Under the current (2010) guidance it is clear that “borrowing in advance of need” relates solely to financial investments and financial instruments, whereas investments such as commercial property are capital expenditure as they involve the acquisition of a physical asset and as such are eligible for funding from borrowing. The council has approved a £15Million commercial property investment in July 2017, funded from prudential borrowing.
- 3.23 The LGA response to the consultation points out that local authorities have invested in property in different ways for many years; if this is to be restricted it could have a major impact on councils’ ability to fund and deliver services to their residents. Furthermore, the LGA has stated that, if this change does go ahead and is applied retrospectively, forcing councils to divest themselves of existing investments, the financial costs and potential losses could be disastrous for some councils. The LGA says ‘we oppose any restriction that will reduce funding for councils to benefit their local areas and under no circumstances should this be applied retrospectively’. This is also the view of the Assistant Director (Finance and Estates).
- 3.24 The consultation guidance tries to distinguish between “core” and “non-core” investments, requiring council’s to disclose the contribution from these “non-core” assets. Councils have held property investments for many years, with the income forming an integral part of the budget, (e.g. rental from property holdings in town and city centres). It will be difficult to define what is “core” and “non-core” in a meaningful way.
- 3.25 The Government’s view is that it doesn’t want to restrict opportunities for local authorities to use commercial structures to kick start local economic regeneration to deliver services more effectively. However, the prime duty of a local authority is to provide services to local residents, not to take on disproportionate levels of financial risk by undertaking speculative investments, especially where that is funded by additional borrowing. Stevenage Borough Council has always taken a very cautious view of prudential borrowing as set out in this report. The majority of the Council’s borrowing has been as a result of the HRA self-financing deal in 2012.

- 3.26 The Council's report recommending the acquisition of £15Million in commercial property, (while generating a minimum net return of £200,000 per year), was "to support the Council's ambition for Stevenage and town centre regeneration by investing in the town to help create a vibrant town centre and by so doing, help create renewed confidence and a positive message to other investors, and also to enable the Council to be more financially resilient by delivering on our Financial Security aims".
- 3.27 The approval for capital budgets is set out in the Budget and Policy Framework Procedure Rules in the Constitution, which prescribes the Budget setting process. This includes a consultation period. The timescale required to implement this process is outlined below:

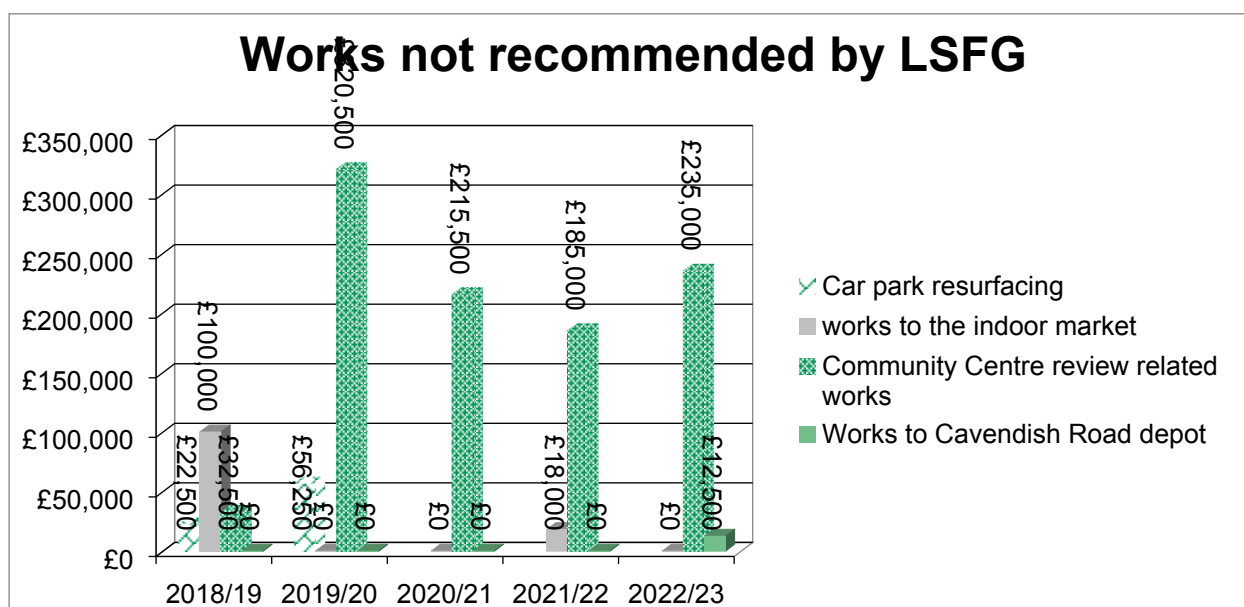
Date	Meeting	Report
Jan-18	Executive	Draft 2018/19 General Fund and HRA Capital Strategy
	Overview and Scrutiny	Draft 2018/19 General Fund and HRA Capital Strategy
Feb-18	Executive	Final 2018/19 General Fund and HRA Capital Strategy
	Overview and Scrutiny	Final 2018/19 General Fund and HRA Capital Strategy
	Council	Final 2018/19 General Fund and HRA Capital Strategy

#### 4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

##### 4.1 Capital Programme – 2018/19 General Fund

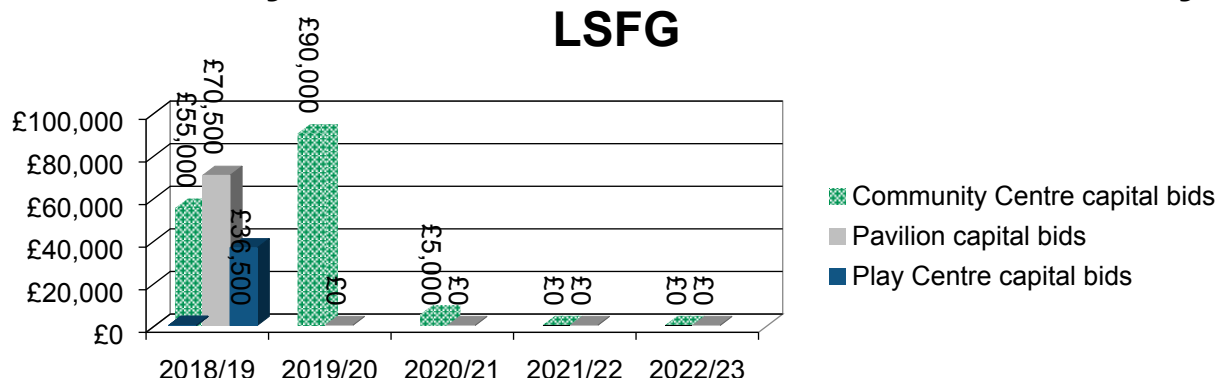
- 4.1.1 As in previous years the capital programme has been zero based so that Members can consider the on-going relevance of schemes in the programme and manage scarce resources. There were a few exceptions to this which were:
- Schemes with previous specific approvals, e.g. garage programme, playground improvements and ICT digital strategy.
  - Vehicles which are on a seven year replacement programme (the programme has been reviewed but did not require bids to be submitted).
  - Works required to the Town Square assets (funded from allocated reserves).
  - Works which had commenced in 2017/18 and where part of the spend is due in 2018/19.
- 4.1.2 Officers were required to submit capital bids with supporting rationale, these are summarised in Appendix C to this report. The bids were reviewed by the Assets and Capital Board (officer group), before being considered by the Leader's Financial Security Group (LFSG).

- 4.1.3 Capital bids were assessed based on the principles set out in paragraph 3.3-3.4, with a new principle recommended by the Assistant Director (Housing Development) as part of the emerging work on community centres. This was that if works were more than £200,000 for any community centre or pavilion, a review of the asset should be completed, prior to any monies being spent. This would mean that only urgent health and safety works should be completed in the interim. In addition, officers are finalising the Asset Management Strategy (see also paragraph 4.3.5), to be presented to the February Executive which will set out a recommended approach on how to review and manage the council's assets.
- 4.1.4 The LFSG reviewed all the capital bids and scored all options between zero (not supported at all) up to three (strongly supported). All scores were averaged and scores of two or more were considered as supported by the group and are recommended to the Executive for inclusion in the Capital Strategy.
- 4.1.5 There were some options that were not supported or required further reviews of assets prior to their inclusion in the programme. These options are included in Appendix C and summarised below.



- 4.1.6 Capital bids totalling £1.197Million were not recommended and £988,500 related to the review of community centres principle as outlined in paragraph 4.1.3.
- 4.1.7 The Capital Strategy does include some works to community centres, which were challenged by LFSG, who asked officers to reconsider the options proposed and only include capital bids for 2018/19 which are health and safety related or would result in loss of use of the building. Consideration was also given to re-using components if sites were subsequently redeveloped, e.g. the reuse of heaters. A summary of these costs included in the Strategy are shown in the following chart.

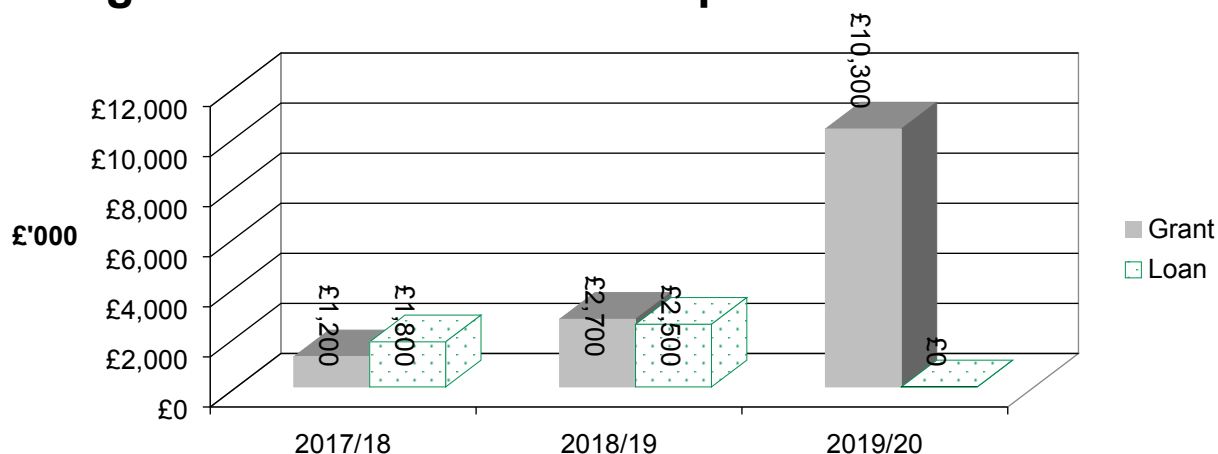
## Community Review related works recommended by LSFG



4.1.8 The 2017/18 capital programme includes a sum of £441,040 for deferred works, which is not currently projected to be spent in 2017/18. This budget will remain in the Capital Strategy and will be sufficient to fund 100% of the 2018/19 bids not recommended for approval should they be required. The impact on the Strategy in future years will be considered once reviews have been completed, the 2018/19 stock conditions survey results are known and the Asset Management Strategy has been approved.

4.1.9 The Capital Strategy (Appendix A) now includes some town centre regeneration related capital bids which are anticipated to be funded by the Local Enterprise Board (LEP) as part of the growth deal funding. The amounts included in the programme are summarised in the chart below.

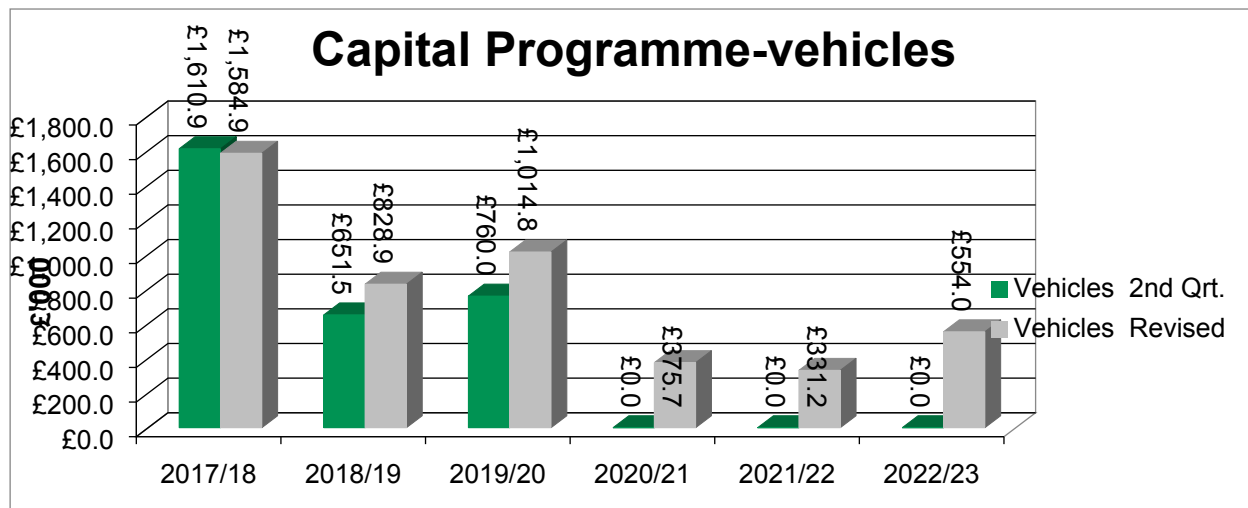
## Regeneration LEP funded expenditure £18.5Million



4.1.10 The LEP funding relates to 'growth deal one' monies (GD1) which has been secured, £7.5Million. The LEP Board have earmarked further funding under 'growth deal 3' for Stevenage, and the LEP are in discussions with central government regarding release of this funding. There may be a risk to spending before the monies are released and the Assistant Director (Regeneration) will be liaising closely with the LEP on this matter.

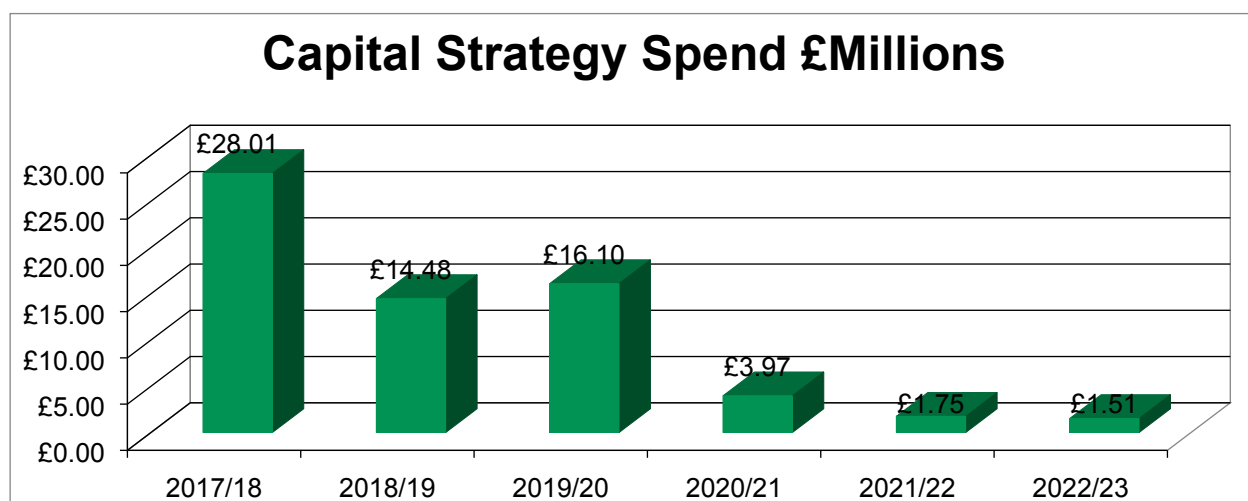
4.1.11 Some of the LEP funding will be paid in the form of a loan and will be required to be repaid in the future, this will need to be funded from either additional receipts or residual land values realised from regeneration.

4.1.12 Vehicle fleet and plant requirements have been reviewed based on current condition and need by the new Assistant Director (Stevenage Direct Services). The existing capital programme did not include replacements beyond 2019/20 and only totalled £3.022Million. The programme has now been updated and the capital requirement for the period 2017/18 to 2022/23 is estimated to be £4.689Million, which includes an increase of £177,360 in 2018/19.



4.1.13 The ICT programme is based on the previous approved budgets up to and including 2018/19. For future years a sum of £300,000 has been included annually, match funding the amount the Council's shared ICT partner, East Herts. Future ICT requirements will be reassessed as part of the business unit reviews and by the new ICT Manager post holder (which was approved in the ICT Improvement plan to the November Executive and included in the BUR growth bids in the General Fund and HRA 2018/19 budgets).

4.1.14 The capital programme recommended for 2017/18-2021/23 totals £65.8Million and is detailed in Appendix A and summarised below.



4.1.15 The chart above shows that the programme has significant spend in the first three years of the programme and that there is a likelihood the capital programme is not fully identified for 2020/21 onwards. The asset stock



condition surveys to be completed in 2018/19 and the Asset Management Strategy should help to inform the level of required expenditure.

- 4.1.16 It is also likely that capital bids for funding ambitions as outlined in section 3 of the report i.e. regeneration will be needed to meet the Council's ambitions and will require prioritising limited capital resources available or adopting new funding solutions as outlined in paragraph 3.17.

## 4.2 Capital Programme – 2017/18 General Fund

- 4.2.1 The 2017/18 programme has been reviewed and updated and the changes are summarised in the following table.

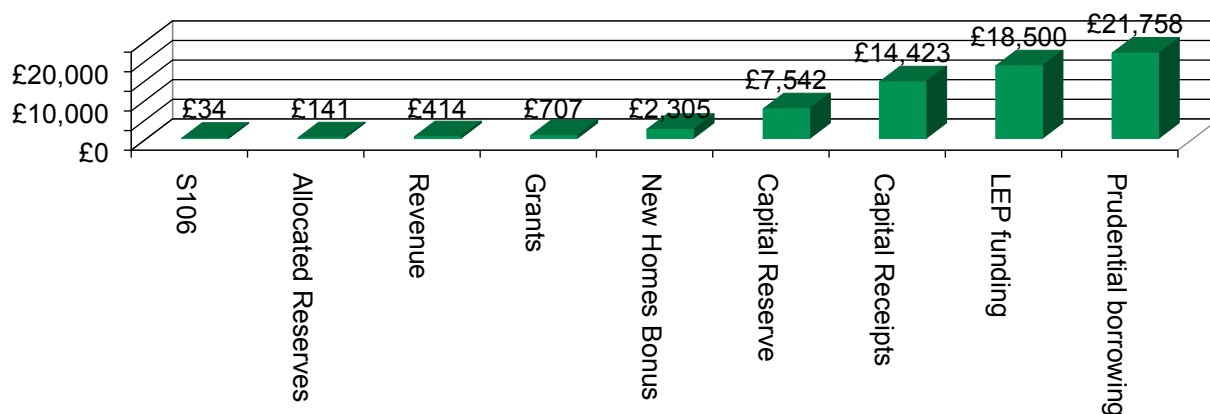
Summary of General Fund Capital Programme changes	2017/18 £	Reason
2nd Quarter capital update	25,446,960	
Proposed amendments:		
Grants To Registered Providers	(265,270)	Delays in a registered provider scheme (which is now expected to be completed in 2018/19) has resulted in budgets switched to open market purchases in 2017/18.
Deferred Works Reserve	(10,000)	Electrical safety works required at the indoor market to be funded from the Deferred works budget.
Indoor Market Essential Health & Safety Works	10,000	
New Intranet	(50,000)	Additional resources to help deliver these projects are due to be procured in last quarter. It is anticipated that most of this work will be completed in early 2018/19 and hence slippage is requested.
Corporate Website - Redesign	(99,000)	
Site Assembly (SG1)	3,000,000	Site assembly costs funded by loan and grant from the LEP.
Fleet review	(26,000)	Review of the fleet required
<b>Total changes</b>	<b>2,559,730</b>	
<b>Total General Fund changes</b>	<b>28,006,690</b>	<b>Increase in 2017/18 budget</b>

- 4.2.2 The total changes as a result of the regeneration site assembly costs will require Council approval in February as the value is more than that delegated to the Executive (£250,000).

## 4.3 Capital Programme – General Fund Resources (2017/18-2022/23)

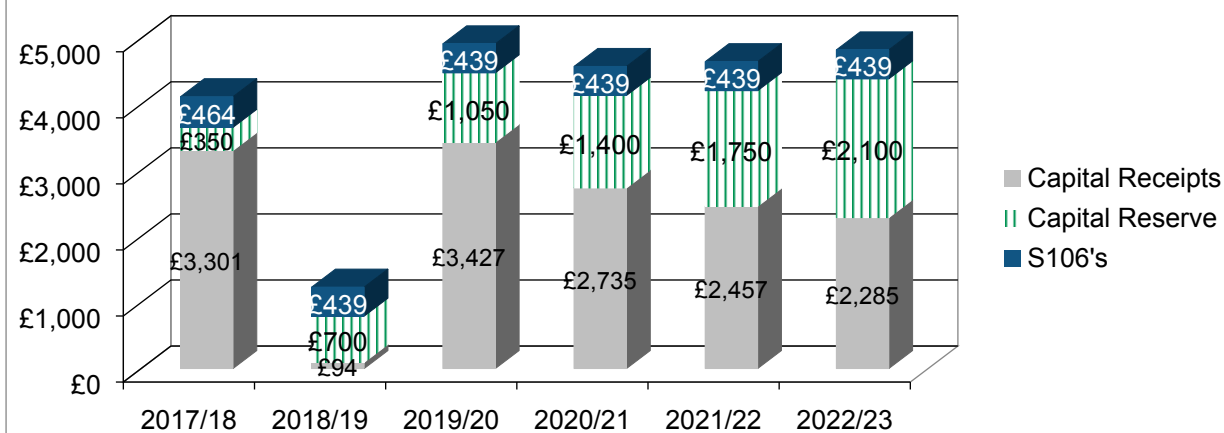
- 4.3.1 The General Fund capital programme is funded from four main funding sources: capital reserve, (see also paragraph 3.11), capital receipts, LEP funding and prudential borrowing (for the commercial property and garage improvement works). Capital receipts and the capital reserve account for 33% of the total funding, or 46% excluding the LEP funding.

## Resources used for the Capital Programme £'0000

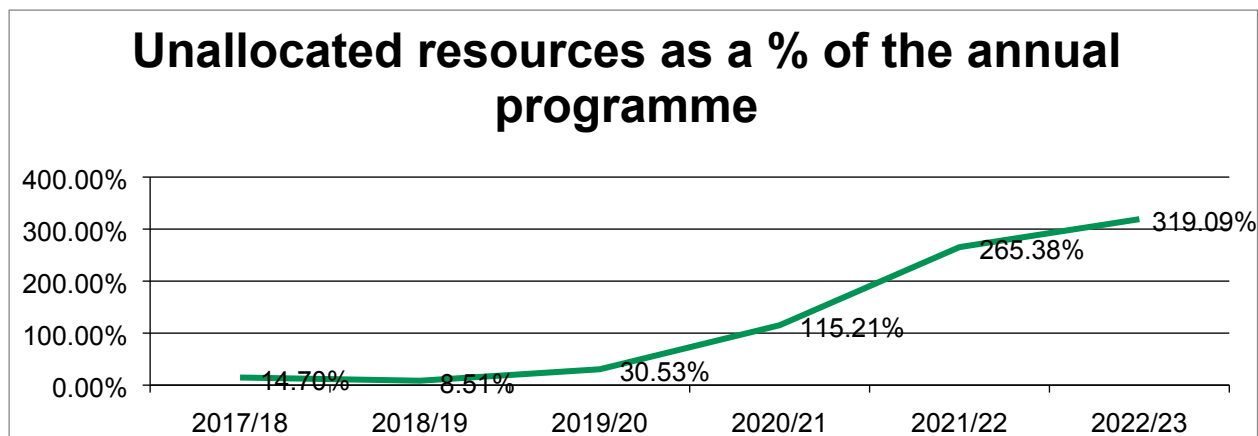


4.3.2 Projected year end unallocated capital resources are shown in the chart below. This shows that there is only £1.23Million of capital balances remaining at the end of 2018/19. This includes an assumption that there will be General Fund revenue underspends of £350,000 in 2017/18 and 2018/19 which will be transferred to the capital reserve, (if realised). If underspends are not identified, there would be just £0.533Million of unallocated resources at the end of 2019/20, of which S106's (£0.439Million) are restricted use.

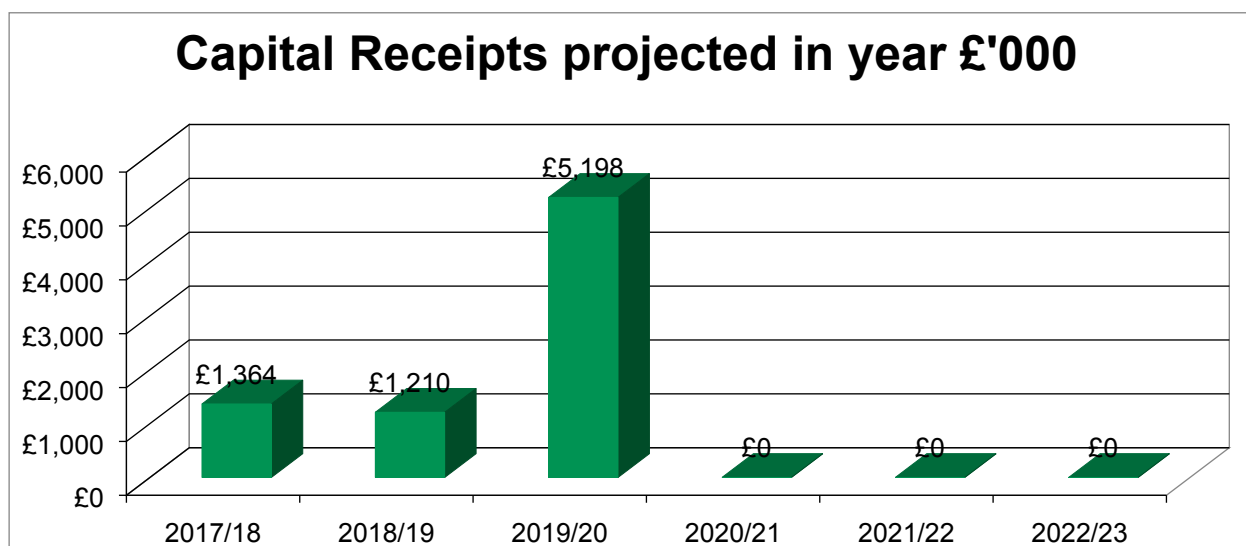
## Capital Resources at year end



4.3.3 The percentage of resources unallocated at year end as a proportion of capital expenditure is shown in the chart below, which for 2018/19 allows for very little supplementary expenditure or expenditure overruns. The amount of available resource increases dramatically from 2020/21, however as shown in the chart in paragraph 4.1.14 expenditure in later years looks understated and the unallocated balances in the chart above do include the annual assumption of £350K of underspends.



4.3.4 More importantly and in light of the Council's ambitions, which may require significant funding, addition capital receipts will be needed because after 2019/20 there are no new receipts identified, (see below).



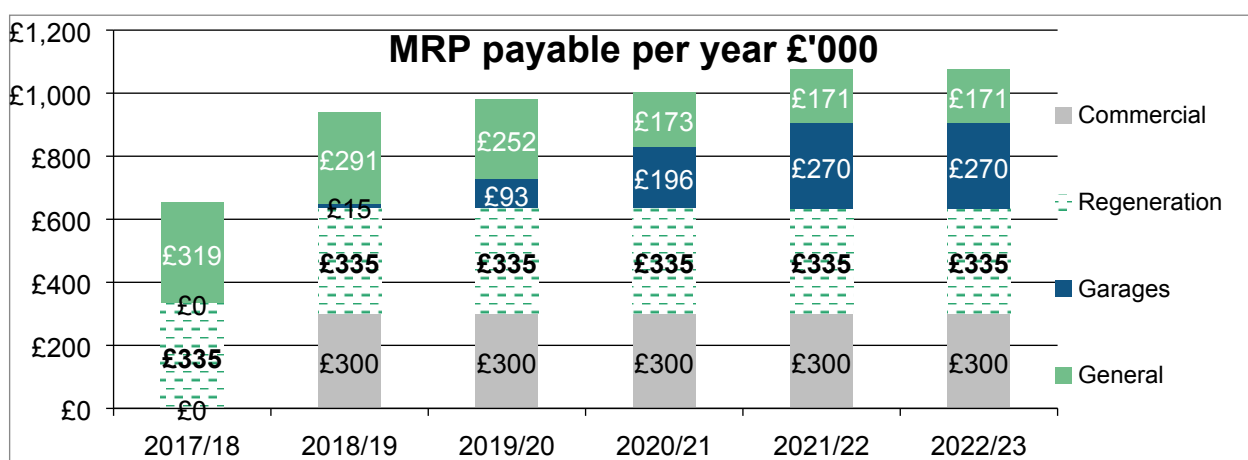
4.3.5 The proposed programme is funded (albeit unallocated funding is low in 2018/19), but if the Council is to realise its regeneration, housing and neighbourhood improvement delivery aims there will need to be a change in approach which the Asset Management Strategy needs to deliver alongside complementary strategies for community assets.

4.3.6 There needs to be a renewed focus on:

- Delivery of sites for sale- realised by evaluating how the maximum value can be delivered (Asset Management Strategy).
- Delivery of financially sustainable assets by reviewing condition and considering whether continued investment represents value for money and consider the approach outlined in paragraph 3.5-3.7.
- Consideration of further investment in commercial property primarily to deliver economic sustainability in Stevenage but also to support any future borrowing costs if required for the Council's top priorities, subject to changes the government may make regarding borrowing for commercial investment (see also paragraph 3.21-3.26).

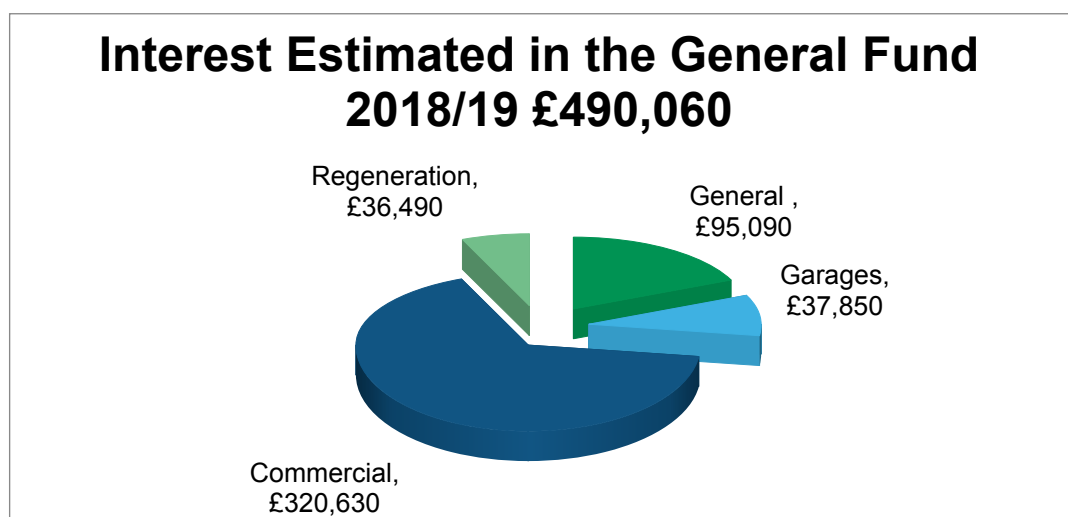
- Building up of reserves from windfall revenue balances to be ring fenced to support the SG1 regeneration and future regeneration schemes.
- Ensuring that wherever possible all S106 receipts are allocated to capital schemes.

4.3.7 The alternative to the approach set out in paragraph 4.3.6 is to scale down the capital programme and/or borrow to fund capital expenditure. In the recent past borrowing has been used when the costs of borrowing have been funded from receipts generated, e.g. commercial property purchases OR the business case has determined that the borrowing costs are in the main funded as in the case of the garage programme. The current level of Minimum Revenue Provision paid in the General Fund is shown in the following table.



4.3.8 All of the commercial and regeneration property MRP (and interest) is funded from income generated from those assets and any surpluses are transferred to the Regeneration Assets Allocated reserve which is available for future funding shortfalls or repairs to those assets.

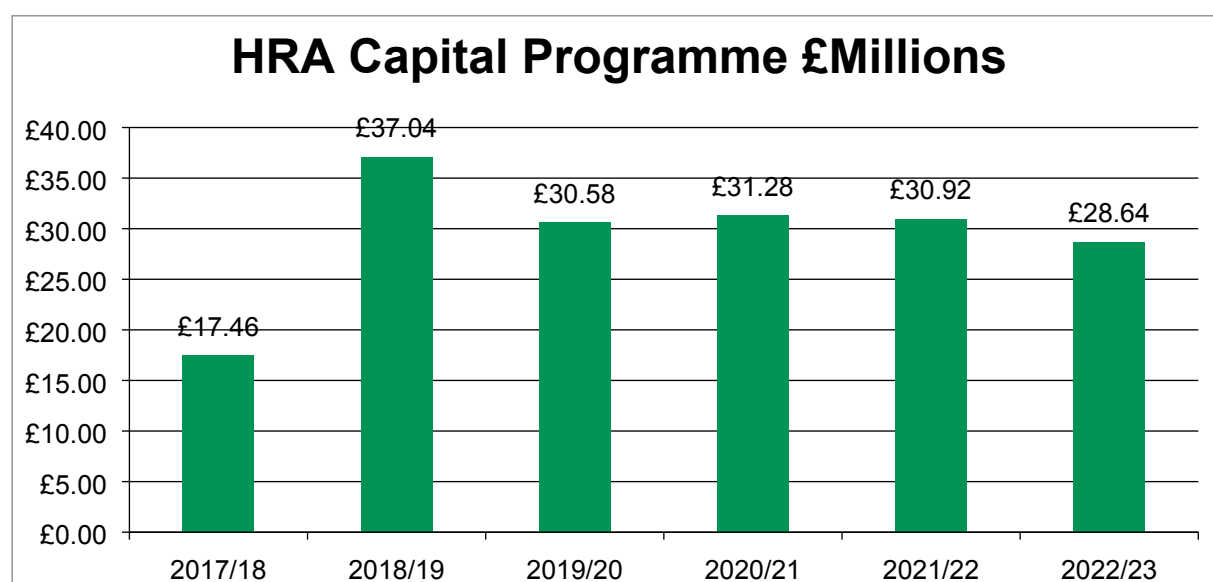
4.3.9 MRP is payable regardless of whether the borrowing is taken externally or whether internal balances are used. The projected interest costs on borrowing for 2018/19 are estimated to be £490,060 in 2018/19, which is shown below. The general interest budget relates to capital expenditure for the period 2011/12-2013/14 but where no loans have yet been taken.



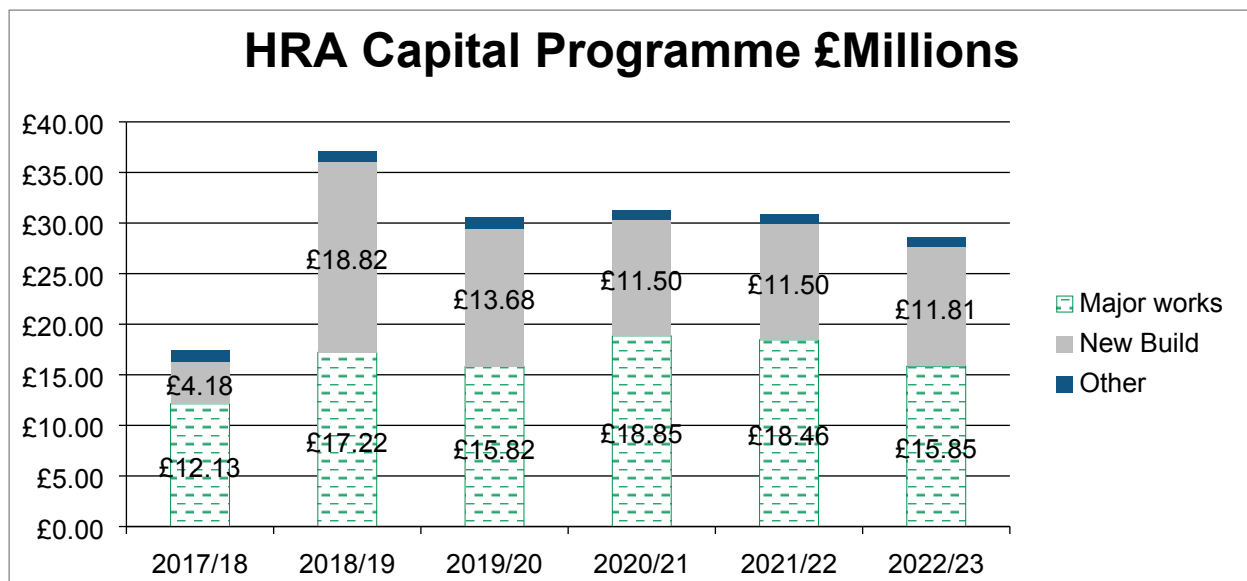
- 4.3.10 The total cost of borrowing in 2018/19 is £1.4Million or an estimated 2% of gross expenditure. As stated earlier the majority of this cost is met from within the income generated from assets. However if the assets were to be redeveloped the borrowing costs would fall on the General Fund.
- 4.3.11 Although interest costs are relatively low (2.66% for a 25 year loan), an annual use of borrowing would be an incremental increase in General Fund costs, which would need to be met from increasing the Financial Security Target for the General Fund. The target for the next four years is £1.5Million and any increase to that would be challenging to achieve. For this reason it is recommended that increases in prudential borrowing needs to be met, in the main, from compensating business case savings. This approach further strengthens the importance of the approach outlined in paragraph 4.3.6.

#### **4.4 Capital Programme – Housing Revenue Account (2017/18-2022/23)**

- 4.4.1 The HRA capital programme is summarised in the HRA rent setting and budget report to this committee and is set out in the HRA business plan with the exception of the Higher Value Voids Levy (HVVL) which the Government has stated will not be introduced in 2018/19. The programme is summarised below and totals £176Million.



- 4.4.2 The increase in 2018/19 onwards reflects the investment with the major works contract and a significant increase in new build costs. The split between major works, new build and other is shown in the following chart.



- 4.4.3 As stated in the HRA final rent setting and budget report there is a deficit in the HRA business plan with the first significant shortfall in funding in 2025/26 (£3Million).

#### 4.5 Capital Programme – Housing Revenue Account 2017/18

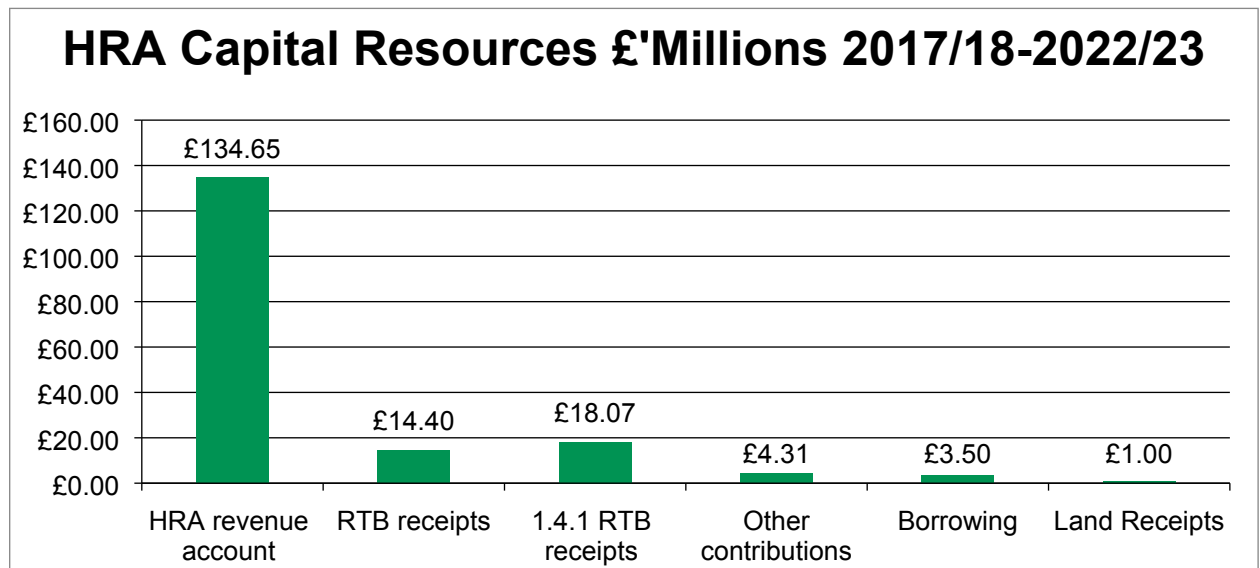
- 4.5.1 The 2017/18 programme has been reviewed and updated and the changes are summarised in the table below.

Summary of HRA Capital Programme changes	2017/18 £	Reason
2nd Quarter capital update	17,270,340	
Proposed amendments:		
New Build schemes	264,910	Delays in a registered provider scheme (which is now expected to be completed in 2018/19) has resulted in budgets being redirected to open market property purchases in 2017/18.
New Intranet	(25,000)	Additional resources to help deliver these projects are due to be procured in last quarter. It is anticipated that most of this work will be completed in early 2018/19 and hence slippage is requested.
Corporate Website - Redesign	(51,000)	
<b>Total changes</b>	<b>188,910</b>	
<b>Total HRA changes</b>	<b>17,459,250</b>	<b>Increase in 2017/18 budget</b>

#### 4.6 Capital Programme – HRA Resources (2017/18-2022/23)

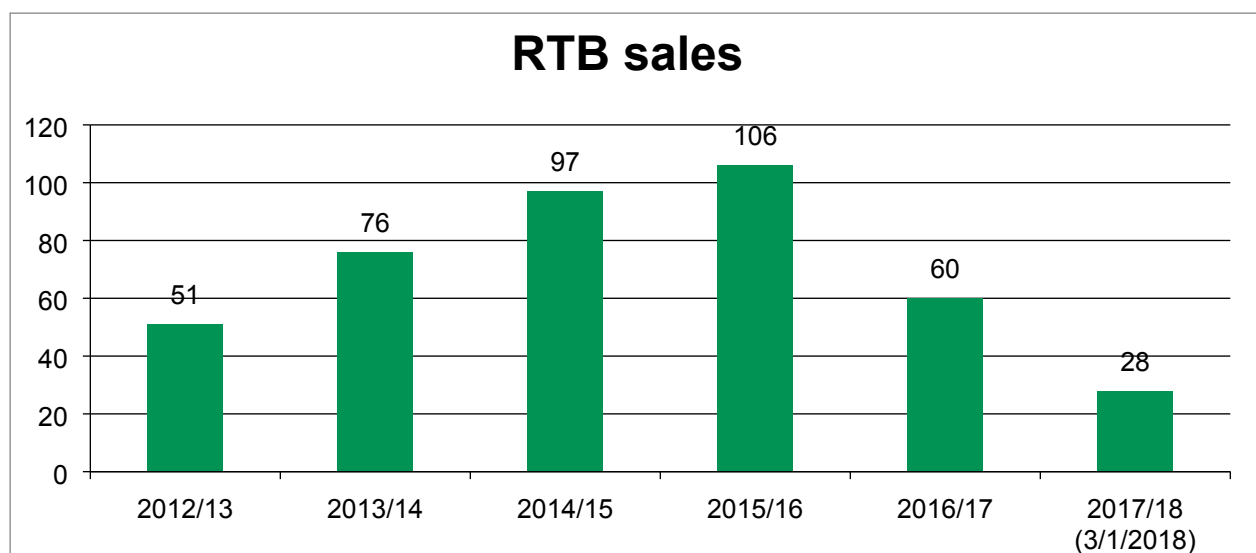
- 4.6.1 The HRA capital programme is funded from four funding sources, of which the majority is funded from the HRA (via depreciation charges or revenue contributions to capital), this accounts for 77% of total funding. Capital receipts

from the sale of council houses totals £32.47Million or 18% of total funding; however as Members will be aware the 1.4.1 receipts have restricted use and a further £863,000 is paid to the Government as the Government's share which equates to the pre self-financing pooling payment.



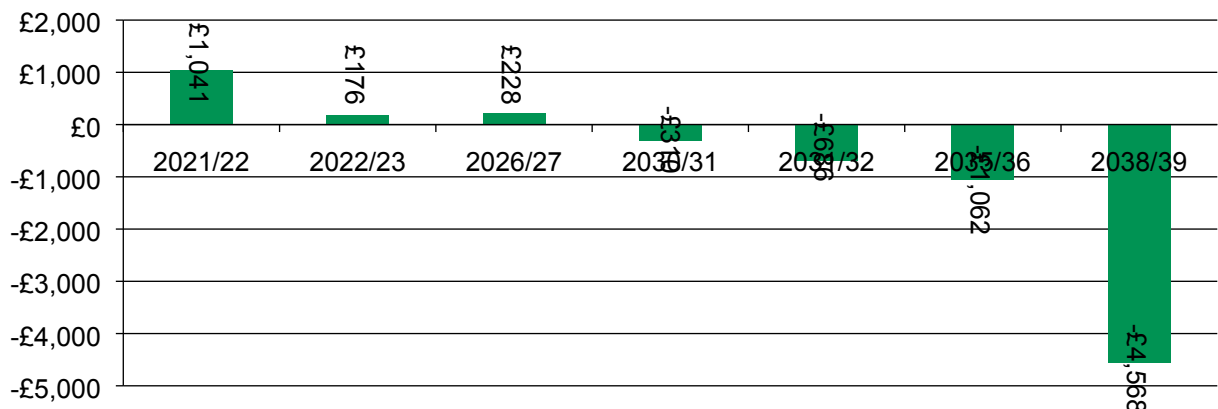
4.6.2 The dependency on HRA revenue balances to fund the programme means that the HRA balances are projected to reduce by £14.76Million to £3.7Million by 31 March 2022.

4.6.3 The HRA capital programme funding is based on 50 RTB sales per year, RTB's have fluctuated since self-financing was introduced and in 2017/18 (up to 3/1/2018) there have been 28 RTB sales compared to the revised projection of 42 sales.



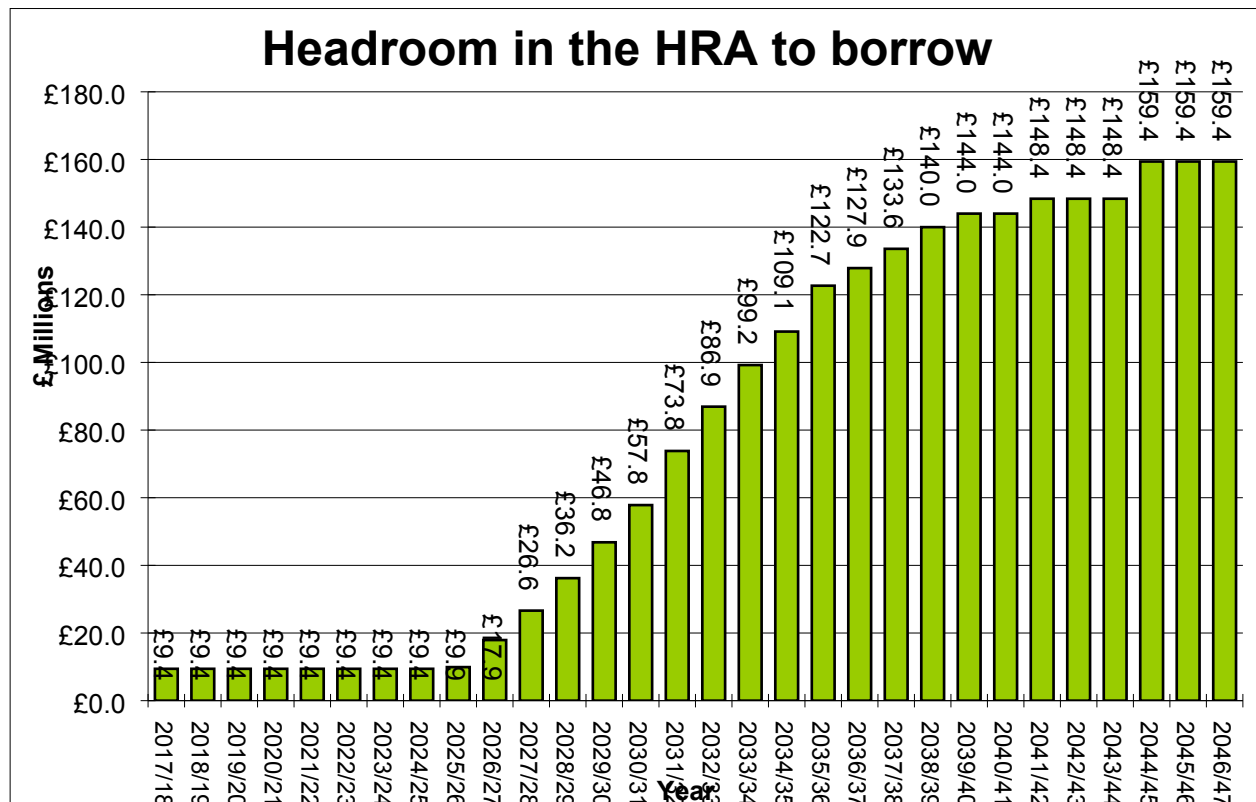
4.6.4 The impact of a reduction in RTB sales by 10 to 40 sales per year in the short term increases the capital programme deficit, but in the later years reduces the projected deficit as more rental income is available to fund the programme, reducing it overall by £5.1Million.

## HRA Capital Programme Increase/(decrease deficit) with 10 less RTB's per year



4.6.5 HRA capital resources have been subject to a number of government policy changes, which have impacted on the level of rents (reduction of £225Million from the four year 1% rent reduction) and on the level of RTBs, with the increase in discounts since 2012/13, which have more than doubled from £34,000 in 2011/12 to £78,600 in 2017/18.

4.6.6 The 2017/18 HRA budget assumes new loans totalling £3,500,000. The interest payable in 2017/18 and 2018/19 is estimated to be £7,017,260 and £6,960,140 respectively. The maximum amount the HRA can borrow is £217,685,000 (as set in regulation) and currently the HRA has headroom to borrow as shown below.





- 4.6.7 Retaining borrowing headroom has been a policy decision for the HRA. This allows for the funding of emergency or unforeseen event, such as fire safety measures and allows for land transfers into the HRA to meet the council's house building ambitions.

#### **4.7 De Minimis Level for Capital Expenditure 2018/19**

- 4.7.1 Accounting best practice recommends that the Council approves a de minimis level for capital expenditure, or a value below which the expenditure would not be treated as capital. This would mean that the expenditure would not be recorded on the asset register nor be funded from capital resources.
- 4.7.2 The limit set for 2017/18 remains unchanged at £5,000 in the draft strategy, this applies to a scheme value rather than an individual transaction. Officers are reviewing whether this should be increased to £10,000 in readiness for early closure of the accounts and recording capital expenditure. This will be updated in the Final Capital Strategy to the February Executive.

#### **4.8 Contingency Allowance for 2018/19**

- 4.8.1 The contingency allowance for 2017/18 is £250,000 reflecting the resourcing pressures facing the capital programme. The contingency proposed for 2018/19 is set at £250,000, for schemes requiring funding from existing capital resources. A limit of £250,000 is also set for schemes for each Fund that have new resources or match funded resources identified in addition to those contained within this report. This limit applies individually to both the General Fund and the HRA. This contingency sum constitutes an upper limit on both funds within which the Executive can approve supplementary estimates, rather than part of the Council's Budget Requirement for the year.

### **5. IMPLICATIONS**

#### **5.1 Financial Implications**

- 5.1.1 This report is financial in nature and consequently financial implications are included in the above.

#### **5.2 Legal Implications**

- 5.2.1 None identified at this time

#### **5.3 Risk Implications**

- 5.3.1 There are risks around achieving the level of disposals or land sales budgeted for. The estimated dates of receipts very much rely on a series of steps being successful at estimated dates, for instance tenders and planning meetings. The Council manages this risk by reviewing and updating the Strategy quarterly, including resources. This will enable action to be taken where a receipt looks doubtful.
- 5.3.2 The General Fund programme is funded from an assumption that £350,000 of underspends will be available to fund the programme each year. If they do not materialise there would be a shortfall of £1.750Million over a five year period, which would necessitate a reduction in the programme or borrowing.
- 5.3.3 There are a number of deferrals in the capital programme and schemes not approved in Appendix C. An amount of £441,040 is included in the General

Fund programme to address any additional unavoidable capital spend, however there is a risk that this may not be sufficient.

- 5.3.4 There are potential contractual risks around tendering contracts in the current market conditions which indicate increased costs of materials and trades as a result of higher inflationary pressures and the unknown impact of BREXIT.
- 5.3.5 The Council's ambition around regeneration, housing delivery and Neighbourhood regeneration could increase pressure on scarce capital resources.
- 5.3.6 The level of RTB receipts if reduced does contribute HRA balances for rent and meets the Council's waiting list, but may reduce resources available in the short term to fund the HRA capital programme. This will require a re-phasing of the programme in the short term or the consideration of borrowing.

#### **5.4 Equalities and Diversity Implications**

- 5.4.1 This report is of a technical nature reflecting the projected spend for the year for the General Fund and HRA capital programme. None of the budget changes reported will change any existing equalities and diversity policies and it is not expected that these budget changes will impact on any groups covered by statutory equalities duties.
- 5.4.2 Schemes contained within the capital programme will have an EQIA particularly those relating to housing schemes.

### **BACKGROUND DOCUMENTS**

- BD1 2<sup>nd</sup> Quarter Capital Monitoring report (November 2017 Executive)  
<http://www.stevenage.gov.uk/content/committees/182083/182087/182091/Executive-28-November-2017-Item6.pdf>
- BD2 Final HRA Rent Setting and Budget Report (January 2018 Executive) – elsewhere on this agenda
- BD3 Housing Revenue Account Medium Term Financial Strategy (2017/18-2021/22) September Executive –  
[http://www.stevenage.gov.uk/content/committees/182083/182087/182091/Executive-19-September\\_2107-Item5.pdf](http://www.stevenage.gov.uk/content/committees/182083/182087/182091/Executive-19-September_2107-Item5.pdf)

### **APPENDICES**

- A - General Fund Capital Strategy
- B - HRA Capital Strategy
- C - General Fund Capital Bids for consideration

# APPENDIX A GENERAL FUND CAPITAL STRATEGY

		2017/2018			2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Cost Centre	Scheme	Working Budget	Actuals to 30th November 2017	January Revised Budget	January Projection	January Projection	January Projection	January Projection	January Projection
		£	£	£	£	£	£	£	£
Page 227	<b>General Fund - Schemes</b>								
	Stevenage Direct Services	2,224,360	1,142,612	2,198,360	1,174,560	1,291,750	706,660	697,730	783,960
	Housing Development	2,777,500	84,978	2,512,230	1,101,330	330,000			
	Finance and Estates	16,171,040	198,280	16,161,040	3,302,810	2,830,720	2,120,220	390,000	90,000
	Corporate Projects, Customer Services & Technology	589,200	150,556	440,200	632,250	300,000	300,000	300,000	300,000
	Housing and Investment	1,679,470	927,926	1,689,470	1,175,500	90,000	5,000		
	Regeneration	921,810	417,033	3,921,810	6,066,010	10,800,000	500,000		
	Communities and Neighbourhoods	236,080	66,409	236,080	92,750	44,000	20,000	40,000	20,000
	Planning and Regulatory	847,500	338,282	847,500	938,200	413,000	318,000	323,000	318,000
	<b>Total Schemes with Growth Added</b>	<b>25,446,960</b>	<b>3,326,077</b>	<b>28,006,690</b>	<b>14,483,410</b>	<b>16,099,470</b>	<b>3,969,880</b>	<b>1,750,730</b>	<b>1,511,960</b>
	<b>General Fund -Resources</b>								
	Capital Receipts	4,043,060		3,898,060	4,417,467	1,865,278	692,178	277,758	171,488
	New Build 1-4-1 Receipts - Additional Funding from HRA for RP Grants	2,765,000		2,499,730	551,330				
	Unpooled Receipts	49,560		49,560					
	Grants	407,000		407,000	300,000				
	S106's	8,540		8,540	25,000				
	LEP			3,000,000	5,200,000	10,300,000			
	RCCO	4,000		4,000	394,000	4,000	4,000	4,000	4,000
	Regeneration Asset Reserve				140,500				
	Capital Reserve (BG916 Revenue Savings)	753,000		723,000	720,000	720,000	720,000	720,000	720,000
	Capital Reserve (BG903 Housing Receipts)	1,299,673		1,299,673	373,313	386,472	386,472	386,472	386,472
	New Homes Bonus	746,997		746,997	395,230	258,000	312,000	362,500	230,000
	Prudential Borrowing Approved	15,370,130		15,370,130	1,966,570	2,565,720	1,855,230		
	Unapproved Borrowing								
	<b>Total Resources (General Fund)</b>	<b>25,446,960</b>		<b>28,006,690</b>	<b>14,483,410</b>	<b>16,099,470</b>	<b>3,969,880</b>	<b>1,750,730</b>	<b>1,511,960</b>

APPENDIX A GENERAL FUND CAPITAL STRATEGY

		2017/2018			2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Cost Centre	Scheme	Working Budget	Actuals to 30th November 2017	January Revised Budget	January Projection	January Projection	January Projection	January Projection	January Projection
		£	£	£	£	£	£	£	£
	<b>General Funds Receipts</b>								
	<b>Unallocated B/fwd</b>	(5,835,468)		(5,835,468)	(3,301,423)	(93,556)	(3,426,678)	(2,734,500)	(2,456,742)
	In Year Receipts	(1,364,015)		(1,364,015)	(1,209,600)	(5,198,400)			
	Used in Year	4,043,060		3,898,060	4,417,467	1,865,278	692,178	277,758	171,488
	<b>General Fund Receipts Unallocated C/fwd</b>	(3,156,423)		(3,301,423)	(93,556)	(3,426,678)	(2,734,500)	(2,456,742)	(2,285,254)
	<b>Capital Reserve Resource</b>								
	<b>Unallocated B/fwd</b>	(939,071)		(939,071)	(350,000)	(700,000)	(1,050,000)	(1,400,000)	(1,750,000)
	In Year Resource	(1,463,602)		(1,433,602)	(1,443,313)	(1,456,472)	(1,456,472)	(1,456,472)	(1,456,472)
	Used in Year	2,052,673		2,022,673	1,093,313	1,106,472	1,106,472	1,106,472	1,106,472
	<b>Capital Reserve Unallocated C/fwd</b>	(350,000)		(350,000)	(700,000)	(1,050,000)	(1,400,000)	(1,750,000)	(2,100,000)

# APPENDIX A GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2017/2018			2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
		Working Budget	Actuals to 30th November 2017	January Revised Budget	January Projection	January Projection	January Projection	January Projection	January Projection
		£	£	£	£	£	£	£	£
	<b>Stevenage Direct Services</b>								
	<b>Parks &amp; Open Spaces</b>								
KC063	Ridlins Park Football Pitch Improvements (S106)	8,540	8,544	8,540					
KC218	Hertford Road Play Area (S106 Funded)				25,000				
KE911	Play Area Improvement Programme	388,880	116,901	388,880	232,700	137,000	243,000	283,500	220,000
KE097	Litter bins	91,000	81,216	91,000	58,000	125,000	73,000	83,000	10,000
KE325	Open Spaces Furniture	8,000		8,000					
KE329	Play Areas Fixed Play	20,000	3,000	20,000					
KE909	Fairlands Valley Park Campshill Bridge	37,040	37,037	37,040					
KE910	Fairlands Valley Park Balancing Pond - Dredging	30,000	27,526	30,000					
	<b>Vehicles, Plant, Equipment</b>								
KE349	Waste Receptacles	30,000	29,999	30,000	30,000	15,000	15,000		
KE391	Vehicle replacement for KE06CYY (Scarab Major)	109,920	109,923	109,920				125,000	
KE392	Vehicle replacement for KE06EYM (LF45)	45,000		45,000					
KE394	Vehicle replacement for AE06VBJ (Reform)	41,000							
KE395	Plant replacement for Shredder (Seko SAMS 500/150)	84,380	84,375	84,380					98,000
KE396	Plant replacement for Site Store (Sitesafe)				8,000				
KE397	Plant replacement for Site Hut (Sitesafe)				11,000				
KE398	Plant replacement for Rotorvator (Dowdswell 70)	12,000		12,000	12,360				14,000
KE401	Vehicle replacement for EF07THK (115T350)	25,000		30,000					
KE402	Vehicle replacement for EJ57DGV (TRANSIT 350)	45,000		45,000					
KE403	Vehicle replacement for LM58JNN (140T460)	25,000		30,000					
KE405	Vehicle replacement for LN58UJU (140T460)	25,000		30,000					
KE408	LK07MPE ECONIC 3233 (DENNIS WILL REPLACE)	164,080	164,077	164,080					
KE412	LN09PDO	151,030	151,031	151,030					
KE413	LN09PLO ECONIC 3233	164,080	164,077	164,080					
KE414	LP08ZYD CONNECT TDCI							15,000	
KE420	Vehicle replacement for LL58ZRK (LF45)	40,000		40,000					
KE421	Vehicle replacement for KC57NNR (Fiesta)				12,000				
KE422	Vehicle replacement for KE07BXY (LF45)	40,000		40,000					
KE423	Vehicle replacement for KE008ACU (Fiesta)				14,000				
KE424	Vehicle replacement for EU57WHH (R324T)	35,000		35,000					
KE425	Vehicle replacement for KE07FBX (324)	38,000		38,000					
TBA	Plant replacement for Chipper (Timberwolf TW150DHB)				15,000				
KE426	Plant replacement for Site Hut (Sitesafe)				11,000				
KE427	Plant replacement for Site Hut (Sitesafe)				11,000				
KE428	Plant replacement for JCB Excavator (8035 ZTS)	45,000		45,000					
KE429	Vehicle replacement for GN60ADU (Scarab minor)	85,000		85,000					99,000
KE430	Vehicle replacement for LK09EEP (1545)	38,000		38,000					

# APPENDIX A GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2017/2018			2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
		Working Budget	Actuals to 30th November 2017	January Revised Budget	January Projection	January Projection	January Projection	January Projection	January Projection
		£	£	£	£	£	£	£	£
Page 230	<b>Stevenage Direct Services</b>								
	<b>Vehicles, Plant, Equipment (continued)</b>								
	TBA Vehicle replacement for LK09EET (1545)				25,000				28,500
	KE431 AE05EOW Transit 430 LWB	70,000		70,000					
	KE432 EK10BYO TRANSIT 115 350M	45,000		45,000					
	KE433 GX61AFO 101	65,000		65,000					75,500
	TBA LK10AVJ R324T				40,000				
	KE419 LN09PLU ECONIC 2629	164,910	164,907	164,910	175,000	180,250	185,660	191,230	196,960
	KE434 Plant replacement for Side arm Flail (Port Agric Typhoon M580E)	17,500		17,500					
	KE435 Plant replacement for Side arm Flail (Port Agric M250)				9,500				
	KE436 Applied sweeper green machine	18,000		18,000					21,000
	KE437 Applied sweeper green machine	18,000		18,000					21,000
	KE453 JCB Refurbishment						165,000		
	TBA N94DRO 955					40,000			
	TBA Vehicle replacement for EY56XEW (Clinical Waste)					25,000			
	TBA Vehicle replacement for F580FUD				35,000				
	TBA Vehicle replacement for F589FUD				35,000				
	TBA Vehicle replacement for LK10CXF (Kubota)								
	TBA Vehicle replacement for LK10CXG (Kubota)				15,000				
	TBA Vehicle replacement for LM58HDX (140T460)					35,000			
	TBA Vehicle replacement for LM58HZT (330)					26,000			
	TBA Vehicle replacement for LN58UJS (RANGER TDCI)					26,000			
	TBA Vehicle replacement for LK08GPJ (324)				30,000				
	TBA Vehicle replacement for LK08GPY (424)				45,000				
	TBA Vehicle replacement for WX08LMO (Neuson Dumper)					20,000			
	TBA Vehicle replacement for Y466GWV (Jones Euro Dumper)					30,000			
	TBA Plant replacement for Chipper (Timberwolf TW150DHB)					15,000			
	TBA EO56LND Ranger 4X4 Turbo Di					20,000			
	TBA LK10FDJ 1545						25,000		
	TBA LM58JWG LF55.220					77,500			
	TBA LK08PVT FAD CF85 410					120,000			
	TBA Vehicle replacement for V544MNM (JCB 2CXU)					40,000			
	New Vehicle replacement for LM61VPC				180,000				
	New Vehicle replacement for LR62YBS					180,000			
	New Vehicle replacement for LN13 DSE					180,000			
	New Vehicle replacement for MX58GYV				80,000				
	New Fork Lift (Gas Operated)				65,000				
	<b>Total Stevenage Direct Services</b>	<b>2,224,360</b>	<b>1,142,612</b>	<b>2,198,360</b>	<b>1,174,560</b>	<b>1,291,750</b>	<b>706,660</b>	<b>697,730</b>	<b>783,960</b>

APPENDIX A GENERAL FUND CAPITAL STRATEGY

		2017/2018			2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Cost Centre	Scheme	Working Budget	Actuals to 30th November 2017	January Revised Budget	January Projection	January Projection	January Projection	January Projection	January Projection
		£	£	£	£	£	£	£	£
KG030 KE328 New	Housing Development								
	Grants To Registered Providers	2,765,000	84,600	2,499,730	551,330				
	Archer Road Neighbourhood Centre 2014 (General Fund)	12,500	378	12,500					
	Building Conversion into New Homes				550,000	330,000			
	Total Housing Development	2,777,500	84,978	2,512,230	1,101,330	330,000			

APPENDIX A GENERAL FUND CAPITAL STRATEGY

		2017/2018			2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Cost Centre	Scheme	Working Budget	Actuals to 30th November 2017	January Revised Budget	January Projection	January Projection	January Projection	January Projection	January Projection
		£	£	£	£	£	£	£	£
KG002 KG025 KE388 KR911 KR912 New New	<b>Finance &amp; Estates</b>								
	Garages	500,000	181,091	500,000	3,230,810	2,815,720	2,105,220	375,000	75,000
	Garage Site Assembly	180,000	789	180,000					
	Town Square Retail Units Development (no's 3 - 29)	40,000	16,400	40,000					
	Deferred Works Reserve	451,040		441,040					
	Investment Property	15,000,000		15,000,000					
	IDOX Property Management Software				30,000				
	Energy Performance surveys and proposed building works				42,000	15,000	15,000	15,000	15,000
	<b>Total Finance &amp; Estates</b>	<b>16,171,040</b>	<b>198,280</b>	<b>16,161,040</b>	<b>3,302,810</b>	<b>2,830,720</b>	<b>2,120,220</b>	<b>390,000</b>	<b>90,000</b>



# APPENDIX A GENERAL FUND CAPITAL STRATEGY

		2017/2018			2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Cost Centre	Scheme	Working Budget	Actuals to 30th November 2017	January Revised Budget	January Projection	January Projection	January Projection	January Projection	January Projection
		£	£	£	£	£	£	£	£
Page 233	<b>Corporate Projects, Customer Services &amp; Technology</b>								
	KS230 Changing Channels Payment Portal	12,280	8,123	12,280					
	KS256 Implementation of Uniform Modules	10,600		10,600					
	KS251 Harmonising Infrastructure Technology (for shared service)	150,330	75,825	150,330					
	KS262 On-Line Housing Application Form				3,250				
	KS260 Replacement HR & Payroll System	41,990	9,829	41,990					
	<b>Digital Agenda</b>								
	KS268 Infrastructure Investment	175,000	48,012	175,000	125,000	200,000	300,000	300,000	300,000
	KS269 New Intranet	80,000		30,000	50,000				
	KS270 Online Customer Account (formerly Capita Advantage Digital				100,000				
	KS271 Corporate Website - Redesign	99,000			99,000				
	KS263 Waste and Recycling System				90,000				
	KS272 Electronic SMB Reports System	10,000	8,768	10,000					
	KS273 Call Recording				46,000				
	KS264 Implementation of Civica Icon Payments (Car Park Season Ticket Online	10,000		10,000					
	TBA New CRM Technology				99,000				
	TBA Future Online Development of Civica Icon Payments				20,000				
	TBA Next Generation Telephony					100,000			
	<b>Total Corporate Projects, Customer Services &amp; Technology</b>	<b>589,200</b>	<b>150,556</b>	<b>440,200</b>	<b>632,250</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>

# APPENDIX A GENERAL FUND CAPITAL STRATEGY

		2017/2018			2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Cost Centre	Scheme	Working Budget	Actuals to 30th November 2017	January Revised Budget	January Projection	January Projection	January Projection	January Projection	January Projection
		£	£	£	£	£	£	£	£
	<b>Housing and Investment</b>								
KG024	Asbestos Surveyor for Garages (one year contract)	30,000	11,447	30,000	10,000				
New	Asbestos Surveyor for garages				10,000				
KR135	Demolition of Former Chells Play Centre at Elliot Road	19,500	14,850	19,500					
KC904	Play Centres	43,890	1,846	43,890					
	<b>Play Centres</b>								
New	Pin green play centre - new storage heaters				8,500				
New	Pin green Play centre- replace external lighting				12,000				
New	Pin Green Play centre- replace hall lighting - poor light levels				10,000				
New	Bandley hill Play centre- replace external door sets -				6,000				
	<b>Community Centres</b>								
KE902	Community Centres	269,460	84,618	269,460					
New	St Nicholas Community Centre - Existing single glazed timber and metal windows beyond economic repair - replacement. £25K 2019/20 Building currently under review. Essential health and safety works only					25,000			
New	St Nicholas Community Centre - boiler and hot water installation upgrade - new controls / panel rewiring and fittings. Building currently under review				22,000				
New	St Nicholas Community Centre annex - External decorations.. Building currently under review. Essential health and safety works only					20,000			
New	Bedwell Community Centre- essential external cedar cladding works						5,000		
New	Shephall Community Centre boiler replacement end of serviceable life					45,000			
New	The Oval Community Centre - Replace radiators. Building future use under review.				8,000				
New	Springfield House - Works to external envelope.				15,000				
New	Timebridge - boiler and hot water refurbishment				10,000				
KE908	Symonds Green Community Centre Extension	349,260	321,054	349,260					
KE912	Scarborough Avenue Site - Residential Redevelopment								
	<b>Park Pavilions</b>								
KE907	Park Pavilions	77,000	27,284	77,000					
New	Chells Park Pavilion - decommission shower and provide hot water service to changing rooms				25,000				
New	Shephalbury bowls Pavilion - reroofing				18,000				
New	Ridlins Pavilion - upgrading heating and ventilating equipment				7,500				
New	St Nicholas pavilion electric heating replacement				8,000				
New	Canterbury way Pavilion - demolition				12,000				
KE903	Depots	38,000	7,234	38,000					
New	Cavendish Rd Depot Office Alterations				35,000				
KE904	Cemetery Buildings	15,000	46	15,000					
	Cemetery - Weston road - replace / upgrade electric space heating.				25,000				
	cemetery - Weston road - external joinery decorations				10,000				

# APPENDIX A GENERAL FUND CAPITAL STRATEGY

		2017/2018			2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Cost Centre	Scheme	Working Budget	Actuals to 30th November 2017	January Revised Budget	January Projection	January Projection	January Projection	January Projection	January Projection
		£	£	£	£	£	£	£	£
	<b>Housing and Investment</b>								
KE447	The Oval Re-roofing	167,000		167,000	87,500				
KE913	Fairlands Valley Farmhouse - Improvements	55,000	1,233	55,000					
KE314	Town Centre Cross Canopies	15,080	5,914	15,080					
KR900	Council Offices	46,000	4,278	46,000					
KR028	Energy Conservation Schemes	41,730	1,412	41,730					
KR121	Daneshill House Enhancement Works - Atrium & First Floor								
KR122	Daneshill House Enhancement Works - 5th Floor	205,370	193,751	205,370					
KR131	Toilets Upgrade	112,120	91,396	112,120					
KR133	Main Reception Refurbishment	7,360	5,148	7,360					
KR134	Daneshill House Lift Door Control Upgrade Works								
KR139	Swingate House - Reroofing	100,000	96,497	100,000					
KR140	Demolition of Doctors Surgery Shephall Way	17,200	18,150	17,200					
KR901	Markets		217						
KE448	Indoor Market Essential Health & Safety Works	40,000	34,138	50,000	113,000				
KE449	Indoor Market Fire Alarm Replacement	5,000		5,000	50,000				
New	Indoor Market - Fire Alarm replacement				25,000				
KE450	Indoor Market Toilet Refurbishment	25,500	470	25,500					
KR902	Business Technology Centre & Chells Industrial Estate		221						
KR903	Shops		173						
KR907	Parts of Swingate House (Investment, formerly non-operational)								
KR136	Preparation works to units 1,4,5 of the former QD Building ready for letting		3,505		57,500				
KR137	Works to 29 Town Square		81		27,500				
KR138	Town Square Assets (condition survey works)		2,964		113,000				
New	Corporate and commercial buildings condition survey				30,000				
New	Essential health and safety electrical works - Corporate buildings				25,000				
New	Town Centre Toilets - reroofing /temporary remedial works				5,000				
New	Town Chambers -reroofing, guttering and rainwater pipe replacement. Safe roof access				200,000				
New	Town Chambers - essential works to existing windows - reputty, and make secure - Works undertaken same time as re-roofing to share scaffolding				50,000				
New	Town Chambers / Square - external facade Structural repairs. Works undertaken same time as reroofing to share scaffolding				110,000				
New	Town Chambers - Landlords electrical inspection and remedial works				30,000				
	<b>Total Housing and Investment</b>	<b>1,679,470</b>	<b>927,926</b>	<b>1,689,470</b>	<b>1,175,500</b>	<b>90,000</b>	<b>5,000</b>		

APPENDIX A GENERAL FUND CAPITAL STRATEGY

		2017/2018			2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Cost Centre	Scheme	Working Budget	Actuals to 30th November 2017	January Revised Budget	January Projection	January Projection	January Projection	January Projection	January Projection
		£	£	£	£	£	£	£	£
KE389 KE384 KE390 KE438 KE439 New	<b>Regeneration</b>								
	Improvements to 'Forum Square'	250,000	184,812	250,000					
	Town Centre Improvements Phase 2 incl wayfinding signage	171,810	18,147	171,810	166,010				
	Intersection at Park Place and Queensway	250,000	201,987	250,000					
	Public realm improvements to Market Place	250,000	12,088	250,000	150,000				
	Public realm improvements to Town Square				550,000	500,000	500,000		
	Town Centre Regeneration Programme (LEP Funded)			3,000,000	5,200,000	10,300,000			
	<b>Total Regeneration</b>	<b>921,810</b>	<b>417,033</b>	<b>3,921,810</b>	<b>6,066,010</b>	<b>10,800,000</b>	<b>500,000</b>		

# APPENDIX A GENERAL FUND CAPITAL STRATEGY

		2017/2018			2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Cost Centre	Scheme	Working Budget	Actuals to 30th November 2017	January Revised Budget	January Projection	January Projection	January Projection	January Projection	January Projection
		£	£	£	£	£	£	£	£
Page 237	<b>Community &amp; Neighbourhoods</b>								
	KC900 Arts and Leisure Centre - Improvements	84,000	16,866	84,000					
	KC903 Golf Course	5,480	9,091	5,480					
	KC901 Stevenage Swimming Centre	72,000	5,964	72,000					
	TBA Fairlands Valley - Aqua Park				7,000	24,000			
	TBA Leisure Stock Condition				40,000			20,000	
	KC221 St Nicholas Play Centre Equipment	19,200		19,200					
	KC222 Pin Green Play Centre Equipment- Cableway	3,910	3,906	3,910					
	KC223 Pin Green Play Centre Equipment - Large Tower Unit	29,730	29,731	29,730					
	New Bandley Hill Play Centre - Treehouse				30,000				
	KC219 Fitness Facility Redevelopment	2,000	851	2,000					
	KE452 Mobile CCTV Cameras	19,760		19,760					
	KE224 CCTV				15,750	20,000	20,000	20,000	20,000
	<b>Total Community &amp; Neighbourhoods</b>	<b>236,080</b>	<b>66,409</b>	<b>236,080</b>	<b>92,750</b>	<b>44,000</b>	<b>20,000</b>	<b>40,000</b>	<b>20,000</b>

# APPENDIX A GENERAL FUND CAPITAL STRATEGY

		2017/2018			2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Cost Centre	Scheme	Working Budget	Actuals to 30th November 2017	January Revised Budget	January Projection	January Projection	January Projection	January Projection	January Projection
		£	£	£	£	£	£	£	£
Page 238	<b>Planning &amp; Regulatory</b>								
	KE119 Off Street Car Parks (Multi Storey Car Parks)	82,740	40,750	82,740	332,500	225,000	225,000	225,000	225,000
	KE900 Off Street Car Parks (Surface Car Parks)	56,250		56,250					
	New MCPP's Lighting Improvements				80,000	20,000			
	KE201 Hard standings	88,990	14,740	88,990	50,000	50,000	50,000	50,000	50,000
	KE100 Residential Parking	83,020	3,956	83,020	70,000	70,000			
	KE417 Town Centre Parking Proposals	11,960	13,986	11,960					
	KE217 Parking Restrictions	13,190	9,623	13,190	44,700	25,000	25,000	25,000	25,000
	KE440 Town Centre Pond Replacement Fountain Pump	6,000		6,000					
	KE441 Parking Enforcement - Phased replacement pay & display machines				22,000				
	KE442 Parking Enforcement - Burymead Permit Parking Area Implementation				10,000				
	KE443 Parking Enforcement - Old Town Permit Parking Area Implementation	1,000		1,000	11,000				
	KE444 Corey's Mill Lane - Additional Parking Capacity	24,600	500	24,600					
	KE445 Kimbolton Crescent - resurfacing footpaths / parking areas £35000 to be split 61% HRA and 39% GRF	13,650		13,650					
	KE446 Neighbourhood Centres - The Glebe- replacement benches	8,000		8,000					
	KE224 CCTV (Cameras/Network/Monitoring/Data)	14,190	14,188	14,190					
	KE107 Christmas Lights	11,910	11,092	11,910		5,000		5,000	
	KG010 House Renovation/Improvement Grants	25,000	3,540	25,000	18,000	18,000	18,000	18,000	18,000
	KG011 Disabled Facilities Grants	407,000	225,906	407,000	300,000				
	<b>Total Planning &amp; Regulatory</b>	<b>847,500</b>	<b>338,282</b>	<b>847,500</b>	<b>938,200</b>	<b>413,000</b>	<b>318,000</b>	<b>323,000</b>	<b>318,000</b>

		2017/2018				2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Cost Centre	Scheme	Working Budget £	Actual 30th November 2017 £	Revised Budget (January Exec) £	Variance (Jan Revised less Working Budget) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £
Page 239	<b>SUMMARY</b>									
	Capital Programme Excluding New Build	12,132,350	4,660,290	12,132,350		17,219,530	15,815,880	18,847,610	18,458,690	15,850,950
	Capital Programme - New Build	3,910,720	2,468,637	4,175,630	264,910	18,816,750	13,675,420	11,498,700	11,498,700	11,809,170
	Capital Programme - ICT & Equipment & Special Projects	1,227,270	93,786	1,151,270	(76,000)	1,007,470	336,970	151,890	156,980	156,980
	Capital Programme - High Voids Levy						756,360	781,690	807,880	824,840
	<b>TOTAL HRA CAPITAL PROGRAMME</b>	<b>17,270,340</b>	<b>7,222,712</b>	<b>17,459,250</b>	<b>188,910</b>	<b>37,043,750</b>	<b>30,584,630</b>	<b>31,279,890</b>	<b>30,922,250</b>	<b>28,641,940</b>
	<b>HRA USE OF RESOURCES*</b>									
	MRR (Self Financing Depreciation)	8,399,397		3,947,632	(4,451,765)	23,709,311	12,068,104	12,671,993	13,097,830	13,537,895
	Revenue Contribution & London Housing Consortium Grant	110,230		110,220	(10)	7,675,450	13,416,796	12,952,658	12,135,547	9,321,643
	Unpooled Receipts (BH902)	486,417		535,333	48,916					
	New Build Receipts (BH901)	1,146,856		1,228,659	81,803	3,501,298	2,902,626	3,449,610	3,449,610	3,542,749
	Debt Provision Receipts (BH903)	3,627,440		8,116,109	4,488,669	1,157,691	1,191,399	1,207,100	1,095,900	1,079,300
	Section 20 Contribution (BH905)						1,005,705	998,529	1,143,363	1,160,353
	Land Receipts					1,000,000				
	Buy Back Allowance			21,297	21,297					
	Borrowing	<b>3,500,000</b>		3,500,000						
	Other Contribution - S106 Affordable Housing									
	<b>TOTAL HRA RESOURCES FOR CAPITAL</b>	<b>17,270,340</b>		<b>17,459,250</b>	<b>188,910</b>	<b>37,043,750</b>	<b>30,584,630</b>	<b>31,279,890</b>	<b>30,922,250</b>	<b>28,641,940</b>
	Major Repair Reserve Bought Forward	(4,507,777)		(4,507,777)		(11,917,116)	0	0	0	0
	Depreciation (increasing MRR)	(11,356,970)		(11,356,970)		(11,792,195)	(12,068,104)	(12,671,993)	(13,097,830)	(13,537,895)
	MRR Used (decreasing MRR)	8,399,397		3,947,632	(4,451,765)	23,709,311	12,068,104	12,671,993	13,097,830	13,537,895
	Major Repair Reserve Carried Forward	<b>(7,465,350)</b>		<b>(11,917,116)</b>	<b>(4,451,765)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	Total RTB Receipts Bought Forward	(18,680,447)		(18,679,803)	644	(10,655,763)	(11,002,195)	(12,927,408)	(13,934,044)	(14,666,625)
	Total RTB Receipts Received	(6,088,144)		(4,355,791)	1,732,353	(5,556,753)	(6,019,238)	(6,266,752)	(6,959,073)	(7,711,672)
	Total RTB Receipts Used by General Fund (Registered Providers)	2,814,560		2,499,730	(314,830)	551,332				
	Receipts used for Registered Providers	521,000			(521,000)			603,406	1,680,981	1,680,981
	Total RTB Receipts Used by HRA	5,260,713		9,880,101	4,619,388	4,658,989	4,094,025	4,656,710	4,545,510	4,622,049
	Total RTB Receipts Carried Forward	<b>(16,172,318)</b>		<b>(10,655,763)</b>	<b>5,516,555</b>	<b>(11,002,195)</b>	<b>(12,927,408)</b>	<b>(13,934,044)</b>	<b>(14,666,626)</b>	<b>(16,075,267)</b>

APPENDIX B - HOUSING CAPITAL STRATEGY

		2017/2018				2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Cost Centre	Scheme	Working Budget £	Actual 30th November 2017 £	Revised Budget (January Exec) £	Variance (Jan Revised less Working Budget) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £
Page 240 KH157 Various1 Various2 Various3 Various4 KH205 KH092  KH085 KH112 KH079 KH114 KH144 KH221  KH233 KH233 KH234 KH235  KH174 KH094	<b>CAPITAL PROGRAMME EXCL. NEW BUILD</b>									
	<b>Planned Investment including Decent Homes</b>									
	Decent Homes - Redecs	20,000	250	20,000		20,000	20,000	20,000	20,000	20,000
	Decent Homes - Internal Works	1,099,700	500,253	1,099,700		2,098,900	1,731,290	1,705,670	1,802,910	1,779,870
	Decent Homes External Works	4,886,830	2,045,760	4,886,830		1,650,000				
	Decent Homes - Roofing	2,921,920	978,656	2,921,920						
	Decent Homes - Flat Blocks					8,548,870	9,835,140	12,828,700	12,852,780	11,846,290
	Communal Heating	120,000	169,222	120,000		1,331,320	1,333,030	1,313,300	1,316,820	
	Lift Installation - Inspection & Remedial Works	70,000	51,117	70,000		307,230	307,620	303,070	265,390	
	<b>Health &amp; Safety</b>									
	Fire Safety	122,670	29,682	122,670		81,740	81,400	80,190	80,410	79,380
	Asbestos Management	427,210	294,132	427,210		381,470	379,870	374,250	375,250	370,460
	Asbestos Survey									
	Subsidence	107,770	27,903	107,770		150,000	102,540	101,020	101,290	100,000
	Contingent Major Repairs	297,520	153,529	297,520		450,000	420,420	425,480	435,560	440,000
	Scooter Storage	29,810		29,810						
	<b>Estate &amp; Communal Area</b>									
	Hard to let Property Improvement									
	Asset Review - Challenging Assets	595,820	150,597	595,820		814,460	615,240	606,140	607,770	600,000
	Asset Review - Sheltered (non RED)	755,850	74,833	755,850		812,050	410,160	505,120		
	Asset Review Red Sheltered									
	<b>Other HRA Schemes</b>									
	Energy Efficiency Pilot Projects	33,720		33,720		25,600	15,200	15,150	15,190	15,000
	Disabled Adaptations	643,530	184,357	643,530		547,890	563,970	569,520	585,320	599,950
	<b>TOTAL CAPITAL PROGRAMME EXCL. NEW BUILD</b>	<b>12,132,350</b>	<b>4,660,290</b>	<b>12,132,350</b>		<b>17,219,530</b>	<b>15,815,880</b>	<b>18,847,610</b>	<b>18,458,690</b>	<b>15,850,950</b>



		2017/2018				2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Cost Centre	Scheme	Working Budget £	Actual 30th November 2017 £	Revised Budget (January Exec) £	Variance (Jan Revised less Working Budget) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £
KH233	<b>CAPITAL PROGRAMME NEW BUILD</b>									
	New Build Programme	3,251,750	1,935,099	3,574,890	323,140	18,816,750	11,866,530	11,498,700	11,498,700	11,809,170
KH209	New Build - Archer Road	658,970	533,537	600,740	(58,230)		1,808,890			
	<b>TOTAL CAPITAL PROGRAMME NEW BUILD</b>	<b>3,910,720</b>	<b>2,468,637</b>	<b>4,175,630</b>	<b>264,910</b>	<b>18,816,750</b>	<b>13,675,420</b>	<b>11,498,700</b>	<b>11,498,700</b>	<b>11,809,170</b>

APPENDIX B - HOUSING CAPITAL STRATEGY

		2017/2018				2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Cost Centre	Scheme	Working Budget £	Actual 30th November 2017 £	Revised Budget (January Exec) £	Variance (Jan Revised less Working Budget) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £	Revised Projection (January Exec) £
TBA	<b>HIGH VALUE VOIDS LEVY</b>									
	High Value Voids Levy						756,360	781,690	807,880	824,840
	<b>CAPITAL PROGRAMME ICT &amp; EQUIPMENT</b>									
	<b>HRA Resurfacing</b>									
KH276	Skipton Close - Resurfacing Parking Areas	42,500		42,500						
KH277	Kimbolton Crescent - Resurfacing Footpaths/Parking Areas	21,350		21,350						
	<b>HRA Equipment</b>									
KH015	Supported Housing Equipment	55,000	9,539	55,000		55,000	55,000			
KH267	Racking for Cavendish RVS		(93,800)							
KH278	Vans for RVS	654,890		654,890						
	<b>Sub Total HRA Equipment</b>	<b>773,740</b>	<b>(84,261)</b>	<b>773,740</b>		<b>55,000</b>	<b>55,000</b>			
	<b>Information Technology</b>									
KH217	Northgate Additional Modules	110,000	107,200	110,000						
KH234	Changing Channels - Payment Portal	13,700	2,485	13,700						
KH218	ICT Programme (Business Plan)	13,590		13,590		77,220	81,970	151,890	156,980	156,980
KH235	ICT Equipment	16,080	3,429	16,080		10,000	10,000			
KH251	Harmonising Infrastructure Technology (for shared service)	76,420	31,678	76,420						
KH256	Automated Tenancy Contracts TA	6,000		6,000						
KH259	Replacement HR & Payroll System	20,940	4,902	20,940						
KH260	On-Line Housing Application Form					46,750				
KH261	Mobile Working - Housing Management	9,180		9,180						
KH265	Planned Maintenance Software	4,120		4,120						
	<b>Total</b>	<b>270,030</b>	<b>149,694</b>	<b>270,030</b>		<b>133,970</b>	<b>91,970</b>	<b>151,890</b>	<b>156,980</b>	<b>156,980</b>
	<b>Council Digital Agenda</b>									
TBA	Housing Improvements					568,000	190,000			
KH268	Infrastructure Investment	87,500	24,006	87,500		62,500				
KH269	New Intranet	40,000		15,000	(25,000)	25,000				
KH270	Online Customer Account (formerly Capita Advantage Digital)					100,000				
KH271	Corporate Website - Redesign	51,000			(51,000)	51,000				
KH272	Electronic SMB Reports System	5,000	4,347	5,000						
KH273	Call Recording					12,000				
	<b>Sub Total HRA ICT</b>	<b>183,500</b>	<b>28,353</b>	<b>107,500</b>	<b>(76,000)</b>	<b>818,500</b>	<b>190,000</b>			
	<b>TOTAL CAPITAL PROGRAMME ICT &amp; EQUIPMENT &amp; SPECIAL PROJECTS &amp; HIGH VALUE VOIDS</b>	<b>1,227,270</b>	<b>93,786</b>	<b>1,151,270</b>	<b>(76,000)</b>	<b>1,007,470</b>	<b>336,970</b>	<b>151,890</b>	<b>156,980</b>	<b>156,980</b>

STEVENAGE BOROUGH COUNCIL												
GF CAPITAL - PRIORITY BASED BUDGETING 2018/19 - 2022/23												
Ref No	SCORE (between 3= strongly agree and 0 = strongly oppose)	Priority (1-5) (see list below)	Description of Growth Proposal	Capital in 2018/19	Capital in 2019/20	Capital in 2020/21	Capital in 2021/22	Capital in 2022/23	Reason for Spend	Consequence of delaying spend/alternative course of action	Potential Timing	Funding available

- Priorities:**  
Priority 1 Return on investments- Financial Security  
Priority 2 FTFC (add acronym) e.g. 2-CTOC, 2.CNM  
Priority 3 Mandatory requirements  
Priority 4 Schemes to maintain operational efficiency  
Priority 5 Match funding schemes

General Fund CAPITAL GROWTH												
C4	2.8	3	Waste Receptacles	£30,000	£15,000	£15,000	£0	£0	To enable the provision of replacement wheelie bins, boxes and lids as existing household receptacles become damaged/lost. Seeking funding to meet current service demands in 2018/19. Future years requirement has been reduced in view of pending Business Unit Review that will use container age profile and replacement demand data to inform future profiling along with a review of the current SBC container replacement policy.	SBC has a legal duty to provide households with adequate provision to collect and present their waste, recyclables. With insufficient budgets to fund sufficient quantities residents will have to wait longer to receive replacement bins and boxes.		£0
C5	2.8	2 & 4 (CNM & Operational efficiency)	Replacement of inadequate bins with dual purpose Litter/Dog bins (KE097)	£58,000	£125,000	£73,000	£83,000	£10,000	The Town's myriad of litter and dog bins are no longer fit for purpose. The litter bins fill with rain water or are prone to vermin attack due to being open to the elements at the top. The dog bins have limited capacity and are placed alongside existing litter bins. The new litter/dog bins have increased capacity are dual purpose, are branded with the SBC logo and improve the overall aesthetics of the town. The programme will replace all of the bins by area in accordance with the CNM programme by 2021/12 and then it will be only replacement due to vandalism or demand growth.	Delay will mean continued service complaints about overflowing bins. The Towns bin provision asset will not be fit for purpose. The CNM target by ward areas to improve the appearance of the neighbourhoods will not be fully met. Economies of scale used for the procurement and replacement of bins will be less economical.	We have started this year with replacing all street bins in Shephall and Pin Green by the end of March 2018.	£10,000
C1	2.6	2 - CNM	Play Area Improvements	£0	£0	£0	£0	£220,000	To deliver improvements to equipped play areas to ensure adequate levels of provision, town-wide, in future.	Alternative options considered in report to Exec, Feb 2017.		£220,000
Total Stevenage Direct Services Growth Bids				£88,000	£140,000	£88,000	£83,000	£230,000				£230,000
C6-27/C96-98	3.00	2	works to facilitate SG1 Regeneration	£5,200,000	£10,300,000	£0	£0	£0	SG1 enabler- LEP Funded-This is external funding that has been secured from the LEP as part of the Growth Deal round 1 bidding process and £8Million through GD3. The GD3 money has yet to be secured though as new governance arrangements are required before this funding can be accessed so gap funding is required to cover the costs for progressing the project until then (£200K in 2018/19).	This is external funding which will be lost is the spend does not take place.	2018/19 & 19/20	£15,500,000
Total Regeneration Growth Bids				£5,200,000	£10,300,000	£0	£0	£0				£15,500,000
C8	3	4	Stock condition survey of Leisure Facilities - Stevenage Arts & Leisure Centre, Stevenage Swimming Centre, Fairland's Valley Park Sailing Centre and Café, Aqua Park and Kioskplant and toilets, Stevenage Golf and Conference Centre	£40,000			£20,000		The last survey was completed in 2013, it is standard practice to survey our buildings every five years; the results will provide SBC with key information which will allow us to identify high risk areas of the buildings which will inform us of future capital commitments. In addition the leisure contract will expire in 2023 and we will need to start to procure the contract in 2019/20 we will therefore have to provide potential bidders with the stock condition survey results and actions. Added £20,000 2021/22 to co-incide with the end of the contract with SLL. It is proposed that the Stock condition survey is carried out in combination with the survey of the corporate and Commercial premises portfolio[refer Ref No. C25].	The current stock condition survey is out of date, the proposal for next year's survey will take approximately 12 months to complete, to defer the survey may have a financial consequence as structural issues may deteriorate further and result in higher capital spend, plus operational failures may occur which could result in a loss of income to SLL and a consequential claim against SBC.	May to Dec 2018	£0
C10	3	4	Aqua Park	£7,000	£24,000				The Aqua Park is now 9 years old and may require some plant works and refurbishment of the structure.	Without works the Aqua Park operation could be disrupted plus the standard of the and presentation of the structure could deteriorate.		£0
C100	2.67	4	CCTV - Replace old shoe box cameras and update control equipment	£15,750	£20,000	£20,000	£20,000	£20,000				£0
C11	2.60	4	To replace the treehouse climbing structure at Bandley Hill Play Centre	£30,000					The existing raised platform wooden treehouse has been in place for a number of years. Ongoing repair costs are increasing as it comes to the end of its economic life; therefore a replacement is recommended/needed. Stopgap retreatment of structural timberwork was undertaken in 2017 to limit further deterioration. A further inspection of the equipment is to be made by a SBC Building Surveyor to confirm if the tree house can be retained or whether its condition indicates significant health & safety issues with ongoing use.	Equipment may have to be isolated and put out of action	3 months from approval for start of works	£0
Total Communities and Neighbourhoods Growth Bids				£92,750	£44,000	£20,000	£40,000	£20,000				£0
C22	3.00	1+4	Parking Enforcement (P+D)	£22,000					Previously agreed, final phase of replacing Pay & Display machines	Loss of income		£0

STEVENAGE BOROUGH COUNCIL												
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C13	2.80	3	Disabled Facilities Grants	£300,000	pending	pending	pending	pending	Assistance is only available for works which are required to enable a disabled person to remain in their home and access basic amenities. The grant is mandatory and must be determined within 6 months of a valid application. Members agreed, in principle, to join the newly formed Herts Home Improvement Agency in April 2018, subject to final approval by the Executive. If approved, a capital budget will still be required in 2018/19 to pay for applications already received or in progress. Decision on budget for subsequent years is 'pending' until the decision on joining is taken.	Payment of the grant may be deferred for up to 12 months from the date of approval. This is not recommended as it would cause great distress to applicants.	2018/19	£300,000
C20	2.75	4	Residents Parking spaces	£70,000	£70,000				To provide parking spaces in residential areas where limited parking currently causes roads to be heavily congested		2018/19 & 19/20	£0
C14	2.60	4	Home improvement grants	£18,000	£18,000	£18,000	£18,000	£18,000	Provision of funding, by way of a loan or grant, for urgent works in cases where an owner occupier is unable to access alternative sources of funding within a reasonable time. Eligibility is strictly limited to owners who are in receipt of a qualifying means tested benefit for works necessary to remove a Category 1 hazard. Loans are repayable in full once the property is sold, minor works grants are repayable if the property is sold within 10 years hence much of the capital is eventually recycled.	Assistance is only available for works which are urgently required to protect the health & safety of vulnerable occupants. It would not therefore be acceptable to delay the provision of assistance.	2018/19	£0
C19	2.40	4	Hard Standings	£50,000	£50,000	£50,000	£50,000	£50,000	To replace parking hardstand areas in the council's ownership which have reached the end of their design life and are uneconomic to patch.	Concrete areas with crumbling surfaces and cracks do not lend themselves to lasting patch repairs. Spend can be deferred but this is just storing up a larger expense in future years	2018/19	£0
C17	2.20	1+4	Off street car parks (MSCP)	£332,500	£225,000	£225,000	£225,000	£225,000	Essential concrete repairs and surfacing replacements to restore publicly used areas to safe and sound useable condition. The essential works are the repair to the concrete panel fixings, weatherproofing surface treatments including concrete repairs and expansion joint replacement.	Loss of income From use Of facility. If this work is not carried out/deferred there is a risk that the floors may need to be closed. (loss of income) There are also essential repairs required to the entrance / exit to the car park.	2018/19	£0
C21	2.20	4	Parking restrictions	£25,000	£25,000	£25,000	£25,000	£25,000	To implement ongoing programme of parking restriction to address road safety concerns associated with indiscriminate parking in line with the requirements of the Parking Strategy.	Even if future programme of restrictions becomes less ambitious, there is a constant need to review and update existing restrictions.	2018/19	£0
C16	2.00	1+ 2 (TC regen)	Improvements to the lighting in St Georges and Westgate MSCPs	£80,000	£20,000	£0	£0	£0	Protect income by ensuring usability of the car parks; help improve the attractiveness of using the MSCPs; help discussions with the owner of the Westgate to revisit the pricing link to St Georges MSCP.	Reduced income from MSCP car parks as their desirability further declines. Loss of the opportunity to renegotiate the Westgate Car Park link on pricing.	2018/19	£0
C23	2.00	4	Town centre Christmas decorations phases update		£5,000		£5,000		Improve the appearance of the town centre Christmas decorations		2019/20	£0
Total Planning & Regulatory Growth Bids				£897,500	£413,000	£318,000	£323,000	£318,000				£300,000
C24	2.60	1	To allow the conversion of a building that is a liability into attractive new homes and make return for the council	£550,000	£330,000	£0	£0	£0	To convert numbers 3 and 4 in to apartments for private sale and generate a sales income of £1.8m or an enduring rental income if other circumstances allow retention by Council or a new entity, of the apartments. There is a further value generated in achieving economies of scale. Assumes works funded from sale receipt	As numbers 3 and 4 deteriorate further, bad publicity and added costs to the Council in future investment needs, as well as security will occur. Furthermore whilst the council may dispose of the homes, it is likely that this interesting period property will be lost. By converting the properties the Council is able to return the freehold, sustain the design and make further return by managing the block.	on site in march 2018	£880,000
Total Housing Development Growth Bids				£550,000	£330,000	£0	£0	£0				£880,000
C27	3.00	2 CNM + 3	Asbestos Surveyor for garages	£10,000					Additional Technical Assistance required to complete the garage asbestos survey. The Asbestos surveyor has been undertaking other essential asbestos surveying works required on the corporate buildings therefore extending the time required to complete the garage surveys, this is compounded by delays in gaining internal access into some garages. This is £10K in addition to the £10k already slipped.	Not complying with the Control of Asbestos Regulations and possible delay in delivering the Garage investment programme.	2017/18 started	
C26	2.80	3	Essential health and safety electrical works - Corporate buildings	£25,000					Electrical works required following inspections yet to be carried out. Budget costs based on typical work identified for similar buildings	Health and safety risk	April 2018	
C28	2.80	2 TC Regen &4	Town Chambers -reroofing, guttering and rainwater pipe replacement. Safe roof access	£200,000					THESE WORKS ARE SUBJECT TO RECEIVING A REGENERATION PREFERRED BIDDER. The acquisitions / condition survey undertaken in 2012 and more recent surveys undertaken by the in-house surveying team in 2015 indicate the roof covering is at the end of its serviceable life. Limited emergency repairs have been carried out but this is no longer sustainable. Provision for safe access onto the roof also needs to be provided for inspection and maintenance purposes. Some of the work may be rechargeable subject to the individual lease conditions and repairing liabilities of the tenants	The building is at risk of further leaks and water ingress affecting the structural integrity of the wood wool slab deck and water damage leading to possible closure of the space below.	Sept 2018	£200,000

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C29	2.80	2 TC Regen &4	Town Chambers - essential works to existing windows - reputty, and make secure - Works undertaken same time as re-roofing to share scaffolding	£50,000					THESE WORKS ARE SUBJECT TO RECEIVING A REGENERATION PREFERRED BIDDER. The acquisition / condition survey undertaken in 2012 and more recent surveys undertaken by the in-house surveying team in 2015 identify the poor condition of the windows . The windows require overhauling eased and adjusted to ensure correct operation, reputty to secure loose putty and decorated externally. Some of the work may be rechargeable subject to the individual lease conditions and repairing liabilities of the tenants. Pre inspection survey required to establish full extent of works required.	If works are delayed then the windows will deteriorate further. This is an opportunity to undertake these works while the scaffolding is erected for thee reroofing . As a minimum the windows will need to be made secure and overhauled at approx. £18K	Sept 2018	£50,000
C30	2.80	2 TC Regen &4	Town Chambers / Square - external facade Structural repairs. Works undertaken same time as reroofing to share scaffolding	£110,000					THESE WORKS ARE SUBJECT TO RECEIVING A REGENERATION PREFERRED BIDDER. The 2015 condition survey identified urgent essential works securing / repairing hazards and failing external concrete column frame to the building façade. Some of the work may be rechargeable subject to the individual lease conditions and repairing liabilities of the tenants. Pre inspection survey required to identify full extent of the essential works required.	Risk to Public and Occupiers	Sept 2018	£110,000
C31	2.80	2 TC Regen &4	Town Chambers - Landlords electrical inspection and remedial works	£30,000					THESE WORKS ARE SUBJECT TO RECEIVING A REGENERATION PREFERRED BIDDER. The 2012 Acquisition and condition survey identified a number of electrical elements in a poor and potentially dangerous condition requiring some rewiring , replacement and upgrade work are anticipated. Electrical test and inspection required to establish full extent of works required.	Risk to personnel and building, loss of electricity to parts of the building.	July 2017	£30,000
C45	2.80	3&4	St Nicholas Community Centre - boiler and hot water installation upgrade - new controls / panel rewiring and fittings. Building currently under review	£22,000					The hot water system & controls are wholly ineffective resulting in lack of hot water. Boiler is a historic unit of a model & type which elsewhere within SBC commercial portfolio has proved problematic in operation and reliability. These works are essential to ensure building remains in a condition of acceptable ongoing occupation . Works subject to Community Centre Review findings.	Lack of hot water leading to possible health and hygiene issues limiting the service provided. Further inspection required consider short term solution (Centre under review)	2018/19	
C46	2.80	2 CNM &4	St Nicholas Community Centre annex - External decorations.. Building currently under review. Essential health and safety works only	£0	£20,000				Window and doors in poor condition requiring redecoration ensuring that the building fabric does not deteriorate beyond repair extending the life of the building. Works identified for 2018/19 and subject to building review, works therefore postponed to future years.	If the decorations are not carried out the fabric of the building will deteriorate requiring extensive (More expensive) repairs in the future	2019/20	
C94	2.80	3&4	Indoor Market - Fire Alarm replacement	£25,000					£55K budget already approved for these works. However early investigations and discussions with specialist consultants / contractors indicate that additional budget of £25K will be required to complete the works	Existing wireless type alarm system is unreliable /Local Fire Service are not prepared to attend due to incidence of false alarms - Basic safety compromised to publicly used space.	2018/19	
C81	2.80	3&4	Ridlins Pavilion - upgrading heating and ventilating equipment	£7,500					During recent maintenance upgrading of the heating and ventilating system further works have been identified to ensure that the system continues to operate to an acceptable condition for ongoing high frequency use occupation.	If the heating and ventilation system fails due to delays in undertaking the upgrade works there is a risk that critical areas of the building will become unfit for occupation resulting in loss of service and income, Current users may decide to seek alternative premises.	2018/19	
C25	2.60	2 TC Regen + FS&4	Corporate and commercial buildings condition survey	£30,000					The last corporate buildings condition survey was undertaken in 2012/13 and is now out of date. To ensure the building condition is recorded and up to date and defects are identified a new condition survey is required. This will support SBC in identifying accurately the true level of investment required to maintain and service the asset and also to identify any health and safety issues as a priority. A condition survey is also required for the commercial buildings identifying the council responsibilities for repairs under the lease agreement. This is a Health & Safety priority classification. It is proposed that the stock condition survey is carried out in combination with the survey of the SLL premises[refer Ref No. C8].	Inadequate investment leading to potential health and safety issues and ensuring that the operational efficiency of the building is maintained and the councils obligations under the terms of the lease are undertaken. Lack of investment could lead to failure of critical elements, components and fittings leading to closure of the building and loss of income.	April 2018	£0
C32	2.60	3&4	Pin green play centre - new storage heaters	£8,500					Identified from 2012/13 condition survey as very limited remaining economic life. Recent inspections have verified that the historic electrical storage heaters are at the end of their serviceable life. Works required to ensure building remains in a condition of acceptable ongoing occupation. Replacement heaters will incorporate more sophisticated controls & timeclock setting function offering improved efficiency & output.	Risk of failure of heating system, closing building and loss of service and possible income. Option to hire emergency temporary heaters if old ones fail, however this will be at a cost and disruption to the centre	2018/19	£0



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C35	2.60	2 CNM &4	Pin green Play centre- replace external lighting	£12,000					Identified from 2012/13 condition survey / recent inspections - external lighting in a poor and no serviceable condition. Works required to ensure building remains in a condition of acceptable ongoing occupation and is safe and secure during the night time. Proposed works would radically improve both illumination & site coverage.	Failure of the light fittings putting the occupiers safety at risk.	2018/19	
C42	2.60	4	Bandley hill Play centre- replace external door sets -	£6,000					Identified from 2012/13 condition survey / recent inspections, - corroded metal external doors are in a poor condition .Doors are in constant use, requiring replacement to ensure ease and safe use . Also to maintain basic security of the building ensuring the building remains in a condition of acceptable ongoing occupation[* Comments as item immediately above]	Doors will continue to deteriorate resulting in water ingress and difficulties operating the door	2018/19	
C63	2.40	4	Springfield House - Works to external envelope.	£15,000					Recent surveys have identified essential works to external brickwork and render, and replacement of localised corroded metal windows This work is required to prevent water ingress and damage to the fabric and structure of the building, ensuring that the building remains in a acceptable and fit for purpose condition allowing ongoing occupation	Delay in carry out the works may lead to fabric and structural damage requiring substantial future repairs resulting in closure of parts of the building and cannot remain in occupation resulting in loss of service / income. Current users may decide to seek alternative premises.	2018/19	
C74	2.40	3&4	Cemetery - Weston road - replace / upgrade electric space heating.	£25,000					2013 condition survey / recent inspections identified electrical heaters are at the end of their serviceable life and toilets are unheated. Replacement and supplemental heating required to ensure building remains in a condition of acceptable ongoing occupation.	Risk of failure of heating system, closing building and loss of service and possible income. Option to hire emergency temporary heaters if old ones fail, however this will be at a cost and disruption to the centre	2018/19	
C78	2.40	4	Shephalbury bowls Pavilion - reroofing	£18,000					Identified from 2012/13 condition survey / recent inspections - roof is in a poor condition and at the end of its serviceable life. New felt roofing targeted for 2017-18 was deferred from current year's capital programme substituted by urgent arising need for replacing flooring and screed which had failed throughout building. Building is timber framed and consequence of further delay in works could be water ingress and rot to timber structural framing.	Water ingress will result in damage and deterioration of the fabric of the building leading to more extensive repairs in the future and if left may result in structural failure. This may lead to closing parts of the building. Patch repairs will be uneconomical	2018/19	
C52	2.33	3&4	Shephal Community Centre boiler replacement end of serviceable life		£45,000				Potterton Kingfisher Floor Standing Conventionally Flued Gas Boiler Identified in 2012/13 SCS recommended then as having maximum 5 year remaining life span.	Failure of Heating would render building unusable.	2019/20	
C95	2.20	4	Town Centre Toilets - reroofing /temporary remedial works	£5,000					Water ingress to underside canopy soffit over ladies toilet entrance due to roof leak. Defect identified previously however due to the anticipated life of the building reroofing works have been postponed. Option to carry out temporary remedial works, however no guarantee on success and life of the roof covering leading to water ingress inside the toilet block. Alternatively clad underside of soffit at £5K, however water ingress will continue causing long term damage to the fabric of the building. Therefore this solution should only be considered as a very short term solution.	The existing paint finish will continue to fail affecting the appearance of the toilet block.	2018/19	
C36	2.20	3&4	Pin Green Play centre- replace hall lighting - poor light levels	£10,000					Identified from 2013 condition survey / & verified from recent independent inspections - Inadequate lighting level in main hall for the type of occupation. Installation is currently in a poor condition. There is a potential safety risk and therefore works required to ensure building remains in a condition of acceptable ongoing occupation and is safe and secure during the night time.	Decreasing light levels putting occupiers at risk (trips etc.) in particular the user group[Young Children] and these visually impaired or wheelchair/mobility disabled.	2018/19	
C44	2.20	2&4	St Nicholas Community Centre - Existing single glazed timber and metal windows beyond economic repair - replacement. £25K 2019/20 Building currently under review. Essential health and safety works only		£25,000				SCS 2012/13 & recent review inspection by qualified Building Surveyor have confirmed short term requirement to replace historic [original ] single glazed 'Crittall' type metal windows which display beading disrepair corrosion and paint failure - these being symptomatic of failure		2019/20	
C93	2.20	4	Cavendish Road depot - Office alterations	£35,000					To form new opening and staircase between existing offices to open up area, providing a more efficient and more collaborative working conditions	Poor working environment and working conditions leading to difficulties in retaining staff.	2018/19	
C75	2.20	2&4	cemetery - Weston road - external joinery decorations	£10,000					Redecorations to window fascia soffit and boarding etc. (external joinery) required ensuring that the fabric of the building is maintained and does not deteriorate beyond economic repair	If the decorations are not carried out the fabric of the building will deteriorate requiring extensive (More expensive) repairs in the future.	2018/19	
C48	2.00	2 CNM &4	Bedwell Community Centre- essential external cedar cladding works	£0		£5,000			If works are not carried out condition will deteriorate resulting in more expensive repairs in the future. Works identified for 2018/19 and subject to building review, works therefore postponed to future years.	Unforeseen costs in expense in future.	2020/21	

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C84	2.00	2	Canterbury way Pavilion - demolition	£12,000					The building is in a generally inferior and extremely poor condition. Extensive works are required to restore the building to a condition acceptable for ongoing occupation. The building is under used and therefore it is recommended for demolition. This is subject to further operational asset management checks to confirm viable demolition.	If the building is not demolished it will continue to deteriorate and become unsafe.	2018/19	
C77	1.90	4	Chells Park Pavilion - decommission shower and provide hot water service to changing rooms	£25,000					Due to the change of use requirement (adult to junior football) showers no longer required but constant hot water required to wash hand basins	Facility will not operate for this use. Users will transfer to alternative premises		
C60	2.60	3&4	The Oval Community Centre - Replace radiators. Building future use under review.	£8,000					Following the boiler replacement carried out in 2017. the existing radiators are beyond serviceable life and fan convectors require replacement to ensure that the building remains operational. Works are subject to the community centre review however these works are considered essential to maintain comfort conditions. Works phased replacement proposed over two years	Failure to maintain the property at a temperature fit for purpose may result in closing the building at certain times. Hiring temporary heaters is a short term solution however there will be costs and disruption to the occupiers. Potential loss of income.	2018/19	
C67	2.25	3&4	Timebridge - boiler and hot water refurbishment	£10,000					Continuing issues with heating & hot water - At present the installations have been converted as a compromise to 'direct fed' arrangement as a holding repair subject to financial limitations imposed.	Lack of adequate heating and hot water service	2018/19	
C83	2.36	3&4	St Nicholas pavilion electric heating replacement	£8,000					2012/13 condition survey / recent inspections identified electrical heaters are at the end of their serviceable life. Replacement required to ensure building remains in a condition of acceptable ongoing occupation.	Risk of failure of heating system, closing building and loss of service and possible income.	2018/19	
Total Housing and Investment Growth Bids				£717,000	£90,000	£5,000	£0	£0				£390,000
C86	3.00	3	Energy Performance surveys and proposed building works	£42,000	£15,000	£15,000	£15,000	£15,000	Statutory requirement under the Energy Act 2011.	Fine of £500 to £5,000 per property based on Rateable Value.	May or June 2018	£0
C87	3.00	1 and 4	Costs relate to a new replacement property management system. The Estates team are considering use of the IDOX/Uniform estate management software. IDOX is a known provider with software already installed in the Planning Department, and Environmental Health, and Building Control considering its other applications. Consolidating the number of systems we operate as a Council is beneficial in reducing the IT infrastructure needed and greater depth of knowledge across the Council. Part of the costs have already been covered by East Herts under the shared agreement.	£30,000	£0	£0	£0	£0	The existing GVAS property database presents a significant security risk to the Council because the application is de-supported. IT have recommended decommissioning of the software as result (due April 2018).	This the only property database the Council's Estate Team use to effectively manage the commercial portfolio. If the system is not replaced before the existing system is de-commissioned, the team will not be able to effectively manage the commercial portfolio, for instance, they will have no access to commercial tenant lease details electronically for viewing and updating, and this will enviably slow progress with rent reviews and lease renewals as the team will need to rely on hard-copy paper copies sourced from Legal Services (which will add an additional pressure on this resource).	January-March 2018	£0
Total Finance & Estates Growth Bids				£72,000	£15,000	£15,000	£15,000	£15,000				£0
TOTAL GF CAPITAL OPTIONS				£7,617,250	£11,332,000	£446,000	£461,000	£583,000				£17,300,000
Funded from £2.1M Digital budget												
C88		4	Generator for Daneshill Datacentre	£60,300	£0	£0	£0	£0	Fully mitigate risk of power disruption to IT services for both SBC and EHC. (A 50% contribution from EH will be sought and if successful SBC share will be £45,000 shared General Fund and HRA)	Only partial mitigation of the risk via battery backup can be achieved within approved funding.		£0
C89		4	Data centre Architecture	£6,700	£0	£0	£0	£0	Specialist advice regarding options to reconfigure the datacentre to mitigate risks in relation to the fibre cable that runs between Daneshill House and Cavendish Road. (Total scheme cost £20,000 cost split with East Herts)	Continue to operate using the existing model with the risk associated with the fibre cable or invest in a second fibre connection between the sites (est. >500k)		£0
C90		4	Network Switches	£15,000	£0	£0	£0	£0	It is likely that changes to the datacentre model will result in the need for higher capacity switches to support increases in network traffic. (Total scheme cost £30,000 cost split with East Herts)	IT services will operate sub-optimally, with the impact being experienced by all staff at both EHC and SBC.		£0
C91		4	Programme and Project Management - IT Improvement Plan (1FTE Grade 7 12 mths. 1 specialist programme manager 9 mths)	£42,545	£0	£0	£0	£0	To deliver the Phase 1 (Security and Resilience) of the IT Improvement Plan by August 2018. (Total scheme cost £127,000 cost split with East Herts)	Longer delivery timescales for programme of IT resilience work, as per IT Improvement Plan.		£0

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C92		3	Core switches	£0	£33,500	£0	£0	£0	Supplier for support for core switches (network equipment) expires in 2020.	Failure to replace core switches risks running critical network equipment in an unsupported state. This means we will not be entitled to any support if the equipment develops a fault.		£0
Total HRA CAPITAL BUDGETS				£124,545	£33,500	£0	£0	£0				£0
HRA CAPITAL BUDGETS												
C88		4	Generator for Daneshill Datacentre	£29,700	£0	£0	£0	£0	Fully mitigate risk of power disruption to IT services for both SBC and EHC. (A 50% contribution form EH will be sought and if successful SBC share will be £45,000)	Only partial mitigation of the risk via battery backup can be achieved within approved funding.		£0
C89		4	Data centre Architecture	£3,300	£0	£0	£0	£0	Specialist advice regarding options to reconfigure the datacentre to mitigate risks in relation to the fibre cable that runs between Daneshill House and Cavendish Road. (Total scheme cost £20,000 cost split with East Herts)	Continue to operate using the existing model with the risk associated with the fibre cable or invest in a second fibre connection between the sites (est. >500k)		£0
C90		4	Network Switches	£4,950	£0	£0	£0	£0	It is likely that changes to the datacentre model will result in the need for higher capacity switches to support increases in network traffic. (Total scheme cost £30,000 cost split with East Herts)	IT services will operate sub-optimally, with the impact being experienced by all staff at both EHC and SBC.		£0
C91		4	Programme and Project Management - IT Improvement Plan (1FTE Grade 7 12 mths. 1 specialist programme manager 9 mths)	£20,955	£0	£0	£0	£0	To deliver the Phase 1 (Security and Resilience) of the IT Improvement Plan by August 2018. (Total scheme cost £127,000 cost split with East Herts)	Longer delivery timescales for programme of IT resilience work, as per IT Improvement Plan.		£0
C92		3	Core switches	£0	£16,500	£0	£0	£0	Supplier for support for core switches (network equipment) expires in 2020.	Failure to replace core switches risks running critical network equipment in an unsupported state. This means we will not be entitled to any support if the equipment develops a fault.		£0
Total Corporate Projects, Customer Services and Technology				£58,905	£16,500	£0	£0	£0				£0
Budget Provision in 2017-18 due to Urgency of Works												
C72	3.00	3	Indoor market - Upgrade Electrical distribution board	£10,000					Electrical board at end of safe serviceable life. Limited emergency safety works were carried out earlier this year however full replacement of board is essential.	If this work is not undertaken by / at the next test inspection date then the building will become non compliant. This could then lead to the market being closed.	April 2018 (sooner if possible)	
				£10,000	£0	£0	£0	£0				
Not Recommended By LFSG Bids due to likely to be part of regeneration schemes not supported												
C18	1.60	4	Off street car parks (Surface Car Parks)	£22,500	£56,250				The resurfacing takes into account the regeneration plans and is focused on repair and light resurface to extend the life of the car parks through to the end of the regeneration programme.	Health and safety, loss of income	2018/19 & 2019/20	£0
Not Recommended By LFSG review overall cost of the market and the required works prior to approval.												
C73	0.50	4	Indoor market - reroofing	£0	£0	£0	£18,000				2021/22	
C71	0.25	4	Indoor market - hot air curtains over main doors	£10,000					Existing radiant heating does not provide acceptable comfort level due to the excessive heat loss (cold air ingress) at the main entrances	Continue complaints from stall holders. Risk of stall holder terminating tenancy.	2018/19	
C99	0.50	1 & 4	Indoor Market - new fascias and signage to stalls	£90,000					Stalls have had different traders and damaged / old facias have been replaced only as and when required to make them fit for purpose. Subsequently, facias have aged and they are now different shapes, sizes and colours, giving the market an untidy, tired feel and look. This has a huge impact on how people perceive the market, making it difficult to attract new shoppers and traders, from different generations and types of customers. Also installing protruding stall signs will complement the new fascias and encourage shoppers to use other stalls available down each aisle (avenue). The signs will also be used to advertise vacant stalls for rental.	Loss of market stall traders and income	2018/19	
Not Recommended By LFSG spend not based on a surveyed need												
C76	1.50	4	Cavendish Depot- reline existing gutters	£0	£0	£0		£12,500	Liquid based reinforced waterproofing repair work was carried out to limited gutter lengths affected by leakage in Spring 2017.[Areas now occupied by Travis Perkins]. Waterproofing must be repeated in the future to extend life of the metal channel guttering system.	Water ingress affecting building occupation		
				£122,500	£56,250	£0	£18,000	£12,500				



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GF CAPITAL - PRIORITY BASED BUDGETING 2018/19 - 2022/23												
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Further Not Recommended by LFSG Bids (many of which are linked to "Community Centre" reviews.

C55	0.00	4	Bragbury Community Centre- flat roof replacement £10K 2018/19 - Centre due for demolition / redevelopment in 2 years Proposed works to be postponed.	£0	£10,000				Identified from 2012/13 condition survey / recent inspections - flat roof is in a poor condition and at the end of its serviceable life.	Water ingress will result in damage and deterioration of the fabric of the building leading to more extensive repairs in the future and if left may result in structural failure. This may lead to closing part of the building		
C56	0.00	3&4	Bragbury Community Centre - replace electric heaters. £25k 2020/21 Centre due for demolition / redevelopment in 2 years Proposed works to be postponed.			£25,000						
C57	0.00	4	Bragbury Community Centre - main hall floor replacement. £8.5K 2018/19 Centre due for demolition / redevelopment in 2 years Proposed works to be postponed.	£0	£8,500				Identified from 2012/13 condition survey / recent inspections - Hall floor covering damaged and beyond repair requiring replacement to ensure building is in a safe (trip hazard) and acceptable condition for ongoing occupation	If left the floor will deteriorate resulting in the room being unusable. Current users may decide to seek alternative premises.		
C50	1.00	4	Shephall Community Centre reroofing		£45,000	£45,000			Poor Condition recorded in 2012/13 SCS - Patch repairs have been undertaken in recent year's to maintain watertightness - Further patching works not economically viable	Water ingress will result in damage and deterioration of the fabric of the building leading to more extensive repairs in the future and if left may result in structural failure. This may lead to closure of the building		
C51	1.00	4	Shephall Community Centre woodblock flooring works	£0	£7,000			£30,000	Identified from 2012/13 condition survey / recent inspection - worn wood block flooring reaching end of economic life - sand and treat 2018/19 and replace in future years 2022/23. Works identified for 2018/19 and subject to building review, works therefore postponed to future years.	Risk that the floor will become unsafe and unusable. Works proposed will keep the floor in a safe an usable condition until replacement.		
C53	1.33	4	Shephall Community Centre - single glazed metal windows end of economic life (insulation improvement)		£30,000				There is a part elevation where historic single glazing remains - In 2012/13 SCS identified this Main Hall location for future work - No work has been undertaken on the element in the meantime due to budgetary constraints.	Excessive heat loss /potential water penetration condensation issues - In combination with planned concurrent roof works which would incorporate insulation double glazed replacement windows to this area and boiler replacement works the combination of improvements would enhance environmental conditions and potentially attract increased letting of the space.		
C58	1.60	2 CNM &4	The Oval Community Centre- external decorations and repairs. Building future use under review.		£15,000							
C59	1.20	2 CNM &4	The Oval Community Centre - window replacement. Building future use under review.		£30,000							
C61	1.20	3&4	The Oval Community Centre - lighting upgrade and suspended ceiling refurb/replace. Building future use under review.	£0	£0	£0	£50,000					£0
C47	1.60	4	Bedwell Community Centre - re- roof (Flat)		£50,000	£50,000	£50,000		Identified in 2012/13 SCS with recommendation for replacement coverings in phased sequence from Yrs 3-7- Felt surfacing has limited remaining life	Water ingress will result in damage and deterioration of the fabric of the building leading to more extensive repairs in the future and if left may result in structural failure. This may lead to closure of the building		
C54	1.25	2 CNM &4	Chells manor Community Centre - repairs and redeco to window sub frames, doors incl fascia soffit and gable boarding and dormer windows	£0	£12,000				Redecorations to window sub frames, doors incl fascia soffit and gable boarding and dormer windows[in combination with the replacement of selected timber components where practical with maintenance free Upvc & other materials].These works are required ensuring that the fabric of the building is restored and maintained and does not deteriorate beyond economic repair. Works identified for 2018/19 and subject to building review, works therefore postponed to future years.	If the decorations and timber replacements are not carried out the fabric of the building will deteriorate requiring extensive (More expensive) repairs in the future		
C43	1.80	4	St Nicholas Community Centre Toilet refurb £70 2018/19 - Part funded by Association (£20K) - Essential health and safety works only - building currently under review.	£0	£70,000				Identified from 2012/13 condition survey / recent inspections, Fixtures, fittings and finishes at end of serviceable life requiring replacement to ensure acceptable ongoing occupation and reduce expensive repairs. Association has commissioned a design for new refurbishment / extension[verified by SBC Architects] providing an enhanced layout arrangement/upgrade to suit modern needs. Works identified for 2018/19 and subject to review, works therefore postponed to future years.	Increased ongoing repairs and of a deteriorating condition - A risk that current users may seek alternative premises which offer improved facilities.		£20,000

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C68	1.40	4	Timebridge - main hall floor - unable to re-sand wood block floor requiring replacement		£25,000				Floor was repaired and resealed as a consequence of flood damage[covered by Insurance Claim] during 2016-2017. -The current floor thickness remaining to this interlocked floor system cannot be resanded further as the layered wood thickness is insufficient	Area which is a principle room may be rendered unusable in the short term future		
C69	1.80	3&4	Timebridge main hall ventilation	£7,500					Recent site surveys have identified the existing ventilation system requires inspection and upgrading / replacement to provide adequate internal environmental conditions for ongoing occupation	Delay may result in the hall being unfit for occupation and therefore cancelling the service provided and loss of income. Current users may decide to seek alternative premises.		
C66	1.40	4	Symonds green Community Centre - toilet refurbishment			£35,000		£35,000	Toilet Accommodation is currently 'fit for purpose' although of basic standard	In the future the areas would become unhygienic and existing fittings and finishes reach end of economic lifespans -* Refurbishment of the toilets was never part of the brief for the extension works to form extra accommodation and an independent café -the café does however include a disabled WC/baby change area to serve this area specifically.		
C65	1.20	4	Springfield House - washroom / toilet refurb			£18,000			Historic layout and finishes with limited remaining economic life expectancy	Area would ultimately become unhygienic and unusable		
C62	1.80	4	Springfield House- Essential roofing works - pitched and flat roof areas			£7,500			Limited works to 'patch' and mitigate potential water penetration have been undertaken since the SCS in 2012/13-ongoing Capital Works to continue essential refurbishment are required to this historic period style building	To maintain watertightness to building and prevent rot & deterioration to timber framed roof construction.		
C64	1.00	3&4	Springfield House - radiator replacements	£0	£0	£0	£20,000	£20,000	Boiler & Plant Replaced in 2016-17/Original Column/Hospital type cast iron radiators were flushed with new valves fitted as part of these works. Radiators have very limited future life expectancy- Replacements would logically be the required second phase of heating enhancement works	Risk of major leaks/Interruption of Heating rendering building unusable		

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Further Not Recommended by LFSG Bids play centres and pavilions (linked to "Community Centre" reviews.

C37	1.00	2 CNM &4	Pin green Play centre - external decoration of building	£0	£0	£0		£10,000	Deterioration of essential waterproofing finishes to a modular building having limited life expectancy	Water ingress/Rot & deterioration affecting continuing building occupation		
C33	1.75	4	Pin Green Play centre - Re roof	£0	£0	£0		£25,000	Identified in 2012/2013 SCS as a major element with a limited future life expectancy[*A maximum 10 year remaining life was then recorded] -The roof was re- inspected by one of our qualified Building Surveyors earlier this year who verified that its replacement should be programmed within a maximum 5 year term. [*there is clear evidence of patch repairs undertaken in the recent past and further deterioration to the general covering and at details. The roof is not insulated and works must include incorporation of insulation to meet current Building Regulations standards.	Water ingress will result in damage and deterioration of the fabric of the building leading to more extensive repairs in the future and if left may result in structural failure. This may lead to closure of the building		
C34	1.75	4	Pin green Play centre -- enhancement of wash room island area - basins and taps and new floor covering	£0	£0	£0		£20,000	Identified in 2012/2013 SCS as an internal element being essential for use & occupation with a limited remaining lifespan predicted -The area was reinspected by one of our qualified Building Surveyors earlier this year and it was reported that the area should be 'earmarked' for refurbishment within 5 years as deterioration was noted in comparison with previous SCS findings.	Washbasins/taps vanity units flooring and wall finishes forming this integral facility would deteriorate to a condition predicting health & safety and affecting reasonable occupation and use.		
C80	1.70	4	Ridlins Pavilion - shower and changing room refurb	£0	£0	£0		£75,000	Prediction of necessary future upgrade / refurbishment of original fittings - Limited works also to wall floor and ceiling finishes - Building Constructed in early 2000's	Users may seek alternative premises for activities		
C41	1.60	4	Bandley Hill Play centre fenestration - sealing /re-beading to make watertight - consider replacement (energy efficient double glazed units		£18,000				SCS 2012/13 & recent review inspection by qualified Building Surveyor have confirmed short term requirement to replace historic [original ] single glazed coated metal windows which display beading disrepair and surface corrosion these being symptomatic of initial failure- Recent improvement project works have included new pitched roofing and external redecoration and toilet refurbishment [to commence January 2018]- Replacement Windows would complete envelope enhancement to well used modern building facility	Water ingress/Excessive Heat Loss[Large areas of fenestration exist to front & rear gable elevations]		
C40	1.60	4	Bandley hill Play centre replace main hall and kitchen flooring	£0	£0	£0		£20,000	SCS 2012/13 & recent review inspection by qualified Building Surveyor have confirmed short term requirement to replace historic [original ] flooring	Trip issues / Finish will become unsatisfactory for use as a Children's Centre		

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C79	1.90	4	Peartree Pavilion - male showers	£25,000					Identified from 2012/13 condition survey / recent inspections identified the generally dilapidated condition of the showers. Refurbishment is required to ensure that the building remains in a condition acceptable for ongoing occupation	Delay in undertaking the refurbishment will result in further deterioration of the condition of the showers and the facility will become unfit for use. Current users may decide to seek alternative premises.		
C38	1.80	4	St Nicholas Play centre - kitchen replacement	£0	£0	£0	£10,000		Flooring to area replaced in 2016-17 / 2nd phase works as planned would include Kitchen unit re-fit where units are becoming very worn with recent acceleration of broken parts	Area would become unhygienic and unusable		
C39	1.80	2 CNM &4	St Nicholas Play centre - external decorations to restore and maintain weather tightness	£0	£0	£0	£20,000		Deterioration of essential waterproofing finishes to a modular building having limited life expectancy	Water ingress/Rot & deterioration affecting continuing building occupation		
C82	1.40	4	St Nicholas Pavilion - reroofing			£35,000	£35,000		Membrane roof covering reaching end of waterproof life.SCS in 2012/13 originally predicted necessity for major works in Years 7-10.	Water ingress affecting building occupation and operation.		
Total Community Centre Review related works				£32,500	£320,500	£215,500	£185,000	£235,000				£20,000
TOTAL WORKS NOT RECOMMENDED				£155,000	£376,750	£215,500	£203,000	£247,500				£20,000

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