



## EXECUTIVE

**Date: Wednesday, 21 November 2018**

**Time: 2.00pm,**

**Location: Shimkent Room, Danesill House**

**Contact: Ian Gourlay (01438) 242703**

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

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## AGENDA

### **PART 1**

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

**2. MINUTES - 3 OCTOBER 2018**

To approve as a correct record the Minutes of the meeting of the Executive held on 3 October 2018 for signature by the Chair.

Pages 5 – 8

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

To note the following Minutes of the Overview & Scrutiny Committee and Select Committees –

Community Select Committee – 2 October 2018

Overview & Scrutiny Committee – 8 October 2018

Environment & Economy Select Committee – 18 October 2018

Community Select Committee – 23 October 2018

Pages 9 – 24

**4. HOUSING REVENUE ACCOUNT MEDIUM TERM FINANCIAL STRATEGY (2018/19 - 2022/23) AND BUSINESS PLAN UPDATE**

To consider a report on the Council's Housing Revenue Account (HRA) Medium Term Financial Strategy (2018/19 – 2022/23) and Business Plan Update.

Pages 25 – 74

**5. 2018/19 MID YEAR TREASURY MANAGEMENT REVIEW**

To update Members on the Treasury Management activities in 2018/19 and review effectiveness of the 2018/19 Treasury Management and Investment Strategy including the 2018/19 prudential and treasury indicators.

Pages 75 – 94

**6. STATEMENT OF COMMUNITY INVOLVEMENT (SCI)**

To consider a report providing consultation feedback and seeking approval for the adoption of the final Statement of Community Involvement (SCI).  
Pages 95 – 142

**7. COMMUNITY CENTRES REVIEW - DIRECTION OF TRAVEL REPORT**

To consider the Stage One review of community centres in Stevenage and to seek approval to further community consultation and a co-operative agreement with existing community associations to develop a sustainable future model of community centre delivery.  
Pages 143 – 164

**8. SMART CHOICES, BETTER PLACES: A TRANSPORT STRATEGY FOR STEVENAGE**

To update Members on progress made in preparing a Transport Strategy for Stevenage and to seek approval to carry out public consultation on the draft Strategy.  
Pages 165 – 244

**9. URGENT PART I BUSINESS**

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

**10. 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.

**11. PART II MINUTES - EXECUTIVE - 3 OCTOBER 2018**

To approve as a correct record the Part II section of the minutes of the meeting of the Executive held on 3 October 2018.  
Pages 245 - 246

**12. BUSINESS TECHNOLOGY CENTRE MANAGEMENT CONTRACT 2019-24**

To seek approval to commence the procurement process for the Business Technology Centre Management Contract for the period 2019-24, with an optional extension contract of a further two years.  
Pages 247 - 276

**13. FINANCIAL SECURITY OPTIONS 2019/20 - 2021/22**

To consider Financial Security Options for inclusion in the 2019/20 budget and onwards.

Pages 277 - 358

**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 Wednesday, 21 November 2018 – <http://www.stevenage.gov.uk/have-your-say/council-meetings/161153/>**

Agenda Published 13 November 2018

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## STEVENAGE BOROUGH COUNCIL

### EXECUTIVE MINUTES

**Date: Wednesday, 3 October 2018**

**Time: 2.00pm**

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

**Present:** Councillors: Sharon Taylor OBE CC (Chair), Mrs Joan Lloyd (Vice-Chair), Rob Broom, John Gardner, Richard Henry, Jackie Hollywell, Ralph Raynor and Jeannette Thomas.

**Start / End Time:** Start Time: 2.00pm  
End Time: 3.08pm

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

No apologies for absence were received.

There were no declarations of interest.

#### 2 **MINUTES - 5 SEPTEMBER 2018**

It was **RESOLVED** that the Minutes of the meeting of the Executive held on 5 September 2018 are approved as a correct record for signature by the Chair.

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

In respect of Minute 3 of the Minutes of the Overview & Scrutiny Committee meeting held on 10 September 2018, regarding the potential risk to the Council regarding the repayment of Right to Buy receipts, the Leader asked that should the Council be in a position where receipts were returned to Government, officers to write to the Government to express the Council's continued concern at the unfairness of this policy, in view of the ongoing need for money to be re-invested in housing in the Borough. The Leader also requested that a Press Release be issued to this effect.

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

Community Select Committee – 4 September 2018

Overview & Scrutiny Committee – 10 September 2018

#### 4 **THE FORMATION OF A WHOLLY OWNED HOUSING DEVELOPMENT COMPANY - CONCEPT AND BUSINESS CASE OBJECTIVES APPROVAL**

The Executive considered a report in respect of the concept and Business Case objectives relating to the proposed formation of a wholly owned Housing Development Company (WOC).

In response to questions raised by Members, the Assistant Director (Housing Development) commented:

- when General Fund/HRA developed land was offered for sale off plan, the WOC would be able to purchase at a discounted rate, which it was expected would produce a dividend when such properties were sold on.
- the WOC would seek to offer properties for rent at market value for a period of time;
- at a later point, subject to the WOC business plan, if any rental properties were to be sold they would be sold at full market value;
- it was anticipated that funding would be available to enable the WOC to deliver 25 properties in the first instance. This would be subject to a detailed business plan for Members to consider in due course;
- it would be technically possible for the WOC to branch out to acquire open market properties, however, this would be dependent on the priorities, aims and funding set out in the business plan for the WOC; and
- a number of other Local Authorities had set up WOCs. It was likely that WOCs would be affected by future legislation, although there was nothing to suggest that successive Governments would abandon the concept, as it benefited from cross-party support.

The Leader asked officers to ensure that, when reported back to the Executive, the Business Plan identified:

- how the lettings process for WOC properties would work (ie. an in-house or contracted out lettings agency);
- the Governance arrangements for the WOC, including Member oversight; and
- that appropriate arrangements were in place for robust scrutiny of the WOC's operation.

The Assistant Director (Housing Development) advised that it was intended that the WOC Business Plan would be reported back to the 12 December 2018 meeting of the Executive, or at worst to the 23 January 2019 meeting.

It was **RESOLVED:**

1. That the business case, as outlined in the report, be approved, and that the principle of establishing a Wholly Owned Housing Development Company (WOC), for the purposes detailed in the report, be supported.
2. That a report be brought to a future Executive comprising a fully costed financial projection of the WOC's operational activities and a Business Plan, prior to the WOC commencing trading.

*Reason for Decision: As contained in report.*

*Other Options considered: As contained in report.*

## 5 URGENT PART I BUSINESS

### Winter Flu Vaccinations

The Chief Executive advised that there was currently a shortage of flu vaccine for 65+ year olds in Stevenage, due to a supply problem caused by the Health Service reducing its vaccine supplier from five to a single supplier. The problem did not relate to those who had pre-booked appointments for the vaccination, but could be problematic for those using an open access/walk-in service. It was anticipated that the problem would be resolved in the next 3-4 weeks.

The Leader asked that a note be sent out to all Members of the Council advising them of the above situation, in case they were approached by residents regarding the matter.

The Executive also noted that the NHS was expecting another challenging winter which would place an increased strain on its services during that period. Accordingly, District/Borough Councils had been asked to support the initiative directing residents towards using the 118 and 999 telephone numbers in cases of dire need.

### Brexit

The Chief Executive explained that, in preparation for any enquiries from the public, the SBC approach to Brexit would be to treat it as a business continuity issue. A Sub-Group of SLT members would be established to develop the approach and report back to SLT on a fortnightly basis. Appropriate cross-checking would be carried out with other members of the Hertfordshire Resilience Forum.

## 6 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 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 MINUTES - EXECUTIVE - 5 SEPTEMBER 2018

It was **RESOLVED** that the Part II Minutes of the meeting of the Executive held on 5 September 2018 are approved for signature by the Chair.

## 8 GARAGE BUSINESS PLAN UPDATE

The Executive considered a Part II report that provided a summary of achievements

since the Garage Business Plan was agreed in July 2016; sought approval to amendments to the terms and remit of the Major Refurbishment Contract for flat blocks, so that it will include delivery of the refurbishment works to the Council's garage assets; and sought approval to plans for disposing of identified garage sites to raise capital funds to re-invest in the refurbishment of the Council's remaining garage assets.

It was **RESOLVED** that the recommendations in the report, including an addition to Recommendation 2.3, are approved.

*Reason for Decision: As contained in report.*

*Other Options considered: As contained in report.*

## 9 **URGENT PART II BUSINESS**

None.

### **CHAIR**

## STEVENAGE BOROUGH COUNCIL

### COMMUNITY SELECT COMMITTEE MINUTES

Date: Tuesday, 2 October 2018

Time: 6.00pm

Place: Shimkent Room - Daneshill House, Danestrete

**Present:** Councillors: (Chair), Adam Mitchell CC (Vice-Chair) (Vice Chair), Sandra Barr, Liz Harrington, Simon Speller and Tom Wren

**Start / End** Start Time: 6.00pm  
**Time:** End Time: 7.40pm

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

Apologies for absence were received from Councillors Jim Brown, Roni Hearn, John Mead, Sarah Mead and Sarah-Jane Potter.

There were no declarations of interest.

#### 2 MINUTES OF THE PREVIOUS MEETING

It was **RESOLVED** that the Minutes of the Community Select Committee meeting held on 4 September are agreed as a correct record and signed by the Chair.

#### 3 DAMP AND MOULD SCRUTINY REVIEW

The Committee received an update from the Corporate Investment and Design Manager and the Principal Design Manager, Stevenage Borough Council, on the current position in relation to the Damp and Mould Scrutiny Review.

The Committee was advised that the improvement and action plan had been developed which incorporated previous recommendations and the progress made against them. It was noted that the Plan would continue to be updated and developed to ensure ongoing improvement.

The Committee was pleased to note that the Surveyors had now been tasked to take ownership of any enquiries they dealt with and that they were aware that the focus for any reports and complaints was now the fundamental cause of the reported damp and mould issue and not just remedying the problem as and when it arose.

Members were advised that the Major Refurbishment Contract (MRC) programme had now commenced and that the MRC and the Damp and Mould teams were working closely together learning from historic and new damp and mould cases that will inform the programme of works to the flat blocks.

Officers advised that they were using a tracker to monitor progress for each

individual case. Contact had now been made by Council officers with all those tenants who had previously reported problems. Members were also advised that following a reported problem, an initial inspection was now carried out within 3 weeks. The target for the completion of all works was 6 months although the majority of cases were completed a lot sooner.

It was **RESOLVED** that the update be noted and that officers be thanked for their attendance at the meeting.

#### 4 **RESIDENT ENGAGEMENT SCRUTINY REVIEW**

##### Digital Transformation

The Assistant Director Corporate Services and Transformation reported to Members on the steps the Council was taking to make its services accessible via digital platforms and how residents would be able to interact with the Council in the future. Members were pleased to note the recent appointment of a Digital Transformation Manager who would be leading on this alongside Councillor Rob Broom as the Portfolio Holder responsible for this area.

It was noted that a new website provider had been appointed and work would commence to ensure that the new website which should be in place summer 2019, would focus on better customer journeys and include more self-service and more self-assessment options. It was also hoped that by the end of next year customers would be able to access all their SBC accounts with a single sign on. The importance of being able to access the Council website remotely was also stressed to make it as easy as possible to pay council tax/rent bills etc.

Councillor Rob Broom, Portfolio Holder Neighbourhoods and Co-operative Working advised that he had organised a cross party member engagement group which would be involved in the web development project.

Members were also pleased to note that the Council's Community Engagement Team would be promoting 'internet clubs' within community centres.

In terms of IT resilience, officers advised that the Council was currently looking at alternative options in the instance of system failure including a hosted website, secondary cabling and cloud technology.

##### Resident Engagement

The Chair welcomed Les Isaacs – Customer Scrutiny Panel member and Jon Thurlow member of the Housing Management Advisory Board who gave their experiences of engagement with the Council on behalf of tenants and residents in the Town.

The Committee was advised that both of the Groups were well thought of and in particular the Tenant Participation Advisory Service (TPAS) was using the Customer Scrutiny Panel newsletter as an example of best practice.

Members were pleased to note the positive feedback from the representatives although it was agreed that the diversity of the make-up of the different groups around the town could be improved.

Discussion then took place regarding ways the Council could engage differently with communities including social media, informal groups, time bound themed projects in task and finish groups relating to individual services which could be a recommendation of the review and engaging younger people to become IT champions.

#### Feedback from Members

At the last meeting of the Committee, some Members were asked to lead on certain aspects of resident engagement. However, it was agreed that due to several Members not in attendance, this part of the item be deferred until the next meeting of the Committee.

It was **RESOLVED**:

1. That the feedback be noted;
2. That updates from individual members be given at the next meeting of the Committee.

5      **URGENT PART 1 BUSINESS**

None.

6      **EXCLUSION OF PUBLIC AND PRESS**

Not required.

7      **URGENT PART II BUSINESS**

None.

#### **CHAIR**

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

Date: Monday, 8 October 2018

Time: 6.00pm

Place: Shimkent Room - Daneshill House, Danestrete

**Present:** Councillors: Lin Martin-Haugh (Chair), Philip Bibby CC (Vice-Chair), Sandra Barr, Michael Downing, Jody Hanafin, Michelle Gardner, Lizzy Kelly, John Mead, Sarah Mead and Adam Mitchell CC

**Start / End**      Start Time:    6.00pm  
**Time:**            End Time:       6.50pm

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

Apologies for absence were received from Councillors J Brown, J Fraser, R Parker CC and S-J Potter.

There were no declarations of interest.

**2      MINUTES - 10 SEPTEMBER 2018**

It was **RESOLVED** that the Minutes of the Overview and Scrutiny Committee Meeting held on 10 September 2018 are approved as a correct record and signed by the Chair.

**3      PART I DECISIONS OF THE EXECUTIVE**

**Minutes – Overview and Scrutiny Committee and Select Committees**

The Committee noted the comments of the Executive.

**The Formation of a wholly owned Housing Development Company**

The Assistant Director (Housing Development) introduced the report on the formation of a wholly owned housing development company. Members were informed that a report comprising a fully costed financial projection of the wholly owned company (WOC)'s operational activities and a Business Plan will be brought to a future Executive meeting.

Members asked that security of tenure be considered to aid social cohesion.

In response to questions, the Assistant Director informed Members that:

- It was standard market practice for purchasers to negotiate discounts on multiple property purchases. Discounts received by the WOC would,

- ultimately be to the benefit of the Council when the assets are sold
- There was no risk of competition between the proposed housing development company and properties that were provided under the Housing Revenue Account and General Fund's existing development programmes
- Income from the proposed company would boost the Council's General Fund (GF) and ultimately could contribute towards the provision of more social housing when decisions to prioritise spend were made by the Council
- The Council was facing revenue and capital pressures related to the one percent reduction for HRA rent setting introduced by the previous Government
- There was a shortage of good quality private sector housing in Stevenage and any delays in formation of the proposed company would result in a loss of income
- The proposed company would buy services from the Council, subject to procurement protocols and assurances over quality
- Tenancies offered by the WOC will not be the same as those offered under current Council arrangements through the HRA. Officers were exploring tenancy models including twelve month tenancy with extension options that would provide added security to prospective tenants
- The governance arrangements and structure of the proposed SBC WOC would be different from the set up in other local authorities as they had to be personalised to the Council's priorities

It was **RESOLVED** that the following Part I decisions of the Executive are noted:

1. Minutes of the Executive – 5 September 2018
2. Minutes of the Overview & Scrutiny Committee and Select Committees
3. The formation of a wholly owned Housing Development Company

#### 4 **DIVERSITY IN SBC WORKFORCE**

The Committee considered the Stevenage Borough Council (SBC) Workforce Diversity Statistics. The Council undertook equality and diversity assessments on new policies, policy reviews and major projects. There was a legal obligation for the Council to publish gender pay gap figures annually. The next report is due in March 2019 but provisional assessments indicate that the Council's gender pay gap position has improved.

In response to questions about low percentages of some ethnic groups, the Senior Human Resources Manager indicated that the statistics were broadly reflective of the Stevenage community and were similar to figures of other local authorities in the region. There was no obligation on staff to disclose protected characteristics. The Council's recruitment procedures were fair and inclusive. Members were informed that there had been no evidence of discrimination against any ethnic group, religion or gender.

It was **RESOLVED** that the statistics are noted.

5      **SBC SICKNESS MANAGEMENT SCOPING DOCUMENT**

The Scrutiny Officer and the Senior Human Resources Manager presented the scoping document for SBC Sickness Management for Members to consider.

Members were informed that a strategy was now in place to reduce sickness absence. The Council was now able to produce a monthly sickness absence report that included details of sickness categories (short term and long term) and reasons for sickness. Members recommended that numbers, percentages and day trends be included in the sickness data report.

It was **RESOLVED** that the scoping document is noted.

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

None.

7      **URGENT PART I BUSINESS**

None.

8      **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 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.

9      **PART II DECISIONS OF THE EXECUTIVE**

The Assistant Director (Stevenage Direct Services) introduced the Garage Business Plan Update.

Members asked a number of questions about the update which were answered by officers.

It was **RESOLVED** that the following Part II decisions of the Executive are noted:

1.      Part II Minutes – 5 September 2018
2.      Garage Business Plan Update

10      **URGENT PART II DECISIONS AUTHORISED BY THE CHAIR OF THE  
OVERVIEW AND SCRUTINY COMMITTEE**

None.

11      **URGENT PART II BUSINESS**

None.

**CHAIR**

## STEVENAGE BOROUGH COUNCIL

### ENVIRONMENT & ECONOMY SELECT COMMITTEE MINUTES

Date: Thursday, 18 October 2018

Time: 6.30pm

Place: Autun Room - Daneshill House, Danestrete

**Present:** **Councillors:** Michael Downing (Chair), Lloyd Briscoe, Jim Brown, David Cullen, Andy McGuinness, Adam Mitchell CC and Simon Speller.

**In Attendance:** Tom Pike (SBC Strategic Director) and Chris Berry (SBC Interim Assistant Director – Planning and Regulatory), Trevor Mason (Team Leader – HCC Strategic Transport and Rail Environment & Infrastructure), Val Male (HCC Strategic Transport and Rail Environment & Infrastructure), Lynne Barker (Network Rail Project Sponsor), Neil Henry (Network Rail Head of Operations – South Stevenage Turnback Project), Ken Mason (Network Rail Project Manager), Jane Cobb (GTR Communications Manager – Timetable), Larry Heyman (GTR Local Development Manager for Thames & Great Northern), Phil Hutchinson (GTR Head of Strategic Planning), Patrick Ladbury (GTR Local Development Manager for Thames & Great Northern Designate), Graham Lottering (Stevenage Rail Users' Group) and Aljit Vohra (Stevenage Rail Users' Group)

**Start / End Time:** Start Time: 6.30pm  
End Time: 8.35pm

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

The Chair welcomed everyone to the meeting. There was representation from Govia Thameslink Railway (GTR), Network Rail, Hertfordshire County Council (Transport Unit) and the Rail Users' Group for Stevenage.

Apologies were received from Cllrs M Hurst, J Fraser, L Kelly and S-J Potter.

There were no declarations of interest.

#### 2 **MINUTES - 1 AUGUST 2018**

It was **RESOLVED** that Minutes of the Environment and Economy (E & E) Select Committee meeting of 01 August 2018 are approved as a correct record and signed by the Chair.

The Chair informed the Committee that items relating to the Licence to Occupy procedures and the review of the Direct Services Business Unit (Item 2 – paragraph 2) had been deferred to the November E & E Select Committee meeting.

## STEVENAGE RAIL STATION

The Chair informed the Committee that although Stevenage Borough Council (SBC) did not have direct responsibility for rail, the Council has a responsibility to look after the welfare its residents including regular rail commuters and more casual rail users. This was why this issue was being considered by the Committee. The long term objective was to establish improved communication between the Council, rail users and rail companies.

### Govia Thameslink Railway (GTR)

GTR offered an apology for the massive disruption caused by the May 2018 timetable change. The company was now focussing on improving and stabilising the service. GTR concurred with the Office of Rail and Road (ORR) report's conclusion that the May disruption was a reflection of industry-wide problems. The problems emanating from the May timetable change had to be resolved by the major stakeholders including the Department for Transport, Network Rail and rail franchise companies such as GTR and London North Eastern Railway (LNER).

GTR tabled a document containing Stevenage morning and evening peak and high peak vehicle, seats and capacity statistics for May 2010, May 2017 and May 2018 and projections for December 2018 and May 2019. Morning peak times are 0700hrs to 0959hrs and evening peak is 1600hrs to 1859hrs. Morning high peak times are 0800hrs to 0859hrs and evening high peak is 1700hrs to 1759hrs. Members were informed that under normal circumstances, a new rail timetable would be signed off by Network Rail at least twelve (12) weeks before the timetable launch date. This new timetable would then be followed by three to four iterations (using a computer program and manual interventions) to develop the most efficient use of drivers and trains and to ensure the reliability of the new timetable. On this occasion, due to the late sign-off, there was time for only one iteration which showed a requirement for 50 more drivers than we had available GTR had been recruiting and training new drivers since the start of the franchise in anticipation of the new May 2018 timetable but due to the late sign off, there was not enough time to ensure the most efficient use of the new drivers which would match their particular track knowledge.. Following the issues caused by the May timetable an interim timetable was introduced in July 2018 which brought in a degree of stability. Forty (40) additional peak time services were introduced in September 2018 and these have significantly contributed to an improved performance.

GTR was now working with Network Rail and other stakeholders to introduce the previously planned May weekday timetable in December 2018 and further improvements in May 2019 so as to ease passenger congestion and the disruption of services. The Committee was informed that services on the East Coast Mainline would benefit from the introduction of more services on the Cambridge to Brighton Route.

Members were informed that the late May 2018 timetable sign off was a direct result of the industry-wide problems that were highlighted in the ORR Report. It was pointed out that Network Rail manages a national timetable that covers all twenty-three (23) rail operators. New timetables are introduced twice a year. The timetable changes introduced in May 2018 were the most extensive in recent years.

## **Hertfordshire County Council (HCC)**

The County Council appreciated that stakeholders were making efforts to improve train services following disruptions caused by the May 2018 timetable change. Twenty four (24) stations in the county were affected by the timetable change. HCC did not have direct control over rail matters but it was actively involved in stakeholder consultation.

### **Rail Users' Group**

The Rail Users' Group were happy to note the planned improvements to the services. The Group informed the Committee that the May 2018 disruptions were the worst that had been experienced by a lot of the commuters. The Group highlighted the poor communication with rail operators and the unavailability of up-to-date statistics. There were no comparable statistics about peak times, actual train running times, passenger numbers, passenger capacity and rail vehicles on the services. The Group sought clarification on projects/programmes that would specifically benefit Stevenage rail commuters. It was pointed out that the majority of trains running between 0720hrs and 0815 hrs on weekdays were full by the time they arrived at Stevenage. Rail users indicated that they prioritised a reliable service from Stevenage over easy transfers to other London stations.

In response to issues raised by rail users, GTR acknowledged that there was significantly reduced seating capacity at Stevenage. GTR indicated that:

- GTR adopted trains that were designed and procured by the Department for Transport in 2013. These trains were designed with the objective of increasing train capacity
- Current rail infrastructure placed restrictions on the number of trains that could be added to the service, specifically related to capacity at London Kings Cross and the Welwyn Viaduct
- More trains were now stopping at Stevenage than before the introduction of the revised timetables
- The Department for Transport set the agenda for the rail industry. The focus of GTR was to deliver on its contractual obligations
- The morning peak time congestion was likely to ease after the introduction of revised timetables in December 2018 and May 2019
- Display boards had been installed at London King's Cross Station to provide up-to-date departure times from St Pancras
- Stevenage users would benefit from the extension of GTR services to Farringdon and other inner London stations

In response to a question about peak time passenger numbers, GTR informed the Committee that the company used estimates collated from several sources. The passenger number estimates were based on the following:

- A combination of train weight and average passenger weight at various points along the route
- Season ticket sales
- On-board counting
- ORR statistics based on ticket sales at train stations

It was indicated that rail operators carry out an all-day passenger survey twice a year and submitted a survey report to the Department for Transport. Season ticket sales alone could not provide conclusive data about commuter numbers. Passenger statistics were used for timetable revisions.

Members asked questions relating to timetable revisions, the use of relatively longer trains by some operators, rail network pinch points, timetable modelling, funding for rail projects, consultations and the volume of business that was lost as a result of the disruptions. It was indicated that:

- Unlike previous arrangements, the new timetable had a repeating pattern that made it easier for signalling. Trains were now assigned to dedicated routes and areas.
- The use of long trains on the London to Edinburgh route reduced commuter train services on the East Coast Mainline from twelve to ten.
- Due to pinch points such as the Welwyn Viaduct, a maximum of 18 trains could be operated per hour.
- A digital rail system was planned to replace the signal system that currently dictated capacity on the East Coast Mainline system.
- Network Rail and the operators had robust modelling arrangements that were subject to internal and external scrutiny. Adjustments were made after the introduction of new timetables.
- There had been a drop in discretionary travel due to changes in commuter working patterns and the May timetabling issues. The impact of the timetable issues has been that the travelling public have taken other options to travel.
- Five-year funding had been secured for re-modelling of London King's Cross station and improvements on the East Coast Mainline.

Members pointed out that the rail industry had to continually support investment and resolve the current complex ticketing arrangements. Rail operators welcomed feedback from Members and commuters. It was highlighted that frontline rail staff had done a commendable job responding to queries related to the May timetable change.

### **Fifth Platform**

The Chair stated that Stevenage Station was no longer fit for purpose. It was confirmed that plans for a fifth platform for Stevenage had been approved. There was ongoing preparatory work involving rail operators, Network Rail, local authorities



and the Department for Transport. Construction was scheduled to commence in 2019 and the project was due for completion in 2021. Network Rail responded to a question and confirmed that the project was behind schedule because the Department for Transport was awaiting publication of the Hendy Report on the re-planning of Network Rail's Investment Programme.

Members were informed that there would be lift access from the fifth platform to the footbridge. There was a commitment to provide full funding for the fifth platform project. Funds had been secured for related projects up to 2019.

### **Hertford Loop**

The Committee received an update on the Hertford Loop - the train line between Hertford North and Stevenage. It was indicated that the train line will not be closed during the construction of the fifth platform at Stevenage but GTR services will not be using the line. The rail service will cease from May 2019 when the second train per hour between Brighton and Cambridge is introduced. Physical works will be expected to commence later in 2019. The train to bus interchange would be at Hertford North. Train services will be in operation during weekends. A bus service will be in operation between Watton-at-Stone and Stevenage. A train service will run between Watton-at-Stone and Hertford North. Commuters from Hertford North to Stevenage will use a bus replacement service. The bus service was seen as a last resort and the best option. Terminating the service at Letchworth Garden City was not a viable option because of insufficient rolling stock at the station. The Letchworth Garden City to Hertford service was ruled out because of signal issues.

The County Council confirmed that it was engaging with Network Rail on the fifth platform, bus replacement service and other rail projects in the region. Stevenage South Station was on HCC's long-term Transport Plan. A reliable and good quality bus service was vital during the transition phase. HCC was liaising with stakeholders to ensure that there were no major traffic disruptions on the A602.

### **Future Consultations with Stakeholders**

In view of the planned rail timetable changes and other issues related to the rail industry, it was agreed that future consultations were necessary. It was suggested that a follow up meeting for stakeholders be scheduled for February or March 2019.

### **Support for Stevenage Rail Users' Group**

The Rail Users' Group acknowledged that it was sensible to engage with GTR and other operators. The Group wanted to take the opportunity to work with rail companies and resolve issues timely. Rail users requested that they be provided with provisional December 2018 and May 2019 timetables to enable consultations with other commuters before implementation of the changes. Feedback from these consultations would be provided to Network Rail and the rail operators.

The Strategic Director indicated that the meeting was a vital information sharing platform and that the Council would welcome information on planned changes in the future to help information cascade given the complex changes relating to timetable

changes in December 2018 and May 2019, which also includes the provision of a bus replacement service. The Council would welcome further rail stakeholder meetings when required.

It was **RESOLVED:**

1. That the following reports are noted:
  - GTR Presentation covering May 2018 lessons, interim measures and December 2018 timetable preparations
  - ORR Independent Inquiry into Timetable Disruption in May 2018
  - The role of Hertfordshire County Council
  - Rail Users' Group Issues and Questions
2. That the Committee considers holding a follow up meeting for all stakeholders in the spring of 2019, following the December 2018 timetable changes (February/March)
3. That GTR and other operators provide statistics about the number of Stevenage commuters at peak times
4. That train operators be encouraged to consult on key changes with the Rail Users Group
5. That Rail operators be encouraged to include Rail Users' Group for Stevenage and other stakeholder groups in consultations prior to the construction of the fifth platform for Stevenage and timetable changes in May 2019 and whilst the temporary bus service between Hertford and Stevenage is in operation.
6. That GTR be encouraged and advised to provide a reliable service and good quality buses for the replacement bus service
7. That ahead of the May timetable changes in 2019, Stevenage Borough Council and Hertfordshire County Council assist with local communication and be provided information regarding the changes

4 **URGENT PART 1 BUSINESS**

None.

5 **EXCLUSION OF PUBLIC AND PRESS**

Not required.

6 **URGENT PART II BUSINESS**

None.

**CHAIR**

**STEVENAGE BOROUGH COUNCIL**  
**COMMUNITY SELECT COMMITTEE**  
**MINUTES**

Date: Tuesday, 23 October 2018

Time: 6.00pm

Place: Shimkent Room - Daneshill House, Danestrete

**Present:** Councillors: Sarah Mead (Chair), Adam Mitchell CC (Vice-Chair), Sandra Barr, Jim Brown, Liz Harrington, Roni Hearn, John Mead, Sarah-Jane Potter and Tom Wren

**Start / End**      Start Time:    6.00pm  
**Time:**            End Time:       7.20pm

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

Apologies for Absence were received from Councillor Simon Speller.

Councillor Sandra Barr declared an interest in item 2 – Presentation from Young Enterprise as Chair of Governors at Larwood School.

Councillor Tom Wren declared an interest in item 3 – Decent Homes Scrutiny Review as a Leaseholder.

**2       PRESENTATION FROM YOUNG ENTERPRISE**

The Committee received a presentation Jo O'Reilly, Area Manager from Young Enterprise (YE), an organisation offering a wide range of programmes to help young people develop key employability competencies including:

- Team Programme –for students who have mild to moderate learning difficulties or are studying Entry Level or Level 1 qualifications;
- Company Programme – enables participants to experience what its like to set up and run a student company;
- Tenner Challenge – providing a broad and balances curriculum that prepares students for life as active citizens and providing opportunities to explore financial mathematics;
- Employability Masterclass – CV's, skills and attitudes to upskill and raise aspirations for future workforce;
- Learn to Earn – careers and qualifications required for certain careers.

The Committee was informed that over 4,500 students in 60 schools and colleges had benefitted from the work of YE.

In response to a question regarding SEN pupils or those young people who had disengaged from learning, Jo O'Reilly advised that YE delivered access for all programmes and gave examples of previous work. She advised that YE would adapt

programmes to whatever was required by the school or organisation.

The Committee was informed that YE was happy to work with partners across Stevenage including North Herts College and all Secondary Schools although other organisations would be welcomed and programmes could be developed as appropriate. The Chair suggested that the Stevenage Works programme which is a partnership between Stevenage Borough Council and, North Herts College and Job Centre Plus aimed at ensuring local people benefit from jobs and development opportunities associated with major contracts let across the Town (ie Flat Block refurbishment – MRC Regeneration, Garages etc) could be a useful contact for YE to exchange details with.

It was **RESOLVED** that Jo O'Reilly from Young Enterprise be thanked for her presentation.

### 3 **DECENT HOMES SCRUTINY REVIEW**

The Committee revisited the Scrutiny Review of Decent Homes which was completed in January 2014.

Members were pleased to note that all works inspected post their completion.

Officers informed the Committee of potential social value opportunities within future contract commitments including trade apprenticeships. This would be followed through with the contracts awarded for the regeneration works to the Town Centre and also the Major Refurbishment Contracts for the flat blocks around the Town. Members were pleased to note the Stevenage Works programme and felt there could be potential for this to become a social enterprise if deemed appropriate in due course.

Members discussed and endorsed the requirement to monitor customer satisfaction through surveys and feedback.

It was **RESOLVED** that the update be noted.

### 4 **URGENT PART 1 BUSINESS**

None.

### 5 **EXCLUSION OF PUBLIC AND PRESS**

Not required.

### 6 **URGENT PART II BUSINESS**

None.

## **CHAIR**

**Meeting** EXECUTIVE

**Portfolio Area** RESOURCES/ HOUSING, HEALTH AND OLDER PEOPLE

**Date** 21 November 2018



## HOUSING REVENUE ACCOUNT MEDIUM TERM FINANCIAL STRATEGY (2018/19-2022/23) AND BUSINESS PLAN UPDATE

### KEY DECISION

**Authors** Clare Fletcher | 2933; Katrina Shirley |2018

**Contributor** Jaime Cresser | 2020; Ash Ahmed | 2805; Andrew Garside | 2545; Stephen Georgiou | 2023; Simon Nuttall | 2968

**Lead Officers** Clare Fletcher | 2933

**Contact Officer** Clare Fletcher | 2933

### 1 PURPOSE

- 1.1 To update Members on the national public finance context and the impact on the Council.
- 1.2 To advise Members on the current and future position of the Council's Housing Revenue Account budget over the next five years.
- 1.3 To update Members on any funding gap in the 30 year HRA Business Plan.
- 1.4 To advise Members on the action plan for the HRA following the government's relaxation of the borrowing cap.

## **2 RECOMMENDATIONS**

- 2.1 That, for modelling purposes, fees and charges increases are in line with inflation.
- 2.2 That, for modelling purposes, the updated inflation assumptions used in the Medium Term Financial Strategy (section 4.5 refers) be approved.
- 2.3 That the Capital Programme assumptions contained within the report are approved for the existing programme and new build properties and incorporated into the 2019/20 budget, (subject to subsequent approved changes from the action plan in Appendix A).
- 2.4 That the assumptions contained within **scenario 2b** are approved, including the ability to build for private sale to provide additional income to the HRA (paragraph 4.11.8-4.11.12 refers) and subject to subsequent approved changes from the action plan in Appendix A.
- 2.5 That the Action Plan is approved to consider options to increase the spending power within the HRA, as a result of the removal of the HRA debt cap, (Appendix A).
- 2.6 That the two new additional funding requirements identified in paragraph 14.13.8 are approved.
- 2.7 That the current £4.9Million capital funding shortfall over the 30 year business plan, (paragraph 4.11.9 refers) be noted.
- 2.8 That the minimum level of balances for the HRA Business Plan, set as a minimum £2Million plus inflation (paragraph 4.16.3 refers), be noted.
- 2.9 That if material changes to forecasts are required following further Government announcements or recommendations as a result of the Action Plan, the Assistant Director (Finance and Estates) be requested to revise the Medium Term Financial Strategy and re-present it to the Executive for approval.
- 2.10 That the HRA MTFS principles are reviewed and reapproved following the work contained within the Action Plan at Appendix A.
- 2.11 That public consultation is in line with the requirements of the Council's Consultation and Engagement Strategy.
- 2.12 That the Trade Unions and staff be consulted on the key messages contained within the Medium Term Financial Strategies and more specifically when drawing up any proposals where there is a risk of redundancy.

## **3 BACKGROUND**

- 3.1 This report provides an update on the assumptions in the 2017 HRA MTFS reported to the Executive in September 2017. These include inflation, income and borrowing projections, which will determine whether the capital and revenue programmes are still affordable within the revised resources available.
- 3.2 This report will update financial assumptions for the impact of government initiatives where they are known and flag as risks those that cannot be

quantified at the current time, such as BREXIT and the outcome of the Social Housing Green Paper consultation.

- 3.3 The Future Town Future Council priorities of Stevenage include 'Excellent Council Homes' and 'Housing Development' and there may be a financial impact on the Housing Revenue Account to deliver the Council's ambitions around these priorities. This report will identify known funding options to help deliver these ambitions and identify risks where known.
- 3.4 Assistant Directors are in the process of completing their Business Unit Reviews and any cost base changes will have due regard to the financial envelope the HRA Fund operates within. In terms of delivery of housing services, this falls across four Assistant Director Areas: Housing and Investment, Communities and Neighbourhoods, Housing Development and Stevenage Direct Services.

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

### **4.1 Purpose of the Medium Term Financial Strategy**

- 4.1.1 The MTFS and the HRA Business Plan are the Council's key Housing Revenue Account financial planning documents, setting out the Council's strategic approach to the management of its housing stock. This includes:
- Rent Projections
  - New Build Projections
  - Treasury Management
  - Review of the debt scheduling
  - Funding of the Capital programme
  - Projections of Financial Security targets
  - Future pressures and risks
  - Inflation projections
- 4.1.2 The HRA Business Plan is the 30 year plan which demonstrates that the Council's management of the housing stock and capital works are affordable within the funds available and allows sufficient funding to be available to pay for the interest and debt repayments. The MTFS looks at these plans over a five year horizon and is a check that the HRA Business Plan is still financially viable.
- 4.1.3 The MTFS underpins the Council's key housing priorities for Stevenage as set out in the Future Town Future Council agenda "Excellent Council Homes" and "Housing Development" and in the Housing Asset Management Strategy. The Council continues to work co-operatively with housing customers to help shape these priorities and associated delivery programmes. Performance against these programmes in 2017/18 was reported to the Executive in July 2018 within the Annual Report and 4<sup>th</sup> Quarter Capital reports. See also Appendix B, (reported to HMAB July 2018).
- 4.1.4 The need to set annual financial security targets within the MTFS is not a Council priority in itself, it is rather a tool to facilitate the Council in achieving

its Future Town Future Council priorities and maintaining adequate funding for the services the Council provides, while retaining a prudent level of reserves. The Council's 'Financial Security' methodology has been revised to be a six strand approach for achieving this (see also section 4.3). The MTFS identifies the level of financial reduction required and the Financial Security priority helps deliver this reduction.

- 4.1.5 There are some overarching strategic financial objectives of the MTFS and business plan and the MTFS principles for financial planning purposes are summarised as follows:

MTFS principles
To 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.
To provide funding for investment in the existing housing stock to ensure the ongoing quality and sustainability of the assets and levels of decency retained.
To meet the cost of borrowing over the 30 year Business Plan or extend borrowing where this is affordable and helps meet the Council's investment priorities.
To leave borrowing headroom within the HRA to deal with unforeseen events and changes to government legislation.
To consider as part of the budget setting process, and throughout the year as necessary, what support can be given to the tenants and leaseholders in times of particular hardship.
To use the Council's reserves in a cost-efficient and planned manner to deliver the Council's priorities.
To maximise the Council's income by promptly raising all monies due and minimising the levels of arrears and debt write-offs.
In setting HRA balances a % for overruns (currently 1.5%), specific known risks, loss of savings & risks associated with new ventures and the cost of borrowing for the capital programme is included.
To identify variations to the approved budget via quarterly monitoring and only incur additional on-going spending when matched by increased income, identified savings or additional resources.
To set rents and service charges at levels that are affordable and offer value for money to tenants and leaseholders (within national policy constraints), whilst ensuring that a healthy HRA is maintained to enable ongoing investment.



MTFS principles
To offer 50% of new build units at affordable rent levels, subject to individual affordability assessments being undertaken and the outcomes of this approach being kept under review.
To propose service charges that are recovered at full cost to ensure adequate resources are maintained in the Business Plan and to keep this under regular review.
To ensure that resources are aligned with the Council's Corporate Plan and FTFC priorities.

- 4.1.6 The MTFS principles will need to be reviewed following the actions contained within this report.

## 4.2 The Economic and Policy Context

### The Economy

- 4.2.1 In the quarterly inflation report that accompanied the 0.25% base rate increase on the 2 August 2018, the Bank of England kept its forecast for growth this year unchanged at 1.4%, but increased the outlook for 2019 to 1.8% from the 1.7% previously predicted. The Bank continued to pencil in growth of 1.7% for 2020.
- 4.2.2 The quarterly inflation report showed its predictions are based on financial market expectations for rates to rise to 1.1% by mid-2021, which would suggest two more quarter-point rises. The Consumer Price Index (CPI) measure of inflation rose unexpectedly from 2.5% to 2.7% in August, but has reduced to 2.4% for September and the bank of England expects this to fall back to the 2% inflation target over the next two years given a scenario of minimal increases in Bank Rate.
- 4.2.3 In the last Strategy in 2017 there was considerable uncertainty around BREXIT and the impact that this will have on the economy and this still remains. Potential impacts of a 'No Deal' BREXIT on housing services could include for example: workforce shortages in the building and social care sectors associated with EU nationals leaving the UK; exchange rate changes affecting contracts priced in Euros/Dollars; increased financial hardship for residents in the event of an economic downturn. While the Chancellor's 2018 budget statement increased tax free allowances and higher tax rate thresholds, welfare benefits have by contrast been frozen for a number of years.

## 4.3 The Policy Context

- 4.3.1 Since the 2012 self-financing legislation was enacted, government policy initiatives have impacted adversely on HRA finances, with the most significant being the impact of the Welfare Reform and Work Act 2016. This put in place a 1% annual rent reduction over a four year period, estimated to

cost the HRA £225Million over 30 years. This has been compounded by increases in the discount level for RTBs to further erode resources to fund capital and revenue needs.

- 4.3.2 During the past year, the Government has issued a number of further policy announcements and consultations (outlined below), so the HRA Business Plan continues to operate in a state of flux.

**The Social Housing Green Paper – ‘A new deal for social housing’**

- 4.3.3 The Ministry for Housing, Communities and Local Government (MHCLG) published the social housing green paper on 14th August 2018. The paper includes two policy announcements which are:

- that the Government will not bring the Higher Value Void (HVV) Assets provisions of the Housing and Planning Act 2016 into effect;
- that the Government will not implement ‘at this time’ provisions in the Housing and Planning Act to restrict the use of lifetime tenancies.

The paper seeks views on a wide range of proposals and ideas, based around five themes:

- Ensuring homes are safe and decent (including a review of the decent homes standard and more resident engagement on safety issues);
- Effective resolution of complaints;
- Empowering residents and strengthening the role of the social housing regulator;
- Tackling stigma & celebrating thriving communities;
- Expanding housing supply and supporting home ownership.

- 4.3.4 Withdrawal of the HVV policy has a positive impact on the council’s HRA Business Plan with an estimated £30Million additional resources in the 2018 HRA BP update. However, the paper is silent on financial support to councils to invest in any enhancement to the decent homes standard, which could have significant capital implications. A number of the other proposals could, if implemented, have revenue implications in terms of increased administrative burdens and the need to resource enhanced services.

**The Additional HRA Borrowing Programme and the Shared Ownership and Affordable Homes Programme (SOAHP) 2016-2021**

- 4.3.5 In June 2018, the Government announced that it would raise the HRA borrowing cap by a total of up to £1 billion in areas of high affordability pressure to enable local authorities to build new homes. Eligible local authorities were invited to bid for increases in their caps from 2019/20 to 2021/22 and the Council made a bid submission. However, in the 2018 Budget statement, the Chancellor confirmed that the Housing Revenue Account borrowing cap had been abolished completely with immediate effect. This update of the BP includes a bid submitted for additional borrowing before the announcement to abolish the borrowing cap immediately.
- 4.3.6 In October 2017, the Government announced an additional £2billion to deliver affordable homes across the country through Homes England’s Shared Ownership and Affordable Homes Programme (SOAHP). Bids have

been invited against the available funding for a range of tenures, including for the first time Social Rent. The Green Paper does not announce any additional funding beyond the above.

#### **Use of RTB Receipts**

4.3.7 The Government has also consulted this year on the use of RTB receipts, the most significant proposals for the Council being:

- to allow local authorities to hold receipts they currently retain for up to 5 years; future receipts would still have to be used within 3 years;
- to increase the cap on the use of receipts from 30% to 50% of build costs for homes for social rent where certain criteria are met;
- to allow local authorities to “top-up” RTB receipts with grant funding;
- to allow authorities to gift General Fund land to the HRA at zero cost.

Officers responded to the consultation and welcomed the increased flexibilities but concluded that decisions about the use of these receipts should be made at a local level. Increasing the usability of 1.4.1 receipts does reduce any funding deficit and minimises the return of any receipts. The updated BP has not reflected any of the increased flexibilities but an increase in use of 1.4.1 from 30% to 50% reduced the need to borrow in the BP by £36Million, (paragraph 4.17.3 refers).

#### **Future National Rent Policy Post 2020**

4.3.8 Mandatory rent reductions of 1% per annum apply to the 4-year period 2016-2020. The Government has announced that from 2020 social housing providers will be able to increase rents by up to CPI +1% per annum for 5 years and is currently consulting on the implementation of this policy. A CPI+1% rental assumption has been included in the updated business plan post 2019/20.

4.3.9 Last year the Government published a consultation paper on proposed changes to funding models for supported housing. However, it has since confirmed it will not pursue its proposals and that it will maintain Housing Benefit for all supported housing. Nevertheless, it does intend to develop a new oversight regime, incorporating a review of housing related support. The impact of this has not yet been reflected in the updated BP.

#### **Welfare Reform**

4.3.10 Changes to welfare payments in terms of Universal Credit (UC) have continued to be introduced at a slow pace, although from September 2018, all new claimants, and those claimants whose circumstances change, will now migrate to UC. In the budget statements 2017 and 2018, the Chancellor made a number of concessions on UC and committed further funding to help claimants transfer to the new consolidated benefit. In addition, in March 2018, the Government announced it would amend regulations so that all 18 to 21-year-olds will be entitled to claim support for the housing cost element.

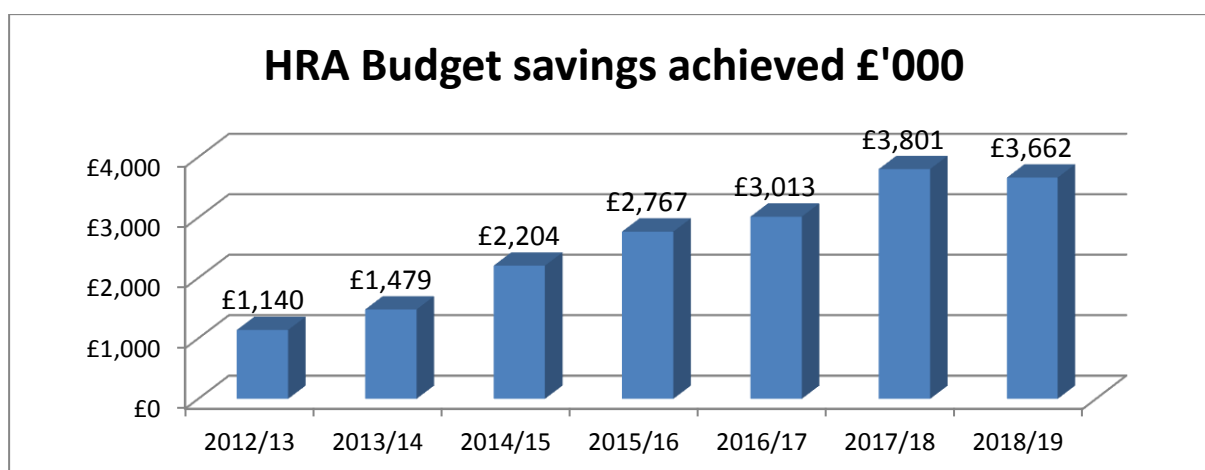
#### **Independent Review of Building Regulations & Fire Safety**

4.3.11 The Independent Review of Building Regulations & Fire Safety was commissioned by the Government following the Grenfell Tower fire. The review's final report was published in May 2018. It concluded that the

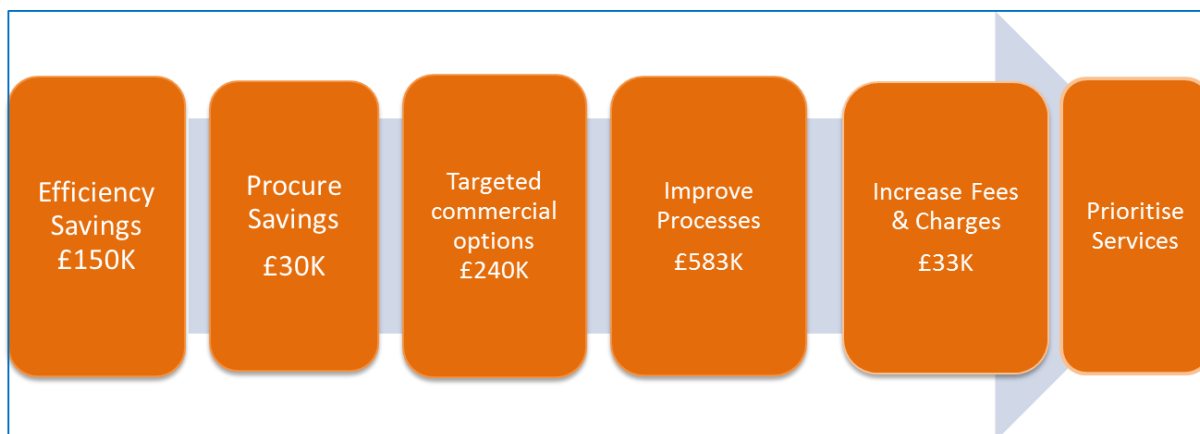
regulatory system covering high-rise and complex buildings was not fit for purpose and made over 50 recommendations for a different approach. The report acknowledges that to embed the systematic changes recommended will require legislative change; will take time to fully implement; and will require additional actions by those building and owning high rise buildings, with associated costs. This is likely to impact on the Council's housing investment costs in due course. The Council approved the retrofitting of sprinklers in high rise flats at a cost of £2Million at the Full Council meeting in July 2018.

#### **4.4 The HRA Update**

- 4.4.1 The changes made to housing finance in recent years have meant the HRA has had to review its delivery plan and significantly reduce capital expenditure, whilst at the same time finding annual savings to meet the cost of maintaining its housing stock and its management.
- 4.4.2 The level of budget reductions achieved from initiatives such as 'Priority Based Budgeting' and from 2017/18 the 'Financial Security' priority are shown in the chart below.



- 4.4.3 As with the General Fund, the Council's Financial Security priority is the process that looks over a three year savings horizon to deliver options to reduce net spend based on six strands which are summarised in the chart below. The HRA Business Plan assumes an annual £200K financial security target per year beyond the three year time horizon in order to fund the programme. An update on the progress of Financial Security Options is included in the Financial Security report to this Executive.



4.4.4 The MTFS projections for the HRA must be set in the context of the level of savings that are achievable ('Financial Security' work programme), whilst ensuring that a prudent level of HRA balances are maintained for unseen events. The net year end position since self-financing has required the HRA to hold higher balances to allow for the future years repayment of debt, however the revised projections show HRA revenue reserves at minimum or close to balances in the first 15 years on the business plan.

#### 4.5 Inflation

4.5.1 Details regarding the rationale for the inflation assumptions made in the MTFS are summarised in the following paragraphs.

	2018/19	2019/20	2020/21	2021/22	2022/23
<b>Inflation-Applied to:</b>					
<b>Salaries - % increase</b>	2.00%	2.00%	2.00%	2.00%	2.00%
<b>Pension Increase</b>			0.70%		
<b>CPI indices increases</b>	2.70%	2.30%	2.20%	2.10%	2.10%
<b>RPI indices increases</b>	3.70%	3.30%	3.20%	3.10%	3.00%
<b>BCIS</b>	2.80%	3.80%	4.40%	4.60%	4.60%
<b>Fuel Increases</b>	4.00%	4.39%	4.64%	4.99%	4.99%
<b>Gas (unit charge only)</b>	10.53%	14.53%	14.53%	14.53%	14.53%
<b>Electricity (unit charge only)</b>	10.16%	11.11%	11.11%	11.11%	11.11%

*\*at the time the modelling was completed the September CPI figure was not released (2.4% compared to 2.3% included in the modelling)*

4.5.2 The inflation assumptions shown in the table above have been calculated using a range of information sources which are:

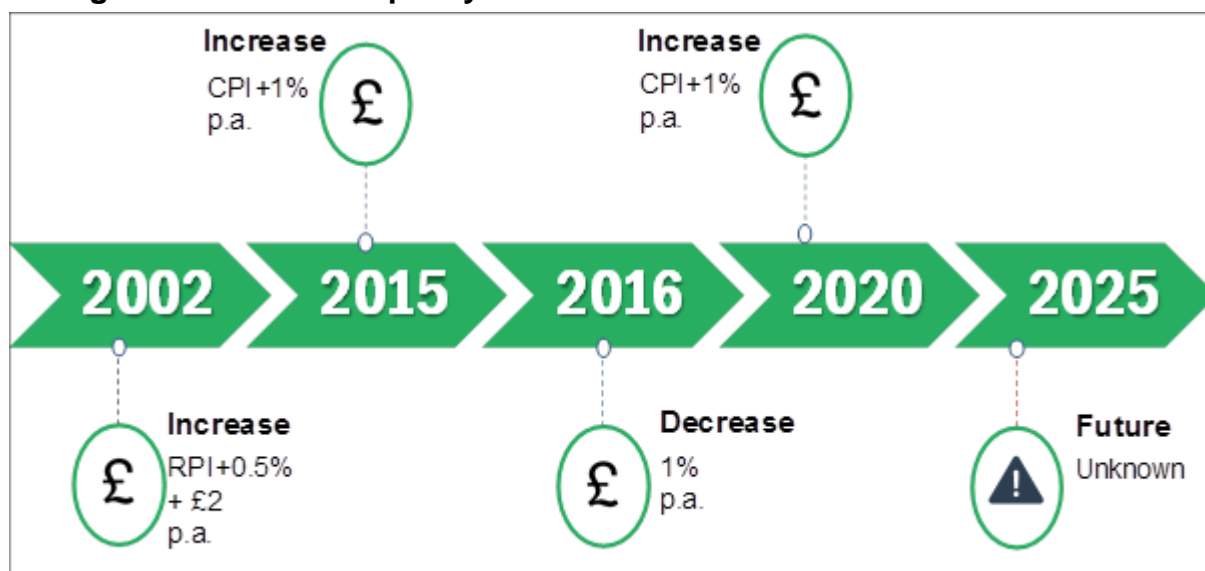
	Rationale for inflation assumption
<b>Salaries - % increase</b>	Salary inflation has been shown as 2% in the MTFS based on the two year deal for 2018/19-2019/20. With inflation projected to be 2% on-going it seems unlikely that pay offers will be lower as for example 1%.
<b>Pension Increase</b>	The increase for 2017/18 at the triennial review was an increase from 16.8% to 18.5%. Previously the lump sum payable had increased. At the next review it is anticipated that there will be a further increase to the percentage of pay of 0.7% to 19.2%.

	Rationale for inflation assumption
<b>Consumer Price Index (CPI) indices increases</b>	Current projections from the Bank of England and other independent commentators are broadly in line with the 2017/18 MTFS assumptions and therefore remain unchanged.
<b>Retail Price Index (RPI) indices increases</b>	This is based on a 0.9%- 1% differential between the CPI forecast.
<b>BCIS</b>	This is 2.8% in 2018/19 and for future years is based on the BCIS future years forecast which are projected to increase higher than the RPI indices.
<b>Fuel Increases</b>	Based on estimate for 2018/19 0.5%-2% above RPI inflation.
<b>Gas/Electricity (unit charge only)</b>	This has proved difficult to forecast and the MTFS contains the average increase annually which the council has experienced in addition to the current forecasts

## 4.6 Rent Policy

4.6.1 The Council's Rent and Service Charge Setting Policy identifies how the Council will set rents and service charges for residential properties, balancing financial viability for both tenants and the HRA Business Plan. Most council homes are at social rents and only 50% of new build homes are let at affordable rents (currently there are 18 affordable rented homes). Policy on annual rent increase/decreases has altered over time, as illustrated below:

### Changes in Government policy on rent increases/decreases since 2002



4.6.2 The HRA uses rental income or RTB sales to fund its capital programme. Recent policy changes have had a detrimental impact on the capital programme as illustrated by the impact of the 1% rent reduction, which is estimated to be £5.5m rent loss over four years and £225m over the 30 year life of the Business Plan.

4.6.3 The Council's rent and service charge policy was revised in January 2016 and January 2017, both to bring it into line with the Welfare Reform and Work Act 2016 and to incorporate policy decisions made in response to the loss of income to the HRA Business Plan. Key principles for charging are:

- HRA rents will be subject to a 1% per annum reduction from 2016/17 to 2019/20, where this is a statutory requirement;
- Properties exempt from the 1% rent reduction will have rents set in line with CPI+1%;
- The Council will continue to re-let properties at formula rent, with the exemption of mutual exchanges and also transfers where the under-occupation charge is a factor;
- The proportion of new build properties let at affordable rents will be aligned with the HRA Business Plan, which currently assumes a ratio of 50:50 social to affordable, subject to implementation being kept under review by the Housing Development Executive Committee;
- Any service charges will be set annually to recover the full costs incurred in providing the services.

4.6.4 The Government's announcement of its intention to allow local authorities to increase rents by up to CPI +1% per annum for 5 years from 2020 is included in the Council's Business Plan assumptions (and for the remaining 25 years) .

4.6.5 There are some flexibilities in setting rent levels (5% for general needs and 10% for sheltered). Officers are exploring the possibility of whether a proportion of the supported housing charge could be reclassified as rent and therefore eligible for housing benefit and use the rent flexibility to account for the cost.

#### **4.7 Service Charges**

4.7.1 The MTFs assumes for modelling purposes an RPI inflation increase for service charges and the higher utility inflation for those relating to heating or electricity. However only the actual cost of providing those services can be charged and these charges will be estimated as part of the budget setting process in December 2018. In line with the Rent and Service Charge Policy, the Council will consult with tenants and leaseholders regarding the setting of service charges, including what services are provided and why charges are incurred.

4.7.2 Officers are reviewing service charges to be in place for April 2020. The review of service charges will include the provision of a revised "estate management" offer including caretaking, grounds maintenance and anti-social behaviour. This forms part of the AD Business Unit reviews referred to earlier in the report.

#### **4.8 Supported Housing Charges and Other Fees and Charges**

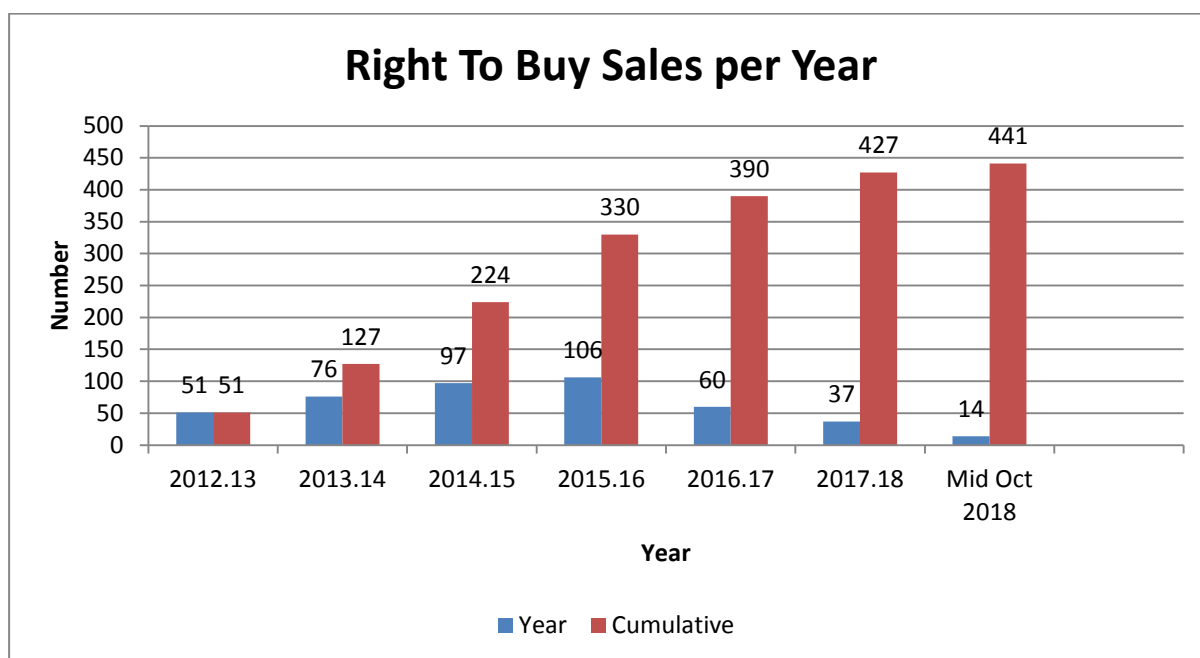
4.8.1 **Supported Housing** has been funded through significant supporting people grant (from HCC), which over time has been eroded. The grant for 2013/14 was £519,000 for 2014/15 this was reduced to £385,909 and then cut completely for supported housing from April 2015 (there is a small amount of grant remaining for temporary housing). The HRA has not been charging the full cost of the supported housing service with the HRA subsidising the cost to

those living in sheltered accommodation, with some tenants not paying anything. Members have agreed a phased £2.00 incremental increase in charges until costs are recovered. However the impact on those on benefit is being reviewed as per paragraph 4.6.5. As the HRA builds more supported housing units officers will need to ensure that the charging regime for associated services is financially sustainable for the HRA.

- 4.8.2 In addition to the cost of supported housing, Members agreed an increase in **Careline charges** from April 2016 to start moving this service towards a full recovery of costs by 2018/19. A full review of all supported housing costs will be included in the service charge review.
- 4.8.3 **Mortgage income** assumptions from S20 charges are included in the BP and relate in the main to the Major Refurbishment Contract (MRC). More detail regarding assumptions is summarised in para 4.17.2.

#### 4.9 Right to Buys (RTBs)

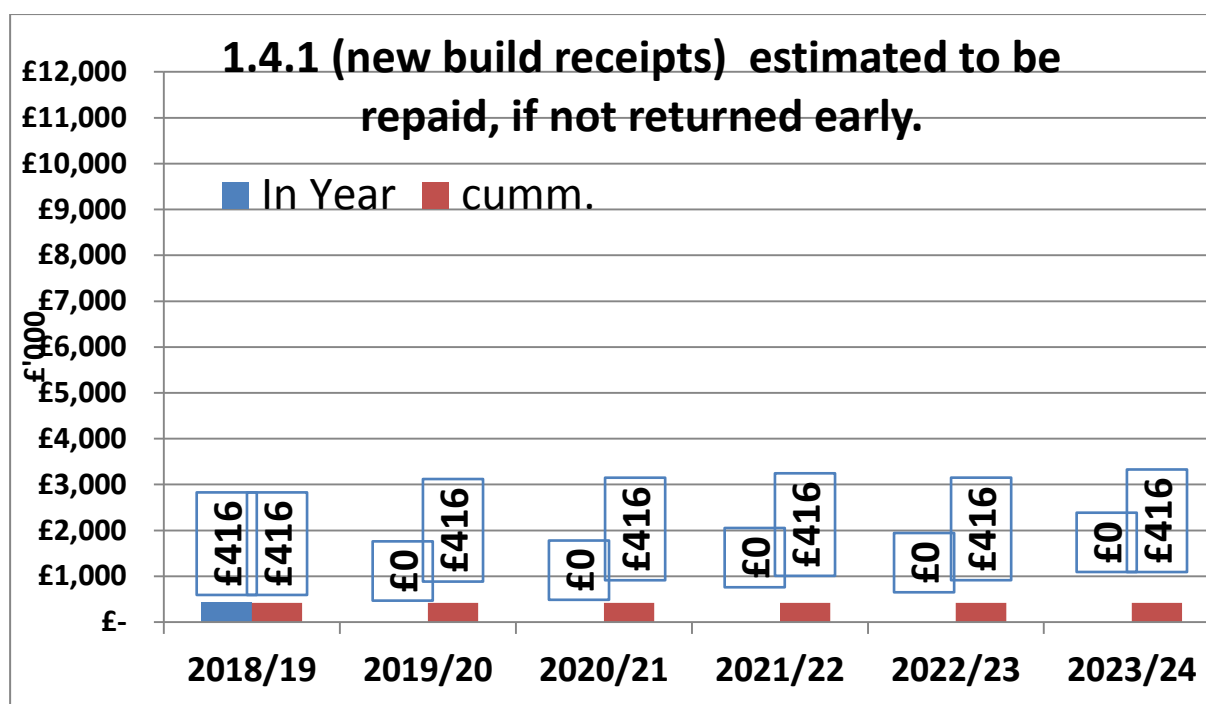
- 4.9.1 The original 2012 HRA business plan was based on sales of 10-12 RTBs per year but sales have been higher as a result of the increase in the discount offered, from £34,000 to £80,900 (2018/19), which is now indexed annually to CPI. The sales per year are shown in the chart below.



- 4.9.2 The 2017 BP projection was 50 RTBs per year, however there has been a downward trend in sales which may be partly explained by increases in average sale prices. The total number of RTB sales assumed in the Business Plan is now 35 per year or 1050 over 30 years, compared to 50 per year or 1500 in the previous plan. The projection for 2018/19 has since been revised down to 25 for the current year and included in the Financial Security report to this Executive.



4.9.3 Due to the historically higher RTB numbers in previous years there are still projected RTB 1.4.1 receipts that will need to be returned to the Treasury. The chart below shows £415K receipts not projected to be utilised within the three year period to 2023/24 and a potential £11Million over the 30 year business plan. This may be mitigated however if the Government goes ahead with proposals to extend the use of existing RTB receipts from three to five years (see paragraph 4.3.7). The use of receipts is also clearly linked to the number and value of RTBs, the reducing number of RTBs has alleviated the pressure to return larger amounts of receipts, but also puts pressure on funding.



#### 4.10 CAPITAL PROGRAMME-SCENARIO PLANNING

4.10.1 In last year's MTFS and Business Plan update, the capital programme was not fully funded, with a £26m capital funding shortfall over the 30 year period. In the 2018 BP update, officers have modelled a number of scenarios to examine the impact on the capital shortfall, the minimum balances and the ability to borrow to further fund the capital programme. The tables that follow describe the scenarios and set out the assumptions that are built into the modelling. The different scenarios show the relative impacts of changes to the business plan, resulting in a final scenario 2b option which apart from a de-minimus £4.9Million over 30 years has a fully funded capital programme.

Scenario	Description
<b>Base Scenario</b>	<p>This is based on the 2017/18 BP, adding a new year 30 . It includes:</p> <ul style="list-style-type: none"> <li>• Current approved capital programme</li> <li>• Adds assumptions around a redevelopment scheme, which means replacing 16% of units which are not eligible for use of 1.4.1 receipts.</li> <li>• Some re-profiling of new build properties per year to smooth out peaks and</li> </ul>

Scenario	Description
	troughs <ul style="list-style-type: none"> <li>Removes MRC costs relating to GF commercial properties</li> <li>RTB assumptions reduced from 50 to 35 per annum</li> <li>S106 monies available</li> </ul>
<b>Scenario 1</b>	Base scenario plus: <ul style="list-style-type: none"> <li>Increase the debt cap to allow the development of two sites set out in the borrowing bid to government</li> <li>Requires an appropriation of £1.1Million from the General Fund for debt cap borrowing schemes</li> <li>Requires additional borrowing of £9.5Million for the schemes and provides 36 new units.</li> </ul>
<b>Scenario 1B</b>	Scenario 1 plus: <ul style="list-style-type: none"> <li>Increase the number of RTB's from 35 per year to 50 per year</li> </ul>
<b>Scenario 2</b>	Scenario 1 plus <ul style="list-style-type: none"> <li>Include private sales 2021/22-2028/29 of average 5 per year to raise income for the HRA (31% return on capital employed)</li> </ul>
<b>Scenario 2B</b>	Scenario 2 plus <ul style="list-style-type: none"> <li>Borrowing of £33.3Million to fund capital shortfall</li> <li>Review of interest rates of 2017 new loans (future years) from 5% to average 3.5%</li> </ul>

4.10.2 Also summarised below is a comparison between the 2017 BP and the Scenario 2B property assumptions.

Property stats: (numbers)	2017 per year	Total No	2018 Per Year	Total No
Estimated RTB sales	50	-1,500	35	-1,050
Estimated new properties (average)	66	1,986	70	2,096
Estimated new properties in debt cap bid		0		36
Estimated replacement properties		-68		-107
<b>Net increase in properties 30 years</b>		<b>418</b>		<b>941</b>
Total stock 1st April year 30 of BP		8,441		8,843
Estimated private sales 21/22-28/29		0		39
Estimated Return on investment on sales		0		31%
Affordable % of new properties		50%		50%
Build time to ready to rent	12 mths		18 mths	
Rents post 1% rent reduction	CPI+1%		CPI+1%	

4.10.3 The comparisons between the 2017 BP capital expenditure and the updated business plan scenario 2b is summarised below. This shows that there has been an increase of £99Million in total capital expenditure, however some of this is the inflationary difference between 2017/18 and 2047/48 and the smoothing of the new build programme unit numbers, (see also para 4.14.3) and changes in stock information.

SUMMARY- 30 years	£Million	£Million	£Millions
	2017 BP	2018 BP (Scenario 2b)	Variance
<b>Capital Expenditure:</b>			
Works to existing properties & Equipment	£701.08	£702.20	£1.12
New Build Programme	£453.87	£581.55	£127.68
Higher Value Voids Levy	£29.84	£0.00	-£29.84
<b>Total Capital spend</b>	<b>£1,184.79</b>	<b>£1,283.75</b>	<b>£98.96</b>

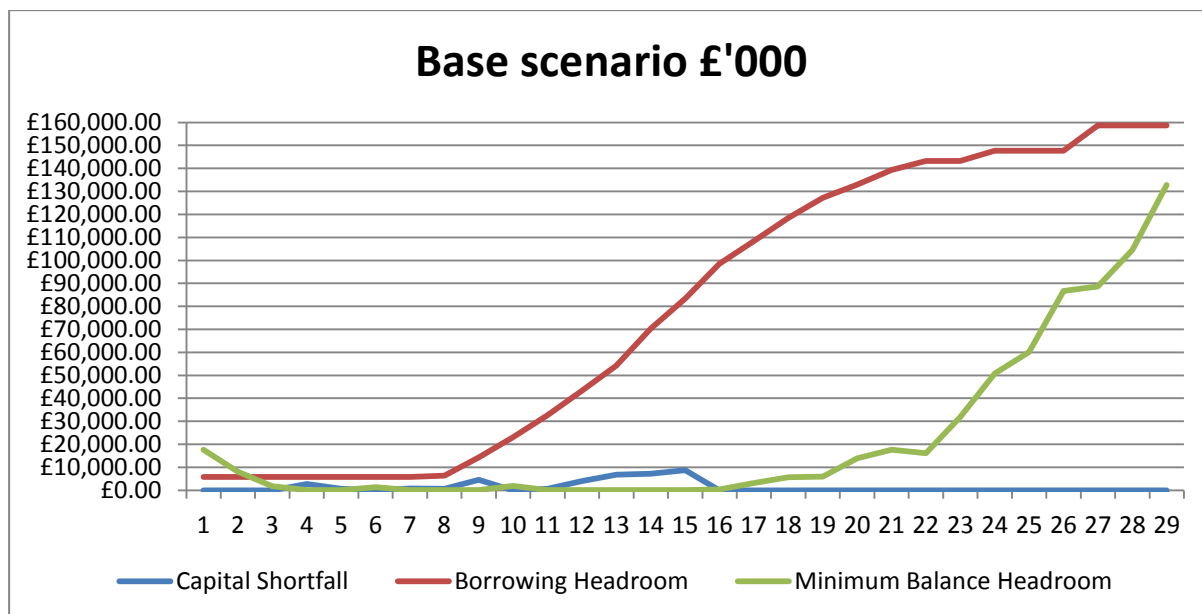
4.10.4 The comparisons between the 2017 BP borrowing costs and the updated business plan scenario 2b is summarised in the table below. There is an increase in debt costs of £50Million over the 30 year period. This is because the 2017 plan had a deficit which was not funded and therefore debt repayments and interest costs were not included as well as an increase in the capital spend.

SUMMARY- 30 years	£Million	£Million	£Millions
	2017 BP	2018 BP (scenario 2b)	Variance
<b>Borrowing costs:</b>			
average interest rate (weighted range during 30 year period)	3.35%- 4.86%	3.32%- 3.41%	0.03%- 1.45%
average rate of new loans		3.33%	3.33%
Borrowing Interest Costs	£159.27	£166.82	£7.55
Borrowing repaid	£225.32	£268.07	£42.75
<b>Total Debt Costs</b>	<b>£384.59</b>	<b>£434.89</b>	<b>£50.33</b>

## 4.11 Scenario Outcomes

4.11.1 The following section graphically shows the impact of each scenario, however the scenario outcomes are outlined below:

**Base Scenario:** 2017/18 BP, (add 2047/48, less 2017/18), current approved capital programme, assumptions around one neighbourhood redevelopment, removes Major Repairs Contract (MRC) GF costs for works to shops below flats, RTB (35 PA from 50), Use of current S106 monies and removal of Higher Value Voids levy (HVV).

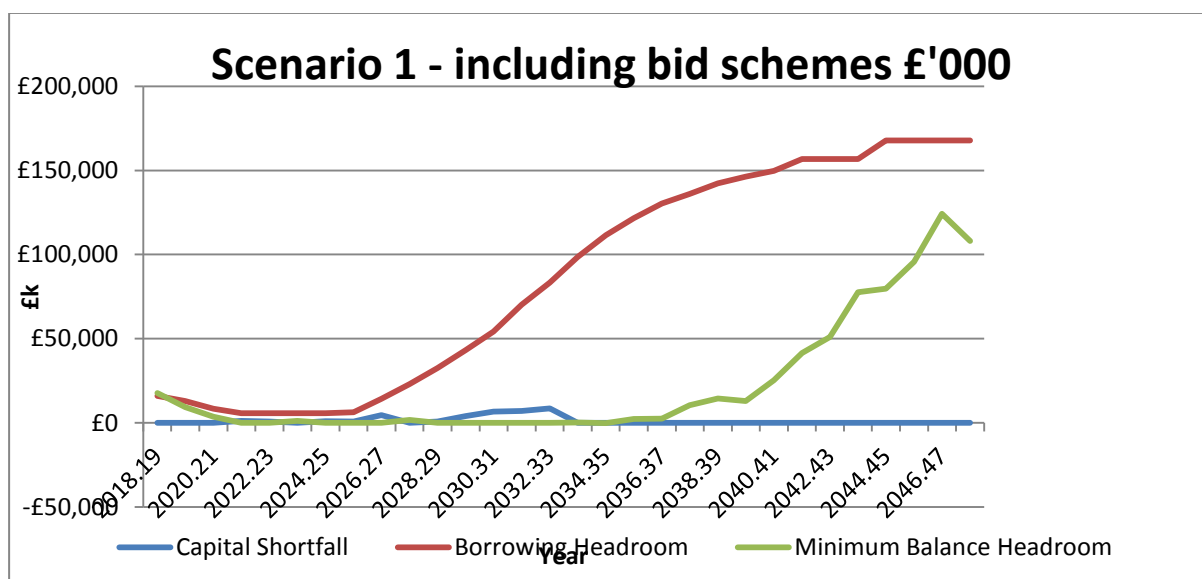


4.11.2 In this scenario, there is a capital shortfall of **£37.1Million** over the 30 year business plan (2017 Business Plan was £26Million), but minimum balances are not breached. The first five year capital shortfall is **£3.44Million** (£2.8m in 2021.22 and £631k in 2022.23) and the 10 year shortfall is **£9.57Million**.

4.11.3 The increase in the shortfall in the early years of the business plan is because of the reduction in RTBs which reduces available capital funding in the first years of the BP. However, within the 30 year period higher rental income outweighs the reduction in RTB receipts.

4.11.4 At the time of modelling scenarios for the business plan, the removal of the debt cap was not known, but the AD Housing Development had submitted a bid to increase the debt cap based on two schemes. **Scenario one** identifies the impact of the additional borrowing on the base scenario above.

#### Scenario 1 – including the government debt cap bid schemes

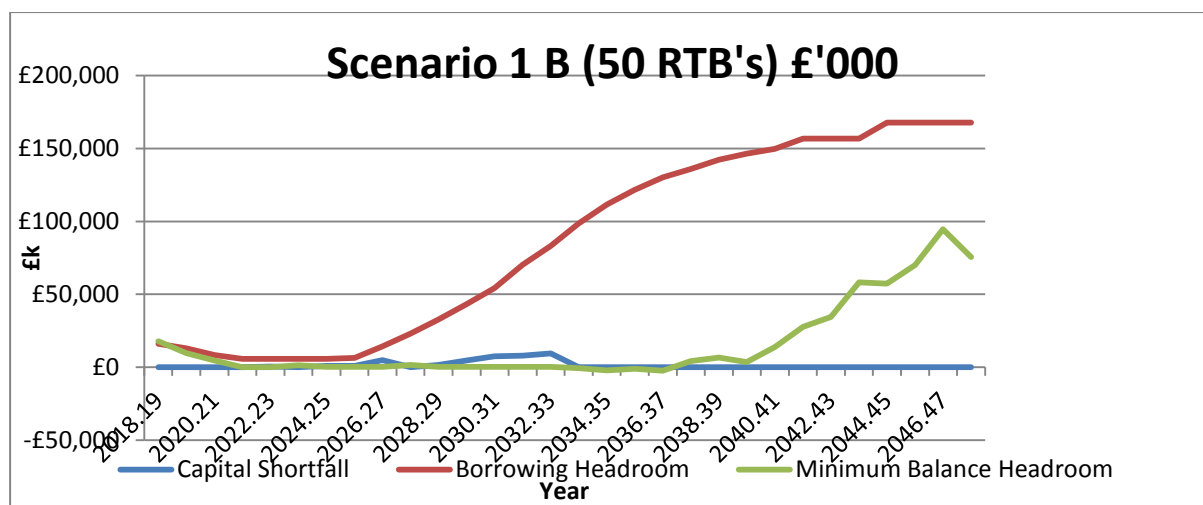


4.11.5 The impact of the additional borrowing means there is a reduction in the capital deficit from £37.1Million to **£36.1Million** with below minimum revenue

balances in one year (2034/35, but only by £143K). In the first five years the capital shortfall is **£2.07Million**, (£3.44Million in the base case) and for the first 10 years **£8.5Million**, (compared to £9.57Million in the base case). The additional borrowing bid has an overall positive impact on the BP.

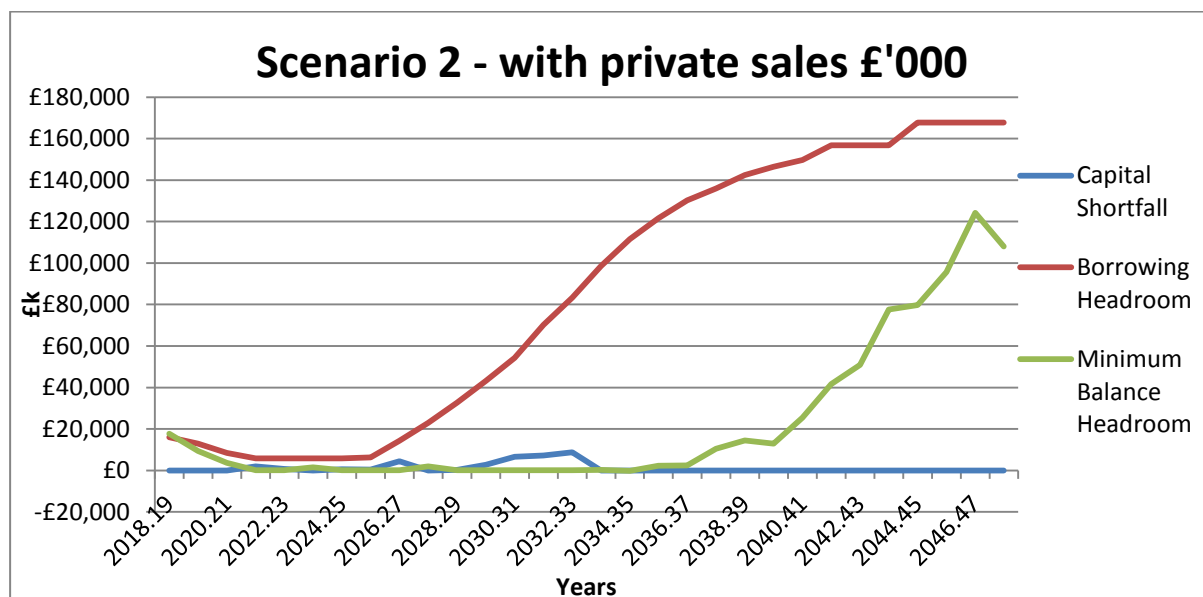
- 4.11.6 RTB sale numbers impact on the BP. Increasing RTBs from 35 p.a. to 50 per year as in scenario 1b reduces early deficits from £2.07Million to only **£0.5Million** and the 10 year deficit from £8.5Million to **£7.3Million**. However, it increased the overall capital deficit from £36.1Million to **£38.4Million** as shown below and revenue balances are below minimum levels in 2035/36-2037/38. Increasing RTBs per year has a negative impact on the BP

#### Scenario 1B – an increase from 35 to 50 RTBs per annum



- 4.11.7 The impact of building for private sale based on a modest programme of private sales 2021/22-2028/29 of an average of five per year. This was modelled using scenario 1,(35 RTB per year) and adding private sales.

#### Scenario 2 - with private sales (and 35 RTB's):



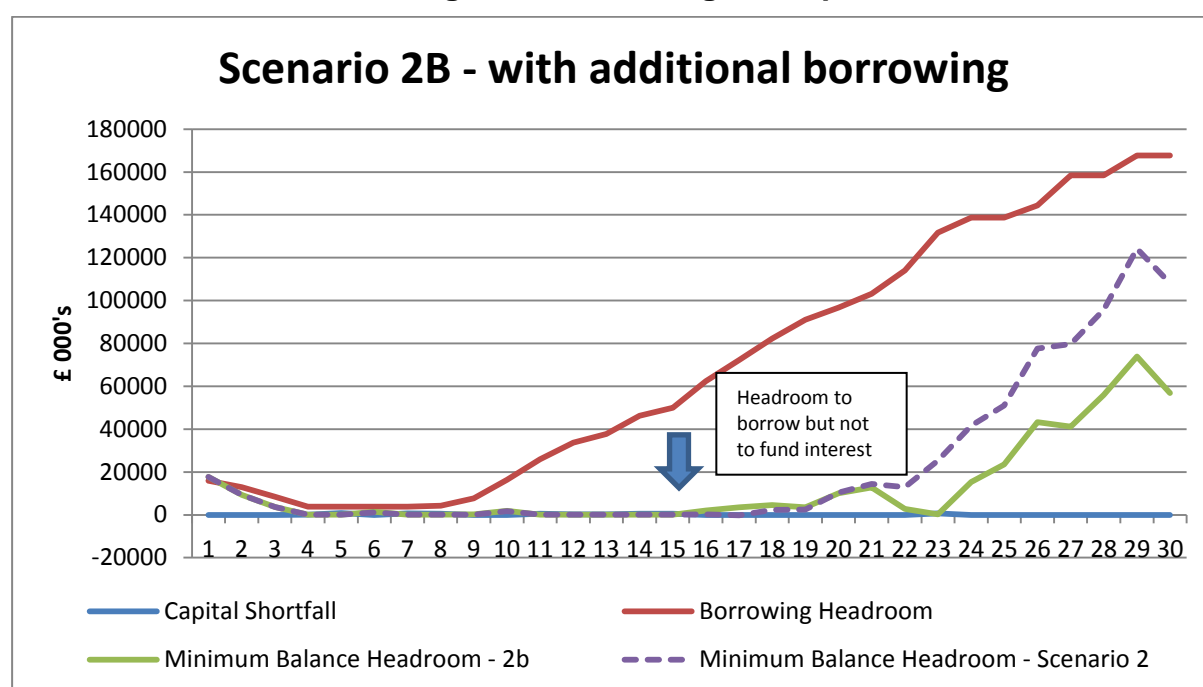
- 4.11.8 In **scenario 2**, there is a **£33.68Million** shortfall in the business plan, which is a reduction of £2.42Million, (profit on sale £2.36Million). Minimum balances

are breached 2034/35 but only by £143K. In the first five years the capital shortfall is **£2.75Million** and for the first 10 years, **£8.2Million**. This does not improve the BP (compared to scenario one) deficit in the first 10 years as the profit on sale is reduced by the following years construction costs until after the 10 year period, (with only an improvement in balances of £300K by year 10).

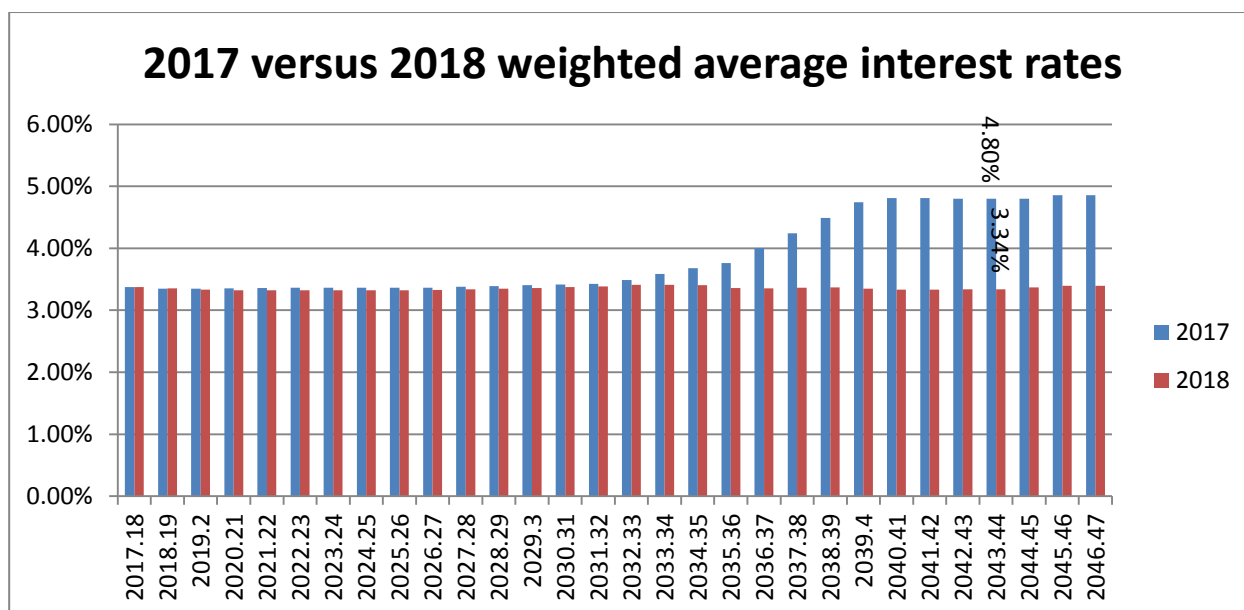
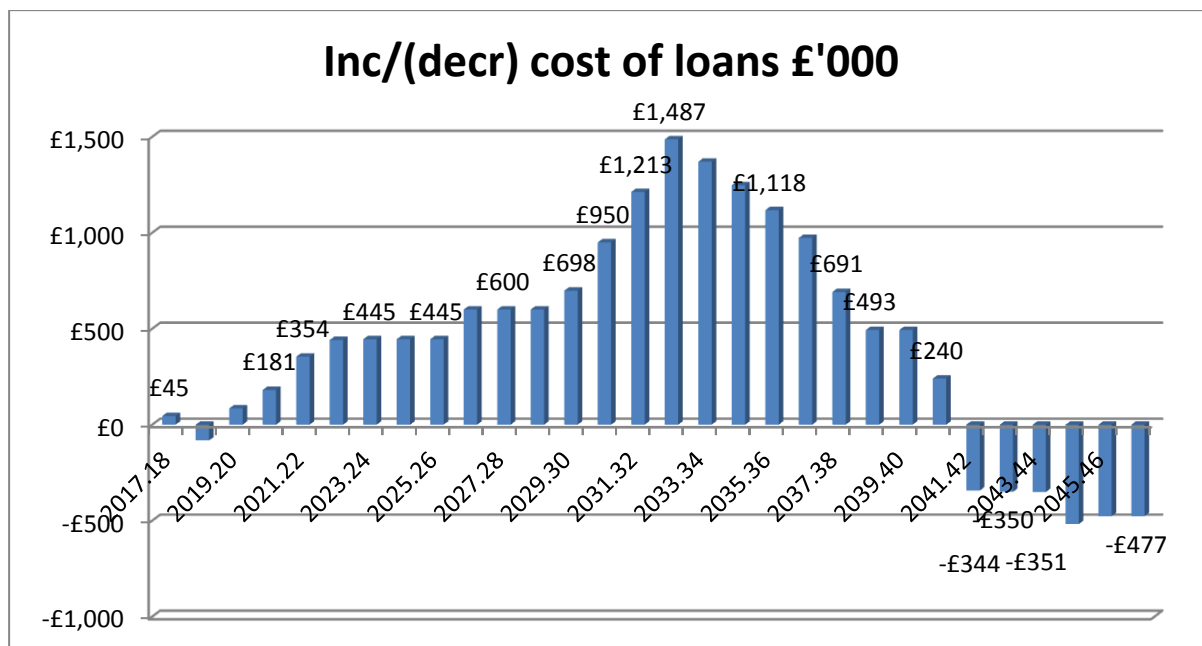
4.11.9 In the final scenario modelled (**scenario 2b**), additional loans were taken and there was a review of loan rates for existing scheduled loans, leaving a **£4.9Million** deficit over 30 years, with **£800K** deficit in the first five years and **£2Million** in the first 10 years. This could be eradicated by underspends or slippage and is not considered material on a £1Billion capital spend. It is likely that this could be funded from revenue underspends and slippage in the capital programme.

4.11.10 With the recently announced removal of the debt cap the issue for the revised BP is there are insufficient funds to meet interest payments for further borrowing in the early years until after year 15 of the BP.

### Scenario 2B – with borrowing towards funding the capital shortfall



4.11.11 Any headroom in the BP has been reduced by additional interest costs. Comparing the 2017 plan to the 2018 plan (and adjusting for the same time period years 2017/18 -2046/47). There has been a significant increase in interest costs in the middle years of the plan removing the revenue headroom to borrow further. It is only in the latter years that the impact of the reduction in 2017 BP re-borrowing average interest costs (5% to 3.5%) reduces costs. The variance between the two plans per year is shown below.



4.11.12 A summary of the scenarios modelled to determine the impacts of spend over 30 years is shown in the table below.

SUMMARY- 2018 30 years	Base Scenario	Scenario one	Scenario one (B)	Scenario two	Scenario two (B)
Capital shortfall years 1-5	£3.44M	£2.07M	£0.5M	£2.75M	£0.83M
Capital shortfall years 1-10	£9.57M	£8.57M	£7.30M	£8.20M	£2.10M
Capital shortfall over 30 years	£37.1M	£36.1M	£38.49M	£33.68M	£4.90M
Additional debt cap borrowing	No	Yes	Yes	Yes	Yes
Value of debt cap loans	£0.00	£9.06M	£9.06M	£9.06M	£9.06M
New Loans above debt cap bid	No	No	No	No	Yes

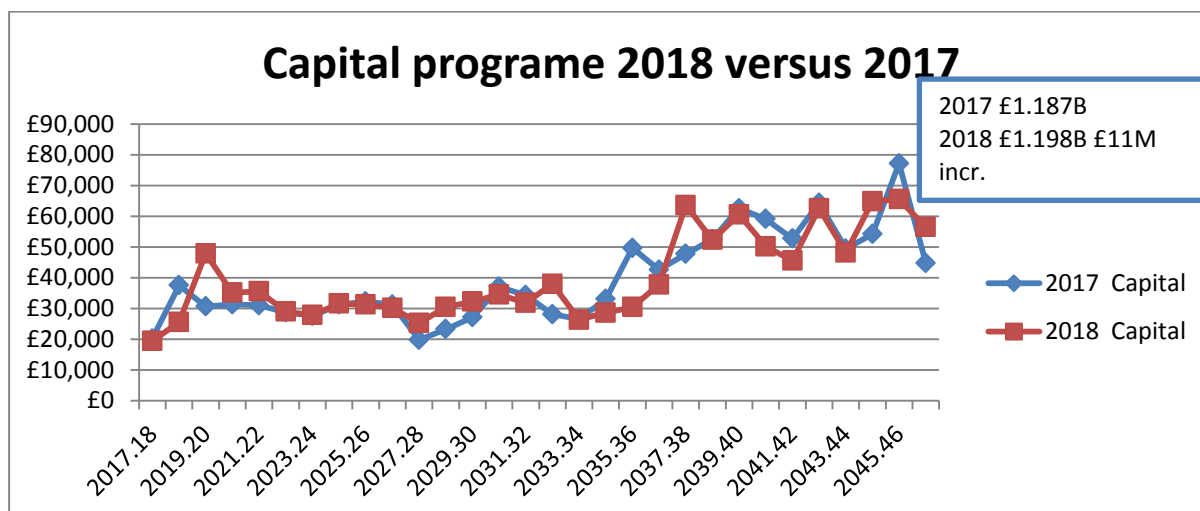
SUMMARY- 2018 30 years	Base Scenario	Scenario one	Scenario one (B)	Scenario two	Scenario two (B)
Value of new loans	£0.00	£0.00	£0.00	£0.00	£33.3M
interest rate of existing loans reviewed	No	No	No	No	yes
RTB per year	35	35	50	35	35
Private sales	No	No	No	Yes	Yes
Minimum balances breached	No	Yes*	No	Yes*	No
Higher value voids levy	No	No	No	No	No
*Only in 1 year, breach of £143K					

4.11.13 The scenario 2b modelling does fund in the main the capital programme but leaves the HRA unable to fund additional costs. Further consideration to address this is outlined in paragraph 4.17.3 and Appendix A which sets out a plan to be considered over the next six months once the Asset Management Strategy for the HRA has been completed (January 2019 Executive).

#### 4.12 CAPITAL PROGRAMME DELIVERY AND COSTS

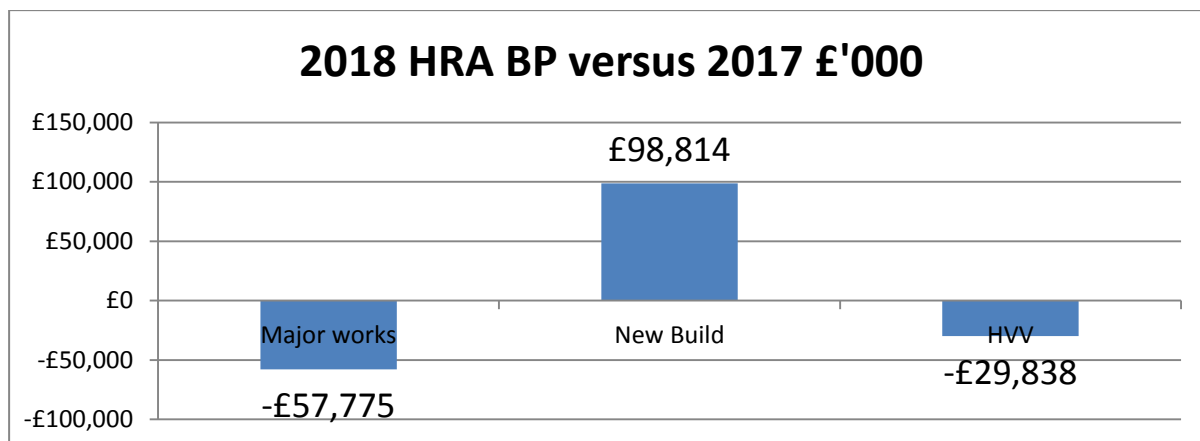
4.12.1 Some analysis has been completed to understand why costs have changed between the 2017 BP and the 2018 BP. In order to do this the same period needs to be analysed. Therefore all of the following charts use the 2017 data and compare to the 2018 business plan data, adjusted to include actuals for 2017/18 and excluding the last year of the 2018 plan.

4.12.2 For the period outlined above (2017/18 + years 1-29), capital programme costs have increased by £11Million overall, but there are variances between the different capital programmes as shown below.



4.12.3 Major works costs have reduced over the period 2017/18-2046/47 by £57Million and the new build programme increased by £98.8Million, with the HVV levy removed, the latter saving the HRA £29.8Million in costs.



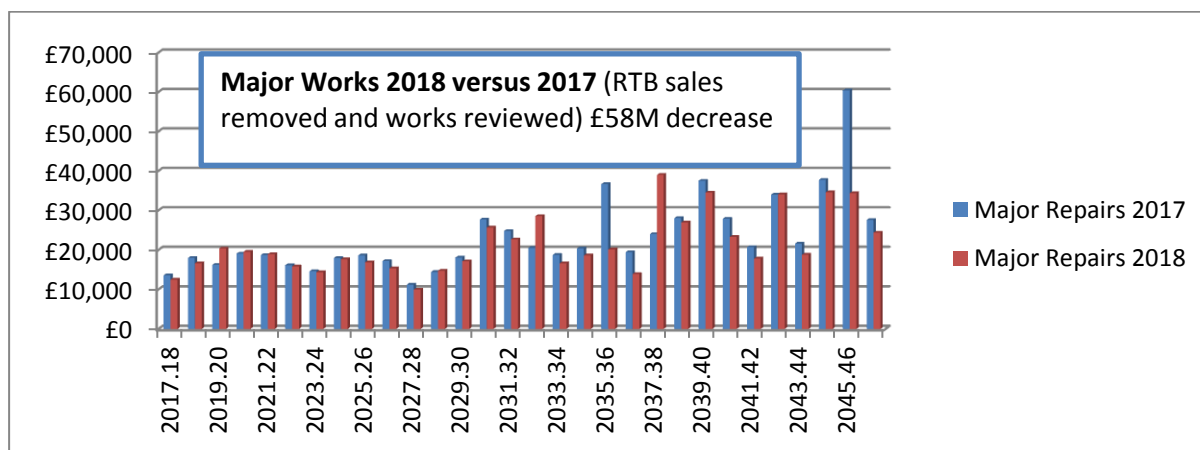


4.12.4 Further information about the existing stock and new build programmes and the associated capital costs is given in the sections below.

#### 4.13 Capital works to existing properties

4.13.1 The Asset Management Strategy (AMS) is due to be refreshed at the January Executive. The existing HRA AMS details the plan for the maintaining and improving properties. The strategy sets out the underlying principles which sit behind excellent asset management for the Council and the key strategic projects and programmes which will ensure that the Council derives maximum value from its assets.

4.13.2 The major works capital programme is summarised in the chart below and totals **£643.08Million** over the 30 years 2017/18-2046/47 (including major works, ICT and vehicles), compared to **£701.8Million** in the 2017 plan over the same period. (The total costs within the 2018 Business Plan for the period 2018/19-2047/48 are **£702Million**).



4.13.3 The spend profile required for work to existing properties has altered slightly reflecting contracts planned to start in the next five years. There have also been changes reflecting any future replacement dates for some elements, where these have altered as a result of these elements being replaced or survey condition information being updated. Most elements when completed would create a new replacement cost which falls in the 30 year period of the business plan (e.g. kitchens – 20 years, bathrooms 30 years etc.). However, the Council has carried out a significant level of roofing replacements in recent

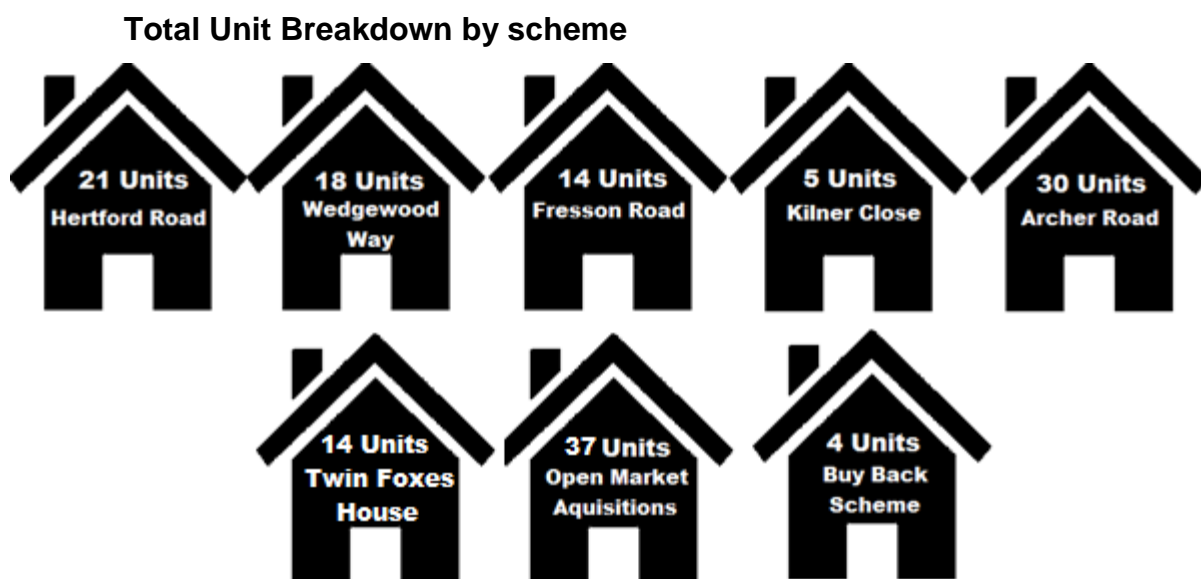
years and the life of a roof means the next replacement cost would not fall in the 30 year period

- 4.13.4 The overall investment need over the 30 year period has reduced **by £58Million or 8%**. This is as a result of information being amended as stated above. In addition the level of capital staff inflation has been revised over the 30 year programme, a reduction of £30Million.
- 4.13.5 Progress against the existing stock capital programme is monitored through a procurement officer group and the Assets and Capital Board. A significant proportion of the five year programme relates to delivery of the Major Refurbishment Contract (MRC), which commences during 2018. The costs of works to leasehold flats will be recoverable through the Section 20 consultation process.
- 4.13.6 The overall 30 year capital programme for existing stock has reduced over the last two reiterations of the BP, as a result of financial pressures on the HRA. In addition there is a procurement efficiency saving assumed with the capital spend of 1.5% per year which reduces the projected costs in the programme.
- 4.13.7 It is proposed that once the Asset Management Strategy has been revised and the outcomes of the social housing Green Paper are known (e.g. in respect of the decent homes standard, safety and energy efficiency measures), additional works are identified for recommendation to Members in conjunction with the Action Plan as summarised in 4.17.3 and detailed in Appendix A. Example works may be:
- Asset Review Programme – this would allow further work to continue improving our challenging assets and the long term viability of these. This work would include further enhancements to the retained sheltered housing stock to ensure this remains fit for purpose.
  - Improvement Works - including parking, energy efficiency works and estate improvements which were all stripped back previously
- 4.13.8 There are two schemes not in the BP but that are recommended for approval and inclusion in the 2019/20 Capital Strategy. These are listed below and due to the financial low impact on the BP **are recommended for inclusion**.
- Viability assessment, surveys and options appraisal for the High Rise blocks - £190,000 in 2019/2020
  - Conversion of one wing of Asquith Court, which is situated on the proposed Kenilworth redevelopment site and is vacant pending demolition in 2021 for use as temporary accommodation - £100,000 upfront costs in 2018/19. This will be cost neutral at the 2020/21 year point as rent can be charged and the cost of council tax on void properties to the HRA will be avoided.

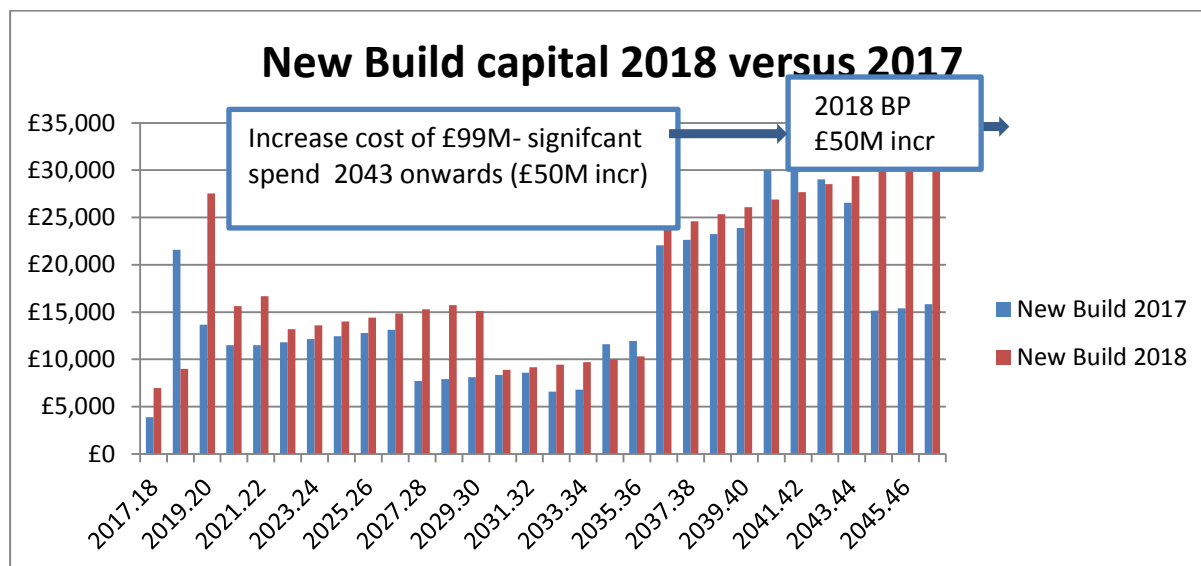
#### **4.14 New Build Programme**

- 4.14.1 The self-financing deal for housing authorities in March 2012 gave councils the opportunities and the funds to build new homes for the first time in decades. This was because the rental income of Stevenage council homes would remain in Stevenage providing a funding stream to borrow or fund new homes.

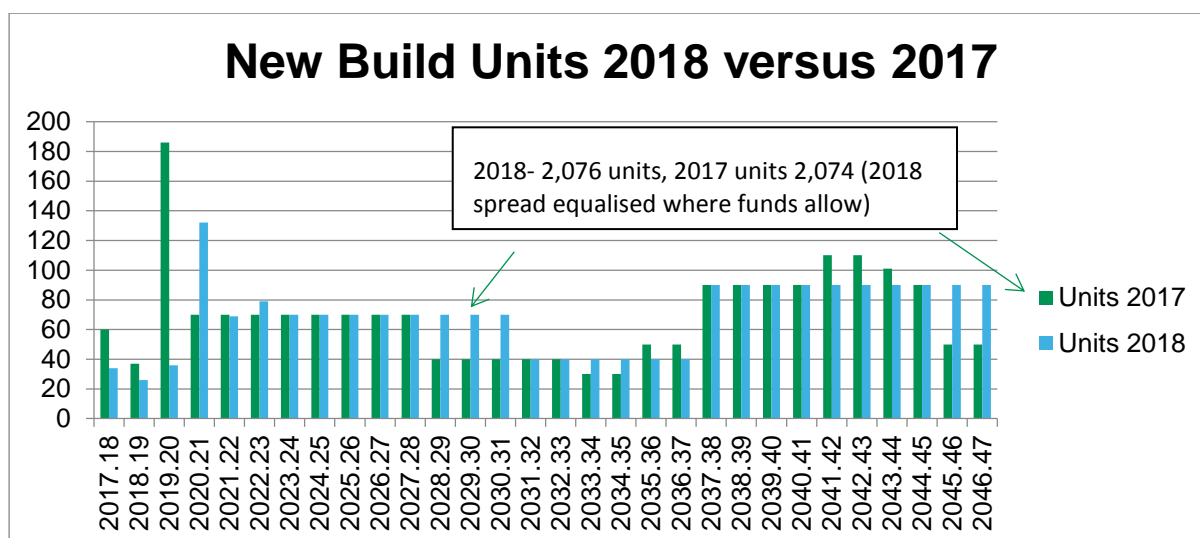
4.14.2 A key objective of the first BP was to build 1900 homes over the 30 year BP period. Since 2013/2014, 143 new council homes have been added to the Council's existing housing stock. This is shown in the chart below.



4.14.3 The New Build programme costs over the 30 year period have increased by £99Million, this is largely to do with the reassessment of unit cost inflation and the addition of the 2018/19 borrowing headroom bid. Members should note that £49Million of the extra cost relates to the period 2043/44-2046/47. The 2018 BP has also tried to smooth the profile of units coming on stream to give a more constant and realistic number of new build properties throughout the plan, where current financing allows.



4.14.4 The new homes included within the HRA Business Plan are summarised in the chart below and compare the 2017 BP numbers to the 2018 BP, over the same period i.e. 2017/18-2046/17. The 2017 BP had 2,074 new properties and the 2018 plan has 2,076 (including the additional borrowing). **The 2018 BP for the period 2018/19-2047/48 projects 2,132 new homes.**



4.14.5 The level of new homes the Council could potentially build using sale receipts is constrained by the restricted use of RTB 1.4.1 receipts. These receipts can currently only contribute to 30% of the overall cost of a new home and cannot be used for replacement homes, such as some of those at schemes at Archer Road or Kenilworth.

4.14.6 The focus of Stevenage Borough Council's housing development programme is now on the new build programme, with acquisitions now primarily focussing on properties with strategic value or capital opportunities created as a result of unavoidable delays to new build schemes. This change in focus has helped to deliver a more diverse and higher quality housing offer that gives tenants more choice and has also enabled the introduction of affordable rents that are crucial for the long term stability of the HRA. Schemes currently on site are as below.

#### Schemes Currently on Site with Unit Numbers



4.14.7 It is expected that in 2019 Symonds Green, Shephall Way and Kenilworth developments should commence on site, ensuring the Council has a continuous programme over the next five years and the team will also develop design proposals for alternative schemes to ensure the Council has a healthy development pipeline.

## Expected Future Schemes with Unit Numbers



4.14.8 Despite the new build programme activity the Council does expect to have excess one for one receipts that it will always seek to allocate to Registered Providers to deliver greater volumes of affordable housing in the borough to support the Council's own direct interventions.

4.14.9 However with the removal borrowing cap announcement there may be opportunities to identify new schemes or bring more schemes on streams earlier, subject to any changes made to the BP as outlined in the Action Plan in Appendix A.

## 4.15 FUNDING THE CAPITAL PROGRAMME

4.15.1 The 2017 BP had a capital deficit of £26Million over 30 years, the 2018 BP has an increased shortfall of £38.3Million in scenario two, (i.e. before the additional borrowing was taken in scenario 2b). The reason for the increase in the deficit before funding is partly attributable to:

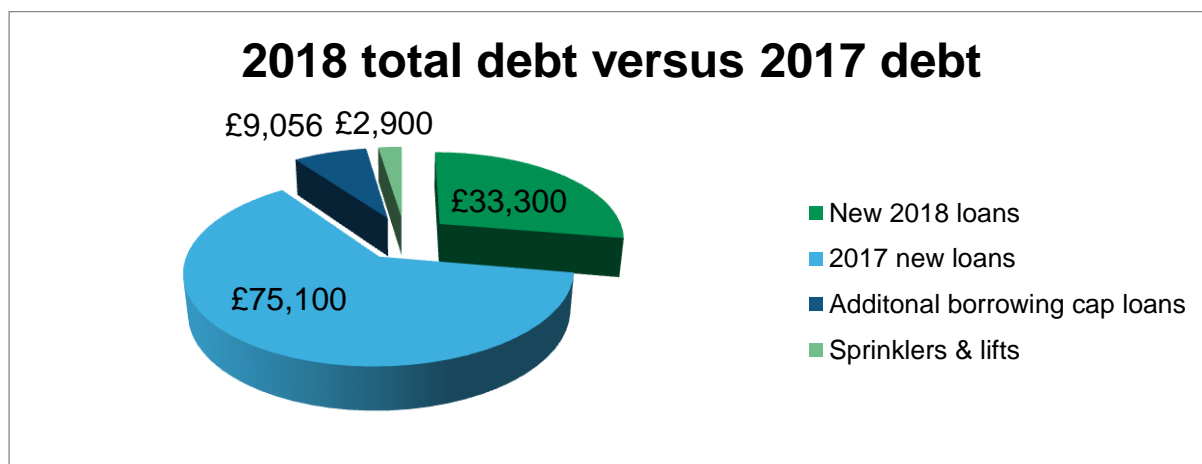
- Less RTBs reduces receipts in the earlier years (overall increased income)
- The ineligible costs of development schemes (for replacement homes) would have been funded from 1.4.1 receipts are now funded from other resources totalling an additional £3.04Million (pressure)
- For years 1-29 of the HRA BP capital costs have increased by £11Million (pressure)

4.15.2 To help explain this change a summary of the difference in capital funding for the period 2017/18-2046/47 (2017 BP versus 2018 years 1-29 plus actual 2018/19) is shown below:

	2017 £'000	2018 £'000	Variance ( )=reduction in use £'000	Comments
Use of 1.4.1 receipts	£127,674	£159,313	£31,639	New Build programme has increased (see borrowing note below)
RTB Receipts	£42,830	£40,042	£(2,788)	Fewer RTB receipts
Borrowing	£75,100	£120,356	£45,256	More borrowing required due to removing 2017 funding gap and assumption of replacement

	2017 £'000	2018 £'000	Variance (=reduction in use £'000	Comments
				properties not eligible for 1.4.1 receipts £10Million (replacement homes)
Depreciation	£574,544	£579,559	£5,016	see below
Revenue contributions	£287,091	£262,337	£(24,754)	Increased revenue and capital costs (borrowing partly offset by higher depreciation charge of £5M)
Other	£54,074	£32,241	£(21,833)	2017 model assumed £17Million of RTB return receipt interest avoided, 2018 model excludes this in case payable
Funding gap	£26,245	£4,912	£(21,333)	see borrowing above
	<b>£1,187,557</b>	<b>£1,198,759</b>	<b>£11,202</b>	

4.15.3 The amount of debt has increased as the 2017 BP did not show the profile of new loans. The movement in overall debt between the two business plans is summarised in the chart below.



#### 4.16 REVENUE COST CHANGES (2017/18-2046/47)

4.16.1 In comparing the changes in the 2017 and 2018 BP, it is necessary to look at the changes in revenue costs. A summary of the difference in revenue spend and income for the period 2017/18-2046/47 (2017 BP versus 2018 years 1-29 plus actual 2017/18) is shown below.

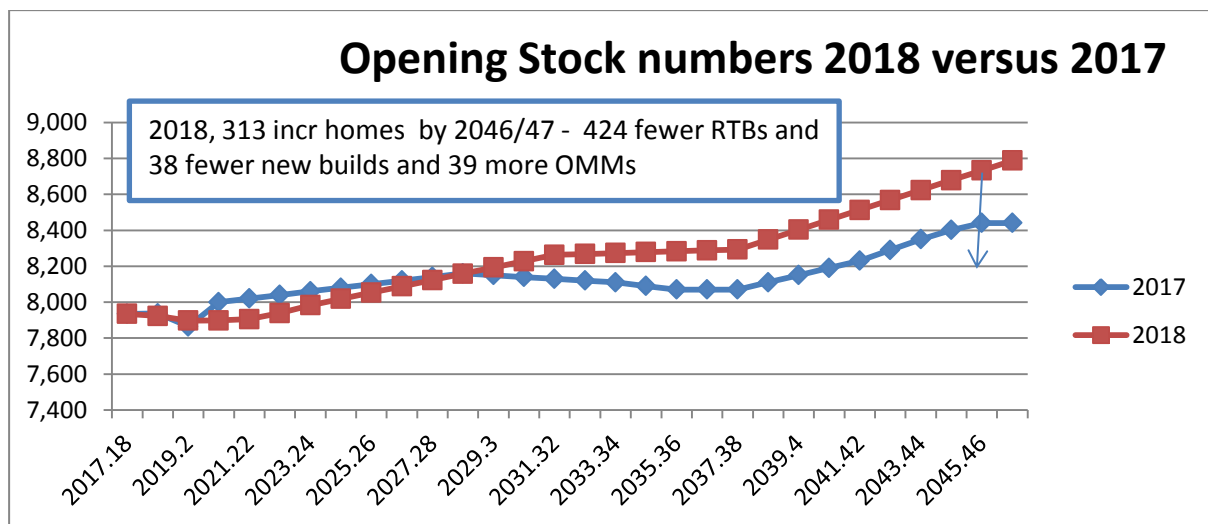
4.16.2 Expenditure and income fluctuates over the 30 year period and that is why in some years revenue resources are not available to fund capital. It should be noted that the inflation indices have not changed significantly. However if spend happens in later years the inflation added will be higher.

	2017 £'000	2018 £'000	Variance	Comments
Rent	(£1,954,528)	(£2,003,274)	(£48,745)	More rental income over 30 years, but there are fewer properties in the first years of the business plan reducing £ available to fund capital funding.
Other income	(£206,609)	(£204,431)	£2,178	Includes less income for RTB admin £260K
Interest earned	(£10,360)	(£10,975)	(£615)	
<b>Total income</b>	<b>(£2,171,498)</b>	<b>(£2,218,680)</b>	<b>(£47,182)</b>	
Management Costs	£625,708	£612,518	(£13,190)	Includes savings targets required for the HRA
Repairs	£258,694	£267,261	£8,567	There are more properties in the HRA overall
Depreciation	£570,036	£574,975	£4,939	
Revenue contributions	£287,091	£262,337	(£24,754)	Less money available to fund capital as balances reduced by lower rents in early years and higher interest costs
Interest payments	£159,270	£171,890	£12,619	2017 model assumed £17Million of RTB return receipt interest avoided. 2018 model excludes this in case payable
Borrowing repaid	£225,315	£270,571	£45,256	
<b>Total Expenditure</b>	<b>£2,126,114</b>	<b>£2,159,551</b>	<b>£33,437</b>	<b>see borrowing above</b>
<b>Net increase 2017/18-2046/47</b>	<b>(£45,384)</b>	<b>(£59,129)</b>	<b>(£13,745)</b>	

()=more income or reduced expenditure

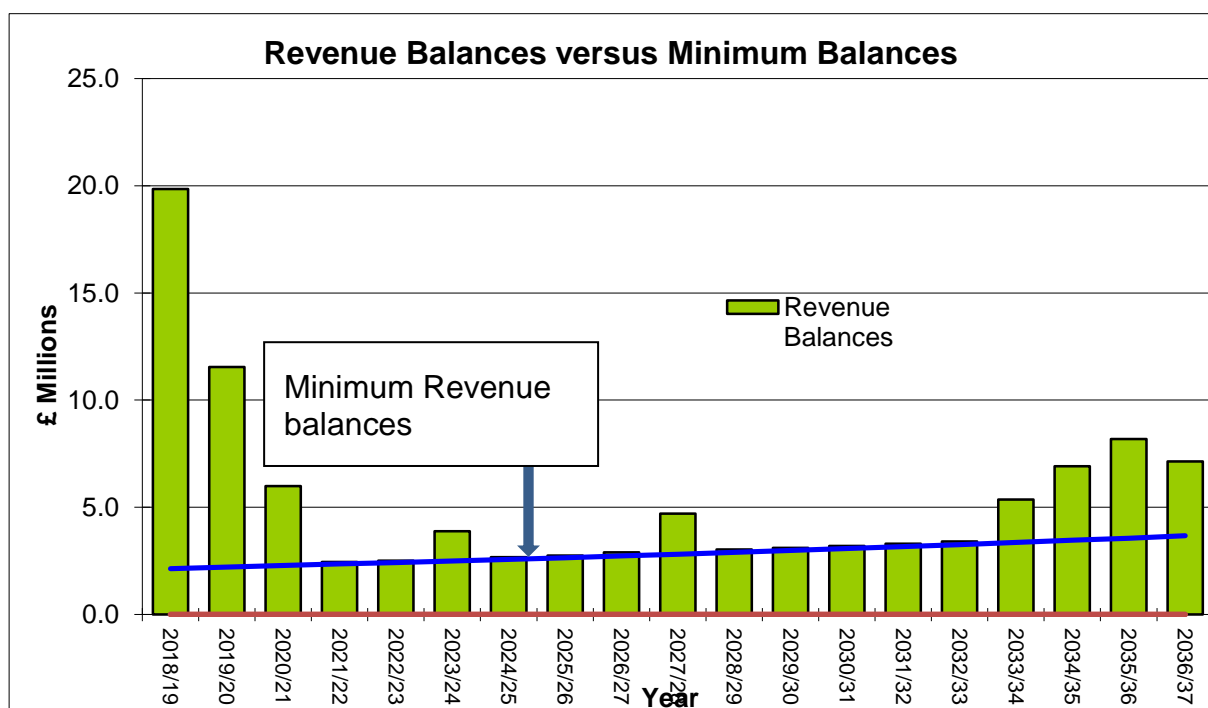
4.16.3 Comparing revenue balances between the two Business Plans, there are fluctuations in surpluses because of less rental income in the earlier years and there are additional borrowing costs added. The HRA BP assumes a minimum level of balances of £2Million, (the risk assessment for 2018/19 was £2.144Million). The minimum level of balances will be risk assessed as part of the budget setting process but are likely to be in the region of £2Million.

4.16.4 The profile of property units in the HRA is lower in the 2018 plan compared to the 2017 plan. There was slippage in the 2017/18 programme and the 2017 plan assumed that the Kenilworth scheme would be a year earlier. In addition the early years of the BP are now based on schemes rather than target unit numbers, as the new build programme has moved from acquisition to development of new homes. This elongates the time period between spend and the rent coming on stream, but gives the HRA and residents a better quality product than buying existing stock.



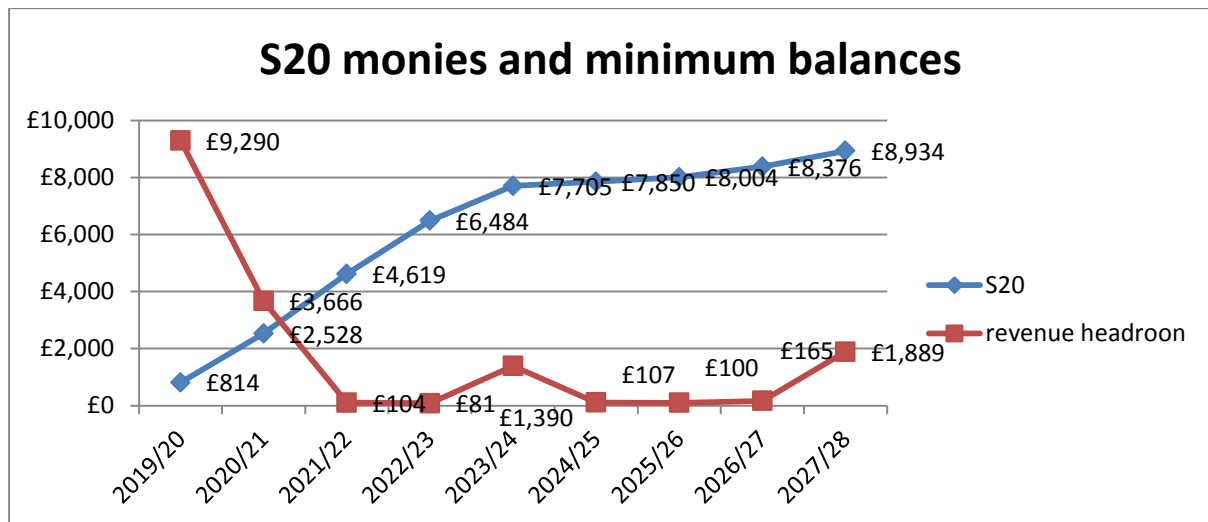
#### 4.17 SUMMARY AND REVISING THE BUSINESS PLAN FOR THE REMOVAL OF THE BORROWING CAP

4.17.1 The 2018 BP borrowing has addressed the capital programme deficit (with the exception of £4.9Million). However the 2018 BP does not allow the HRA to take advantage of the removal of the debt cap, (which was announced during completion of the 2018 BP). There is a lack of funds within the revised BP, (revenue headroom) to fund additional interest costs without reducing spend on the current profile, as illustrated below.



4.17.2 This is the equivalent of being at the debt cap with no headroom with no ability to fund more borrowing. Added to this is the assumption around repayments of S20 monies for the MRC contract. The table below shows the cumulative increase in S20 assumed received compared to the level of HRA minimum balances.

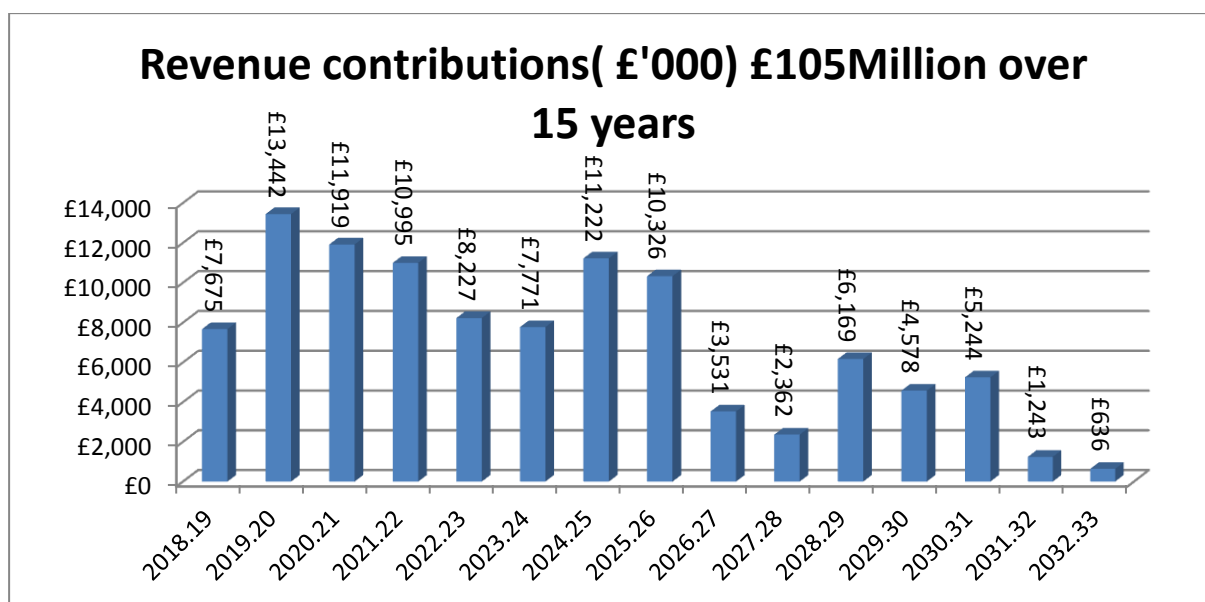




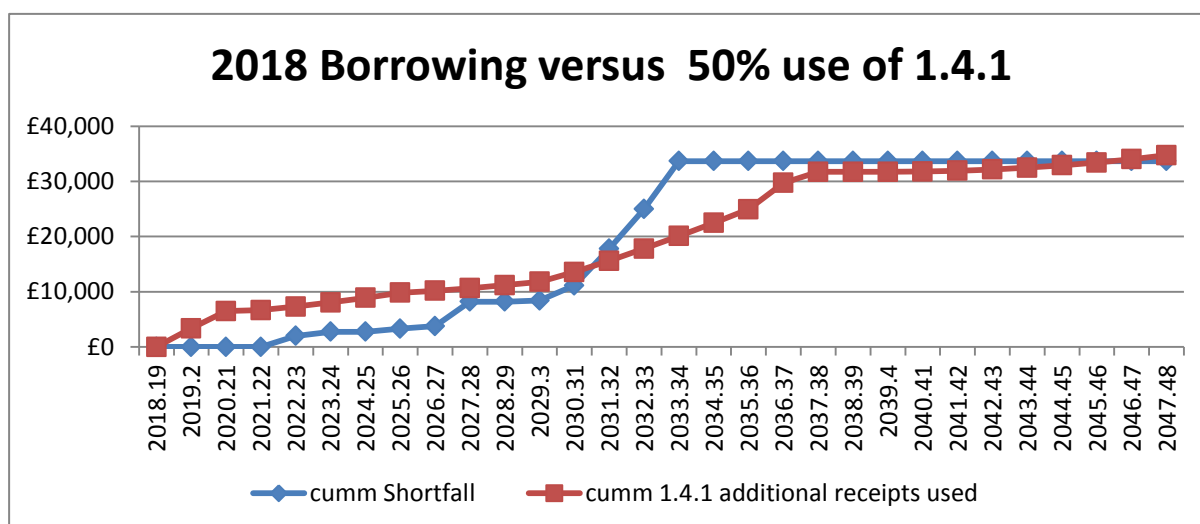
4.17.3 There are a number of actions that are required in order to refocus the BP to reflect the changes in borrowing rules, announced in the budget speech on the 29 October,(see also Appendix A). In summary:

1. **Review new build schemes that could be brought forward/identified and the resources required to deliver them.**
2. **Review the Asset Management Plan for new identified refurbishments versus redevelopment (under new build programme) and the resources required to deliver them.**
3. **Review Management and Maintenance needs within the HRA to deliver new/different service options**
4. **Review the borrowing strategy to unlock funding provision for the HRA as outlined above.** This will include use of borrowing versus revenue contributions to capital, length of borrowing, targets for interest rates for the HRA.
5. **Review the priorities and recommend schemes for approval and a new borrowing strategy.** Even with the review set out in Appendix A, the HRA will not be able to fund all the works identified.

4.17.4 The review of the borrowing strategy to increase spending power, (now the borrowing cap has been lifted), can be illustrated by a £1Million of funding borrowed at an average interest rate of say 3.35% costing £33,500 per year or a £1Million of resources can be used to fund the same value of works. There is a viability point on the maximum amount of debt that should be taken, which needs to be explored and set. The value of revenue contributions to capital in the 2018 BP is summarised in the chart below. Reviewing this method of funding capital could unlock significant additional spending power.



4.17.5 Further ability to unlock more spending power is dependent on the impact of government policy. Changes in the rules around 1.4.1 receipts could dramatically change the need to borrow. If the rules were changed in line with the RTB consultation, an increased use per scheme from 30% to 50%, an additional £36Million of resources would be available over the 30 year business plan.



4.17.6 This illustrates the impact government policy has on the HRA BP as demonstrated by the 1% rent reduction which reduced HRA resources by an estimated £225Million over a 30 year period. Any revised borrowing strategy must have due regard to the potential impact of government policy on it.

#### **4.18 Approach to Consultation and Housing Management Advisory Board (HMAB).**

4.18.1 The Council remains committed to working in partnership with council tenants and leaseholders to shape, strengthen and improve council housing services and sets out a range of options to enable housing customers to be involved.

The Business Unit review in Communities and Neighbourhoods will seek to further develop the offer of engagement to the wider community.

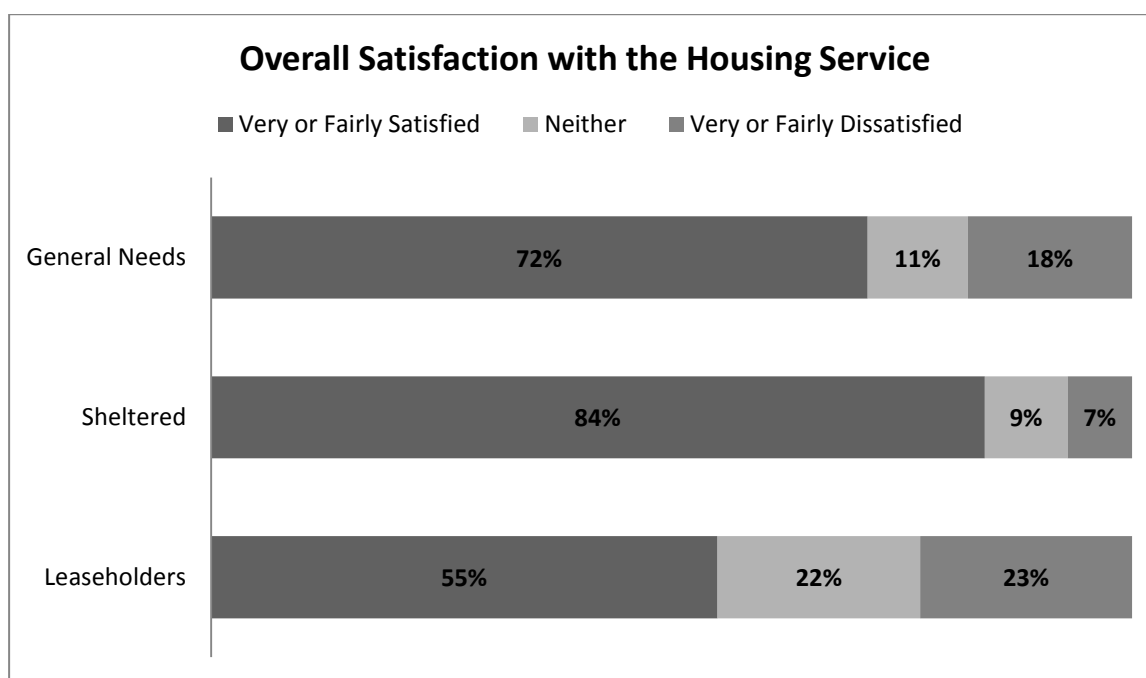
- 4.18.2 The Housing Management Advisory Board (HMAB) acts as an advisory body to the Executive for council housing-related matters, including participation in the HRA budget-setting process and the development of the HRA Business Plan. HMAB currently includes one leaseholder and five tenant representatives in addition to Member and officer representation. The Board receives quarterly reports on progress in delivering HRA Business Plan commitments. Feedback from resident and STAR surveys (see below) is also considered by HMAB to give a broader context.
- 4.18.3 Last year, HMAB asked that consideration be given to re-borrowing to resource the business plan principles, predominately in the last 15 years of the plan when sufficient headroom arose. Officers have taken this on board in this year's update, by proposing £33.3m borrowing to fund the capital shortfall.
- 4.18.4 On 16th August and 25<sup>th</sup> October 2018, HMAB received presentations on the HRA Business Plan and MTFS update. HMAB considered the various scenarios and were advised that scenario 2b was the recommended option. A query was raised as to why the revised Business Plan continued to include an overall capital deficit. Members were reassured that the Business Plan would produce a surplus over 30 years. In addition, as referred to in paragraph 4.11.9, officers anticipate that the £4.9Million deficit will be funded through revenue underspends and capital slippage in individual years.
- 4.18.5 HMAB raised a question as to whether the plan would be at risk if interest rates were to increase and were advised that this risk was mitigated because the Council borrowed at fixed term rates, but if rates were to change before borrowings had been taken out, then the business plan would be reviewed for affordability before proceeding.
- 4.18.6 The presentation considered potential government policy changes regarding 1-4-1 receipts and the removal of the debt cap. Members sought clarification on whether the removal of the debt cap (subject to affordability) would improve the reinvestment potential for the Council. As explained within this Executive report, there is a lack of resource or revenue headroom to fund additional interest costs without reducing spend. The action plan outlined in paragraph 4.17.3 will review how this position can be mitigated.
- 4.18.7 Following the discussion outlined above, HMAB resolved to note the presentation.
- 4.18.8 The Council periodically seeks the views of housing customers through a postal survey of a sample of housing customers. This 'STAR' survey is used across the housing sector and enables the council to assess levels of customer satisfaction and to identify customer priorities. The most recent STAR survey was undertaken in early 2018 and for the first time included leaseholders and sheltered housing tenants in addition to general needs tenants.
- 4.18.9 Respondents were asked to say what was most important to them from a list of options. The top 5 priorities for each group of customers are shown in the table below:

### STAR Survey respondents' top five priorities

Priority*	General Needs Tenants	Sheltered Tenants	Leaseholders
1	Repairs & maintenance (87%)	Repairs & maintenance (60%)	Repairs & maintenance (74%)
2	Overall quality of your home (61%)	Emergency call system (50%)	Value for money for service charges (64%)
3	Value for money for rent and charges (35%)	Supported housing manager (34%)	Overall quality of your block of flats (58%)
4	Neighbourhood as a place to live (26%)	Overall quality of your home (33%)	Dealing with ASB (39%)
5	Keeping residents informed (25%)	Keeping residents informed (33%)	Keeping residents informed (23%)

\* 1= most important

4.18.10 Overall satisfaction with the housing service is summarised in the following chart and the survey also drilled down into satisfaction with specific areas of the service.



4.18.11 Satisfaction levels with value for money for rent, service charges and support charges were as follows:

- 68% of general needs tenants and 83% of sheltered tenants were satisfied that their rent provides value for money
- 55% of general needs tenants, 72% of sheltered tenants and 33% of leaseholders were satisfied that their service charges provide value for money
- 76% of sheltered tenants were satisfied that their support charges provide value for money

- 4.18.12 Officers have drawn up action plans in response to the survey outcomes, much of which is closely aligned to the investment and improvement plans associated with the HRA Business Plan and MTFS.
- 4.18.13 During November 2017, a further initiative was carried out as part of the 'Knowing Your Customer' strand of the Housing Transformation Programme. This involved visiting a sample of housing customers across the town, to gain an understanding of their perception of the housing service and their views on how services can be improved. This feedback has fed into the delivery programme for Housing and Investment. A further exercise will be carried out to assess customer views on the caretaking service.
- 4.18.14 In addition, targeted consultation continues to be carried out in relation to specific elements of the delivery programme, key examples of which include consultation on the Major Refurbishment Contract, asset review programme works to sheltered housing schemes, the service charge review and plans for the new sheltered housing scheme at Kenilworth Road.

## **5. IMPLICATIONS**

### **5.1 Financial Implications**

- 5.1.1 It is the CFO's view that the housing finance environment experienced over the last six years is not conducive to long term planning, because of the number of legislative changes planned and/or implemented. It is critical that the actions identified **in paragraph 4.17.3 are reviewed** so that there is sufficient revenue headroom in the BP to allow for unforeseen events to be funded. The BP is in the main funded but there is an on-going need to make Financial Security savings under the existing plan.
- 5.1.2 There is very little capacity in the current Business Plan to borrow further to fund additional capital expenditure. Rescheduling the current loans is not a financially viable option, as this would cost the HRA in the order of £50Million. However the action plan as outlined in Appendix A should refocus the BP and with a revised borrowing strategy deliver more outcomes as outlined in the Appendix.
- 5.1.3 The impact of government rules on 1.4.1 receipts could significantly change the capacity to fund more expenditure in the HRA if more flexibility is given. However this just demonstrates how vulnerable HRA finances are to government policy changes. There is no guarantee that rent rules will not changes again as seen over the last three to four years.

### **5.2 Legal Implications**

- 5.2.1 The objective of this report is to outline a medium term financial strategy and forecast for the next five years. There are no legal implications at this stage of the planning cycle, however, Members are reminded of their duty to set a balanced budget.

### 5.3 Risk Implications

- 5.3.1 As referred to in paras 4.17.1 – 4.17.4 above (see Summary), even with the debt cap removed there is little opportunity to fund additional interest costs without reducing spend further because revenue balances remain close to the minimum for much of the life of the 2018 BP. This presents the HRA with risks as this is the equivalent of being at the debt cap with no ability to fund more borrowing. The review of the BP as outlined in Appendix A should allow the HRA to unlock more spending power (subject to availability and viability of schemes).
- 5.3.2 A review of the full range of risks facing the HRA budgets has been listed in the table below although not all the impacts are known at the present time. The current MTFS projections are based on prudent assumptions, and include the Assistant Director's (Finance and Estates) best assessment of the financial risks. However, if any of these risks become a reality then the MTFS will need to be updated once the actual impacts are known. A number of the risks below are also monitored through the Council's Strategic Risk Register.

Risk Area	Risk Mitigation	Likelihood	Impact
<b>Inflation (Negative Risk) –</b> Rent changes are not currently linked to inflation and from 2020 will be linked to CPI, whilst the majority of HRA-related contracts include an annual price increase usually in line with RPI or BCIS.	General balances are risk assessed to ensure overall levels are maintained that can meet higher than expected inflation rates. Service charge recovery is based on actual costs.	Medium	Medium
<b>Welfare Reform Impact (Negative Risk) -</b> Tenants and leaseholders affected by welfare changes have insufficient income to pay the rent and/or service charges; there could also be an increase in the need for the council's housing services	The council has a welfare reform group which monitors impacts and is planning for the full roll-out of Universal Credit in 2018. The DWP and East Herts shared Revenues and Benefits service are represented on the group. The HRA Business Plan includes bad debt provision of £255K pa. and further modelling will be undertaken	High	Medium
<b>Rent and service charge income (Negative Risk) -</b> The Government could renege on its commitment to a national rent policy from 2020/21 of CPI + 1% rent increases, which is currently in line with the Council's BP rent assumptions. Service charges may not be fully recovered	Rent and service charge policy is in place and allows for rents not subject to the 1% reduction to be increased and for rents to be set at formula levels on re-let. Lower than anticipated rent increases would require compensating reductions in planned spending within programmes/services.	Low	High
<b>S20 Leaseholder Recharges (Negative Risk) –</b> Failure to recover costs could arise if statutory consultation procedures are not followed; and/or there is a successful	Major Works Payments Options Policy agreed; Business plan makes assumptions regarding the % works non-rechargeable; % bad debt provision; and delayed recovery in a proportion	Low	Medium

Risk Area	Risk Mitigation	Likelihood	Impact
legal challenge; or leaseholders cannot afford to pay	of cases. S20 consultation procedures are in place, along with ongoing retention of expert legal advice.		
<b>Supported Housing income</b> (Negative Risk) - Loss of Supporting People grant funding not addressed and /or full recovery of supported housing costs not achieved	To achieve savings for future years, charges are being reviewed for implementation April 2020. There is regular liaison with Herts County Council regarding remaining Supporting People grant funding and service provision – further loss of grant would require the Financial Security target to be increased	Medium	Medium
<b>Stock Investment</b> (Negative Risk) Investment needs exceed planned expenditure due to increased costs and/or unforeseen investment requirements (including potential enhancement of the decent homes standard as per the Green Paper)	Revised Housing Asset Management Strategy to be approved in 2018. The investment programme is based on sound stock condition information. Viability assessments are undertaken prior to projects commencing and contract management arrangements are in place.	Medium	High
<b>Fire Safety Investment</b> (Negative Risk) Following the recommendations of the Hackitt report and subject to the outcome of the public enquiry into the Grenfell fire, changes in fire safety legislation are anticipated, with associated revenue and capital cost implications that have not yet been factored into the Business Plan	At the July Council meeting Members agreed to fund the retro fitting of sprinklers to the 7 high rise blocks of flats. The cost of this is to be met from these reserves. Once the full extent of any legislative changes and associated Government financial support becomes clear, the capital programme may have to be reviewed and re-prioritised to accommodate the costs and/or borrowing may be required.	High	Medium
<b>Procurement</b> (Negative Risk) - If the 1.5% efficiency target for the HRA Capital Programme is not achieved, this will put pressure on the HRA	The efficiency has been achieved for years 1&2 through existing contract awards. It is anticipated that the Major Repairs Contract will deliver procurement efficiencies in future years.	Low	Medium
<b>Financial Security Options not achieved</b> (Negative Risk) - Agreed options do not deliver expected level of savings either on a one-off basis or ongoing.	Regular monitoring and reporting takes place, but the size of the net budget reductions increases the risk into the future. Non achievement of options would require other options to be brought forward.	Medium	Medium

Risk Area	Risk Mitigation	Likelihood	Impact
<b>Affordable Homes Delivery</b> (Negative Risk) - If affordable homes targets are not met and new build does not replace the loss of stock through RTBs, rental income projections may not be met and 1-4-1 replacement receipts may have to be repaid with interest.	A pipeline of schemes has been agreed and the Executive Housing Development Committee oversees delivery of the programme. A plan is in place to return future unspent RTB 1-4-1 receipts to the Treasury in order to minimise costs to the HRA from interest charges. However, in the first instance unused 1-4-1 receipts are used to support Registered Providers to minimise the level of receipt being returned, whilst retaining development activity.	Medium	High
<b>Right to Buy Sales</b> (Negative/Positive Risk) – External factors (economic/ political) mean that RTB sales are either higher or lower than in the business plan, without a corresponding change to stock through acquisition or new build	RTB assumptions are adjusted annually based on trends and legislation. The new build programme is designed to replace loss of stock. Investment requirements are adjusted to reflect RTB sales levels.	Medium	Medium
<b>Legislative Change</b> (Negative Risk) – Implications of new legislation/ regulation are not identified and acted on, leading to increasing financial pressure	There is ongoing tracking and horizon scanning in relation to emerging policy and legislation and an annual review of implications through the MTFS/Business Plan update.	Medium	High
<b>MTFS Risk identification</b> (Negative or Positive Risk) – Financial risks and their timing are not accurately judged leading to either a pressure or benefit to the MTFS.	Council's risk management framework ensures operational and strategic risks are identified as part of the annual service and MTFS planning process	Low	High
<b>'Brexit'</b> (negative risk) – the impact of Brexit leads to economic instability and further financial cuts to the council's budgets and/or increased costs	A reduction in the resources available within the MTFS would require compensating reductions in planned spending within services and/or capital programmes.	Medium	Medium

## 5.4 Policy Implications

- 5.4.1 The approval of the revised budget framework includes a link for the Council's service planning requirements to ensure service priorities are identified. In addition the budget framework represents a development of a



policy led budgeting approach across Council services and the overall Financial Strategy.

## **5.5 Equalities and Diversity Implications**

- 5.5.1 The Council has committed itself to providing high quality services that are relevant to the needs and responsive to the views of all sections of the local community, irrespective of their race, gender, disability, culture, religion, age, sexual orientation or marital status. The General Equality Duty (Section 149 of the Equality Act 2010) requires the Council to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations in the exercise of its functions. The Equality Duty and the impact of decisions on people with protected characteristics must be considered by decision makers before making relevant decisions, including budget savings.
- 5.5.2 The process used to develop the Council's budget has been designed to ensure appropriate measures are in place to ensure the impact of decisions on the community is considered as part of the decision making process. It is officers' view that undertaking an Equalities Impact Assessment (EqIAs) on the strategy is not appropriate at this stage. EqIAs will be done on individual savings proposals (when relevant) at an early stage in the budget savings process to aid decision makers in their consideration of the Equality Duty. This work is being planned into the budget setting process.

## **6. BACKGROUND DOCUMENTS**

BD1 HRA Business Plan 2017

## **7. APPENDICES**

- A: ACTION PLAN: NEXT STEPS FOR CHANGES TO BORROWING RULES  
B: HMAB HRA BUSINESS PLAN UPDATE, QUARTER 4, 2017/18

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## APPENDIX A –ACTION PLAN NEXT STEPS FOR CHANGES TO BORROWING RULES

N0.	Activity	Outcomes	Interdependencies	Timeframe
1	Review Asset Management Strategy (AMS) needs	<ul style="list-style-type: none"> <li>• Revise programme of works in line with AMS identified need to provide sustainable housing stock</li> <li>• Review the decent homes standard for Stevenage</li> <li>• Review responsive repair costs and their relationship to investment programmes</li> <li>• Identify programmes that could support other Council priorities (eg affordable warmth; neighbourhood improvements; housing development)</li> <li>• Improve tenant and leaseholder satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>• Publication of AMS</li> <li>• Housing Green Paper outcomes on decency standards, energy efficiency and safety</li> <li>• Fire Safety standards e.g. fire doors (implementation of Hackitt review)</li> <li>• Housing Development programme – refurb under AMS or renew e.g. Kenilworth</li> <li>• Impact on leaseholders (with other improvement programmes e.g. MRC)</li> <li>• CNM and Garage programmes</li> <li>• Excellent Council Homes programme (contribute to objectives)</li> </ul>	June 2019
2.	Review new build programme in the HRA	<ul style="list-style-type: none"> <li>• Identify potential schemes to be funded by relaxing borrowing rules and timing</li> <li>• Identify resources required to deliver additional schemes</li> <li>• Identify a programme based on tenure repayments to reflect borrowing options</li> <li>• Identify the mix of redevelopment of existing schemes with additionality and new site opportunities</li> <li>• Consider purchase of private owned land?</li> <li>• Consider joint ventures</li> </ul>	<ul style="list-style-type: none"> <li>• FTFC Housing Development Programme</li> <li>• Outcome of the RTB use of 1.4.1 receipts (increased resources?) consultation</li> <li>• Outcome of AMS (for potential redevelopment sites ‘red properties’)</li> <li>• Outcome of Locality Reviews (General Fund AMS) opportunities to build</li> <li>• Availability of sites</li> <li>• Older people housing strategy</li> <li>• Availability of grant funding</li> </ul>	June 2019

N0.	Activity	Outcomes	Interdependencies	Timeframe
3.	Review of service charges and supported housing charges	<ul style="list-style-type: none"> <li>Identify potential service charge offer</li> <li>Identify cost of service which is affordable to tenants/leaseholders</li> <li>Identify resources required to deliver additional/new services</li> </ul>	<ul style="list-style-type: none"> <li>Consultation with tenants</li> <li>Government policy on welfare reform and impact on debts and need for services</li> <li>HCC decisions on HRS and supported housing prospectus</li> </ul>	June/July 2019
4.	Review Housing Management & Repairs service priorities and development needs	<ul style="list-style-type: none"> <li>Review resourcing requirements to support:               <ul style="list-style-type: none"> <li>a responsive, accessible, well-managed services, with a 'right first time' approach</li> <li>an area focussed approach to delivering estate services</li> <li>support services that are flexible and adapt to the changing needs of older &amp; vulnerable people</li> <li>continued digitalisation of services</li> <li>improved customer satisfaction in response to STAR and other feedback</li> <li>effective resident engagement</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Business Unit reviews</li> <li>Excellent Council Homes programme- identified needs</li> <li>CNM Programme</li> <li>CTOC programme</li> <li>Government policy on welfare reform and impact on debts and need for services</li> <li>Government policy arising from the Social Housing Green Paper outcomes (e.g. customer care, complaints, resident engagement, regulation)</li> <li>HCC decisions on HRS &amp; supported housing prospectus</li> <li>Older people housing strategy</li> <li>Homeless Reduction Act implications</li> <li>Implementation of Hackitt review recommendations – regulatory compliance; duty holder requirements etc.</li> </ul>	June 2019
5.	Review the Borrowing Strategy for the HRA to deliver on the identified need of actions 1-4)	<ul style="list-style-type: none"> <li>Set a borrowing cost which delivers on the Council's priorities</li> <li>Set a cost that is affordable and still allows for unforeseen</li> </ul>	<ul style="list-style-type: none"> <li>Outcome of the AMS action 1</li> <li>Outcome of the RTB use of 1.4.1 receipts(from 30% to 50%?)</li> <li>Response to the Housing Green Paper on decency standards, safety</li> </ul>	July 2019

N0.	Activity	Outcomes	Interdependencies	Timeframe
		<p>pressures to be financed without cuts to existing programmes.</p> <ul style="list-style-type: none"> <li>• Set a target for interest borrowing rates</li> <li>• Identify payback period for tenures to aid borrowing decisions</li> <li>• Consider targets for achieving private sale to deliver additional income for the HRA where applicable as alternative to borrowing</li> <li>• Set a Financial Security Target for the HRA based on the revised needs</li> </ul>	<p>and energy efficiency</p> <ul style="list-style-type: none"> <li>• Change in future rent policy (2012/13 -2019/20 - there have been three government rent policies)</li> <li>• Change to future RTB discounts – increase from 2011/12 £34K to £80K.</li> <li>• Change in number of RTB sales</li> </ul>	

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## **HMA B HRA BUSINESS PLAN UPDATE, QUARTER 4, 2017/18 APPENDIX B**

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**Subject: HRA Business Plan Update**

**Date: 19 July 2018**

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**For Information**

**Author: Katrina Shirley**

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### **Action Required:**

To note progress in delivering activities associated with the Housing Revenue Account (HRA) Business Plan during 2017/18.

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### **1. BACKGROUND:**

- 1.1 In November 2016, the Executive agreed a set of revised HRA Business Plan service proposals and financial assumptions that include a significant investment plan to support commitments relating to new build, existing housing assets and service improvements.
- 1.2 A summary of the HRA Business Plan priorities, outcomes and challenges identified within the Executive report, under the headings 'Housing Development', 'Housing Investment' and 'Housing Management and Maintenance', can be seen in Appendix 1.
- 1.3 An update on activities and investment over the past year (2017/18) aimed at addressing these challenges and achieving planned outcomes is given in Section 2 below.

### **2. UPDATE**

#### **2.1 Housing Development**

##### **2.1.1 Affordable Homes Delivery**

- A total of 34 council homes have been developed this year, bringing the total number delivered since 2014 up to 131. These included new homes at the Archer Road and Vincent Court schemes in addition to a number of acquisitions.
- Further schemes are under construction at the former March Hare and Twin Foxes pub sites and at Ferrier Road. Together these schemes will deliver 44 new homes.
- It had been anticipated that properties at the Twin Foxes scheme would have been completed in 2017/18. However, unfortunately, due to adverse weather that prevented rendering work from being carried out, as well as issues with utility providers, the scheme will now complete in 2018/19.
- Three more sites for future development have been prioritised during 2018. Initial design work is progressing and these schemes are expected to deliver approximately 50 units in total.

- In February 2018, the Council learnt that it had been successful in its bid for £900,000 from the Ministry of Housing, Communities and Local Government's (MCHLG) Land Release Fund. This will allow the Council to progress plans for more than 200 new homes at a number of sites, including the Kenilworth Close scheme.

### **2.1.2 New Sheltered Housing Development**

- The Kenilworth Close development will include state of the art homes for older people, in addition to providing a new community centre, general needs homes and shops. There will be at least 78 homes for older people in the independent living scheme, which will also have a café, enclosed private balconies and a roof garden for residents.
- Consultation on the plans for the scheme has commenced (including via the Council's website at <http://www.stevenage.gov.uk/news-and-events/news/203404/> )

### **2.1.3 Partnerships to Deliver Affordable Homes**

- The Council is working co-operatively with Chase Homes and Metropolitan Housing Association on the old Dupont site, where over 200 affordable homes are being developed for shared ownership and for rent. The Council will have access to 34 of these homes to let at social rents in exchange for funding. Children at a local school took part in a competition to create artwork to decorate the hoarding at the site.
- Origin Housing Association has commenced a programme of Open Market Acquisitions, which will deliver 10 x 3 bed homes for affordable rent.

### **2.1.4 Capital Expenditure on New Build and Acquisitions**

- In 2017/18, spend on Council new build and acquisitions in was £4.6m against a revised budget of £4.8m. In addition, the Council gave financial support amounting to £2.4m to other registered housing providers through the use of Right To Buy 1-for-1 receipts.

## **2.2 Housing Investment**

### **2.2.1 Decent Homes**

- A total of 660 homes were made decent during 2017/18.
- At the end of March 2018, 75.82% of council homes were decent against a target of 75.42%% (a revised target in line with the revised capital programme).

### **2.2.2 Major Refurbishment (Flat Block) Programme**

- Contractors Mulalley and Wates Living Space have been appointed to deliver the £45m five-year programme to refurbish 530 blocks of flats across Stevenage.
- Work will vary from block to block and, depending on the condition of a particular block, could include roofs, windows, structural repairs, rewiring, fencing, paving, signs and some redecoration of communal areas.



### **2.2.3 Asset Review Programme**

- Residents have been consulted at Fred Millard Court about an improvement scheme. This will provide a new main entrance, improved security and access and a new garden area/scooter storage in the existing underutilised courtyard area. Works have commenced on site and these works are due to complete later this summer.
- A programme of installation of new fire doors commenced in November 2017 and continues across a number of sheltered housing schemes.
- An improvement scheme for Silkin Court has been developed and residents are due to be consulted on the proposed scheme during July 2018.

### **2.2.4 Statutory Mechanical and Electrical Engineering works**

- A 5 year compliance improvement plan has been established. An Interim compliance manager is in post and we are looking to appoint to the post on a permanent basis.

### **2.2.5 Warm and Dry Homes Programme**

- A major contract for external works (insulation, windows and doors) was let in 2017/18 and the programme is due for completion this year.
- In 2017/18, external improvement works delivered included 420 roofs, 649 windows and 696 doors. In addition, 203 new boilers were installed.
- Further insulation, windows and door works will be carried out through the Major Refurbishment Contract. These works will enhance the energy efficiency of our flat blocks.

### **2.2.6 Asset Management Strategy**

- A new Asset Management Strategy is being drafted and it is expected that it will be recommended to the Executive later this year. The revised timescale for the strategy will allow further work to be undertaken to establish the way forward on a number of key areas including the approach to estate management.

### **2.2.7 Capital Expenditure on Housing Investment**

- The 2017/18 budget for the housing investment programme was £12.1m. This was a revised budget, following Executive approval in September to re-profile some major works relating to the decent homes and asset review programmes into 2018/19.
- Actual spend in 2017/18 was £12.2m.

## **2.3 Housing Management and Maintenance Services**

### **2.3.1 Enhancing Our Repairs Service Programme**

- The first phase of the Repairs and Voids improvement programme that was approved by the Council's Executive in January 2016 has been completed.
- A review of the first phase has been undertaken to inform the next phase of the project and ensure that the new business unit management team have complete and informed ownership and accountability for its delivery.

- As part of the arrangements to implement and embed the Repairs and Voids improvement programme, a Contract Manager has been assigned to implement robust contracts for our supply chain contractors. This will facilitate effective performance management and ensure service delivery to our customers is to expected standards.
- The Council continue to monitor revised service delivery arrangements introduced during quarter 2, to ensure that the materials required are available at the time of repair. This aids performance in delivering a first time fix.
- Service delivery in respect of voids is improving. A purge of active void cases carried out during quarter 4 has resulted in an increase in the number of lettings and minimised the number of void cases carried forward into the new financial year. Collaborative working between officers of the Voids, Tenancy and Lettings teams continues to improve, supported by the use of technology such as the 'Voids App', which allows a real time update on current void status to inform prompt tenant viewings, thus improving re-let times. The knock on effect of this meant that properties were able to be let to those in temporary accommodation, which resulted in a drop in the number of households living in temporary properties.
- The Repairs and Voids improvement programme will now focus on elements such as a review of unit costs for repairs and voids and incorporate any new projects that are deemed necessary.

### **2.3.2 Transforming Housing Management Services (*'Housing- All Under One Roof'*)**

- In January 2017, Members agreed to invest £1.5m over three financial years to enable the delivery of the 'Housing All Under One Roof' programme.
- Work is underway on Phase 1 (July 2017 to December 2018) of the programme, to implement digital improvements, adopt new ways of working and provide staff with tools and skills to deliver excellent customer service.
- These improvements will lay the foundations for Phase 2 of the programme, which will continue the delivery of digital improvements, embed new ways of working and enable customers to benefit from improved access to services through a wide range of methods, including online self-service services and additional support for those who need it.
- Progress during 2017/18 included the following:
  - The new Housing and Investment management team is now in place with management roles aligned to the customer journey.
  - Within the Housing Advice and Homelessness service new processes and technology have been implemented, to support the introduction of the Homelessness Reduction Act from April 2018 and to improve case management and the service customers receive. More advice is provided at the first point of contact in the CSC and customers are now benefiting from personalised housing plans. The team are also undergoing a restructure to ensure that the resources available are able to respond to the change in demand for the service.
  - Within the Supported Housing Service more agile ways of working have been implemented, to enable the team to be more responsive to customers' needs and shorten referral processes.
  - Ways of working and use of technology continue to be reviewed and improved to lay the foundation for mobile working and streamlined services for customers.
  - The quality of online information has been improved, to provide customers with up to date information and in preparation for the new Council website.

- Staff engagement in the programme has been sustained through Housing Away Days, informal sessions, focus groups and staff newsletters.

### **2.3.3 Sustainable Services and a Strategic Approach for Older People**

- Proposals for new charges for sheltered and flexicare tenants have been approved through the budget setting process and will contribute to the 18/19 savings target.
- The Housing and Investment Business Unit Review will include consideration of the design of our housing services to older people.
- Partnership working takes place through the Hertfordshire Adults Supported Accommodation Strategic Board and the Stevenage Local Area Board (LAB). The Stevenage LAB is developing a preferred model of Extra Care housing for Stevenage.
- To support future housing development at Kenilworth Close, the Housing and Investment team have worked with affected residents at both Asquith and Walpole Court. The team have agreed individual solutions for each household to support their requirements which, in some cases, has meant a move to other suitable independent living schemes.
- Asquith has been successfully decanted and we are proposing to use this temporarily for emergency and temporary accommodation if required.

### **2.3.4 Service and Support Charges Review**

- Work on assessing which (if any) service charges should be de-pooled has commenced. The implementation of this element of the project is planned for April 2019.
- The review of service charges will include the provision of a revised “estate management” offer including caretaking, grounds maintenance and anti-social behaviour. This forms part of the Assistant Director Business Unit reviews. As customers will be consulted on the proposals, it is anticipated that service charges reflecting a different service offer will be in place for April 2020.

### **2.3.5 Welfare Reform and Housing and Planning Act Implementation**

- Changes to welfare payments in terms of Universal Credit (UC) have continued to be introduced a slow pace but full roll-out of UC for all new claims will take place from October 2018. The Council is working with partners to pool intelligence and best practice and to provide an appropriate response to welfare reform. Regular meetings are held with the Department of Work and Pensions (DWP) and the East Herts Housing Benefit Partnership. Training sessions for all relevant staff within SBC and the shared revenues and benefits service are planned for September 2018 and will be delivered by the DWP.
- The Government’s timetable for the introduction of fixed-term tenancies for new tenants of social housing remains unknown. Similarly, there is no new information on whether the Government will proceed with the Higher Value Void Levy, although it has been confirmed that no levy will be applied during 2018/19.

### **2.3.6 Allocation Scheme Review**

- The Allocation Scheme has been reviewed and in March 2018 the Executive approved the following changes:

- That those at risk of homelessness, who presented themselves to SBC, who subsequently self-sourced alternative accommodation outside of the Borough, retain their local connection for up to two years.
- That the five-year local connection rule is amended to five years out of the last seven years.
- That those who are under-occupying are given a priority banding allowing them to bid for properties themselves via the Choice Based Letting system process.

### **3 FINANCIAL ASSUMPTIONS**

- 3.1 The revised Medium Term Financial Strategy (MTFS) was presented to the Executive in September, incorporating a refresh of the financial assumptions that were included in the HRA Business Plan report 2016. This included a revised capital programme of £1,155Million with an identified funding shortfall of £26Million over the 30 year period.
- 3.2 Following a Government announcement, the capital programme no longer includes an assumed higher value voids levy of £732k for 2018/19.
- 3.3 The HRA 2018 Budget was approved by Council on 30<sup>th</sup> January 2018. It incorporated an HRA savings/efficiency package of £226k to be implemented in 2018/19, along with HRA growth and service pressures of £365,092 in 2018/19. The service pressures include the financial cost to the HRA of the Council's Business Unit Reviews (BUR) and ICT Improvement Plan. The pressure associated with the BURs 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.

## APPENDIX 1:

### HRA Business Plan Priorities, Challenges and Planned Outcomes (Executive 22.11.16)

<b>Housing Development</b>
<b>Future Town Future Council (FTFC) Priority</b>
<ul style="list-style-type: none"><li>• <b>Housing Development</b></li></ul>
<b>Outcomes</b>
<ul style="list-style-type: none"><li>• New council homes, meeting the needs of local people on the Housing Register</li><li>• Total number of council homes maintained over the 30 year period</li><li>• Increased income into the HRA</li></ul>
<b>Key Challenges</b>
<ul style="list-style-type: none"><li>• To mitigate the impact of RTB sales on rental income and council housing supply</li><li>• To address the shortfall of affordable homes in Stevenage, by providing for new development that meets housing need and by making best use of the stock</li><li>• To ensure that the sheltered stock is fit-for-purpose, through re-provision of accommodation for older people</li></ul>

<b>Housing Investment</b>
<b>Future Town Future Council (FTFC) Priority</b>
<ul style="list-style-type: none"><li>• <b>Investing in Homes to be Proud Of</b></li></ul>
<b>Outcomes</b>
<ul style="list-style-type: none"><li>• Tenants living in safe, well maintained, structurally sound, warm and dry homes</li><li>• Fit for purpose sheltered stock</li><li>• Increased tenant and leaseholder satisfaction with their homes</li><li>• Positive return on our HRA assets</li><li>• Value for Money achieved through contract procurement and effective programming</li></ul>
<b>Key Challenges</b>
<ul style="list-style-type: none"><li>• To continue to maintain homes to the decent homes standard</li><li>• To undertake a programme of re-investment in poorly performing properties to ensure a positive return from all our assets</li><li>• To ensure that the existing sheltered stock is fit-for-purpose, through investment and re-modelling</li><li>• To ensure that procurement activities are robustly planned and delivered and achieve value for money</li></ul>

<b>Housing Management and Maintenance Services</b>
<b>FTFC Priority</b>
<ul style="list-style-type: none"> <li>• <b>Excellent Council Homes (Transforming Housing Services &amp; Sustainable Housing for Older People)</b></li> </ul>
<b>Outcomes</b>
<ul style="list-style-type: none"> <li>• Responsive, accessible, well-managed services, with a ‘right first time’ approach</li> <li>• Flexible support services that adapt to the changing needs and vulnerability of older people living in sheltered/flexicare housing and in the community</li> <li>• Improved processes and technological solutions that support service delivery</li> <li>• Improved customer satisfaction</li> <li>• Transparent service and support charges based on actual costs – i.e. customers clear about what they can expect and only paying for services they receive</li> <li>• Lettings that achieve a balance between meeting local housing need and promoting sustainable communities</li> </ul>
<b>Key Challenges</b>
<ul style="list-style-type: none"> <li>• To deliver transformative improvements to housing management and maintenance services</li> <li>• To develop fit-for-purpose services for older residents to meet the needs and expectations of an ageing population, in the context of reduced grant funding</li> <li>• To ensure that the Repairs and Voids service makes a net contribution to financial overheads</li> <li>• To implement the requirements of the Welfare Reform and Work Act and the Housing and Planning Act, where possible mitigating against the impact on both customers and the Council’s finances</li> <li>• To ensure that the Allocation Scheme is fair and achieves a balance between meeting housing need, promoting sustainable communities and making best use of the stock, within the legal framework</li> </ul>

**Meeting:**           **Audit Committee / Executive /  
Council**

Portfolio Area:    Resources

**Date:**             **20 November / 21 November /  
18 December 2018**



## **2018/19 MID YEAR TREASURY MANAGEMENT REVIEW**

### **NON-KEY DECISION**

Author – Anita Thomas                      Ext No. 2430  
Contributors – Lee Busby                   Ext No. 2730  
Lead Officer – Clare Fletcher              Ext No. 2933  
Contact Officer – Clare Fletcher          Ext No. 2933

### **1. PURPOSE**

1.1 To update members on the Treasury Management activities in 2018/19 and review effectiveness of the 2018/19 Treasury Management and Investment Strategy including the 2018/19 prudential and treasury indicators.

### **2. RECOMMENDATIONS**

- 2.1 That subject to any comments from Executive and the Audit Committee, recommend to Council to approve the 2018/19 Treasury Management Mid-Year review.
- 2.2 That subject to any comments from Executive and the Audit Committee, recommend Council to approve the latest approved Countries for investments (paragraph 4.7.13 Appendix D).
- 2.3 That subject to any comments from Executive and the Audit Committee, recommend to Council that officers may undertake treasury management functions on behalf of Council wholly owned companies and or Council Limited Liability Partnership (LLP) subject to authorisation from the Board of Directors (see paragraph 4.7.12)

### **3. BACKGROUND**

3.1 The Council is required under the Local Government Act 2003 to produce a Mid Year Treasury Management Report reviewing treasury management activities including the 2018/19 prudential and treasury indicators. In addition the report

meets the requirements of both the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code). Both these documents were revised and updated in 2017. As from 2019/20 all local authorities will be required to prepare a Capital Strategy that provides:

- High level overview of how capital strategy, capital financing and treasury management activities contribute to council services,
- how the associated risk is managed,
- and implications for the future financial sustainability of the council.

Officers will be incorporating these elements into the 2019/20 Capital strategy to be approved by Council on 27 February 2019.

3.2. This report covers one of three reporting requirements under the code of practice, the other reports being;

- Annual Treasury Strategy (in advance of the year) (last reported to Council 28 February 2018)
- Annual Treasury Management Review after the year end (2017/18 was reported to Council 17 October 2018)

3.3 This report summarises:

- Capital expenditure for 2018/19;
- Impact of the expenditure on the Council's underlying indebtedness, (the Capital Financing Requirement);
- Reporting of the required prudential and treasury indicators;
- Overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances;
- Summary of interest rates currently available;
- Detailed debt and investment activity; and
- An economic update for the first part of 2018/19.

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

### **4.1 The Council's Capital Expenditure and Financing 2018/19**

4.1.1 Capital expenditure<sup>1</sup> can be financed either by capital resources the Council has on its balance sheet (e.g. capital receipts & capital grants) or by making a revenue contribution to capital. If sufficient capital resources are not available to fund the expenditure the council would need to borrow to meet the funding gap. This borrowing may be taken externally in new loans or internally from cash

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<sup>1</sup> Council expenditure can be classified as capital when it is used to purchase assets with a life of more than one year, exceeds £5,000 in value and meets the guidelines laid out in CIPFA accounting practises.



balances held by the council (see also 4.2.2). The need to borrow is measured and reported through the prudential indicators.

4.1.2 The Treasury Strategy and Prudential Indicators for 2018/19 were originally approved by Council on the 28 February 2018. Since then, capital budget changes have been approved and the Prudential Indicators updated in the 2017/18 Annual Treasury Management Review (approved by Council on the 17 October 2018). The Treasury Management Mid-Year Review Indicators have been updated based on the 1st quarter capital programme reported to Executive (5 September 2018).

4.1.3 Table One (shown below) shows the original capital programme, the revised capital programme (approval Executive 5 September 2018) and financing.

<b>Table One: 2018/19 Capital Expenditure and Financing</b>		
	<b>2018/19 Original Estimate £'000</b>	<b>2018/19 Revised Mid-Year Review (Executive September 2018) £'000</b>
<b>Capital Expenditure:</b>		
General Fund Capital Expenditure	32,806	32,007
HRA Capital Expenditure	23,228	26,128
<b>Total Capital Expenditure</b>	<b>56,033</b>	<b>58,135</b>
• Capital Receipts	(9,601)	(10,303)
• Capital Grants / Contributions	(8,483)	(7,083)
• Capital Reserves	(1,748)	(1,648)
• Revenue contributions	(8,092)	(8,092)
• Major Repairs Reserve	(9,028)	(9,028)
<b>Total Resources Available</b>	<b>(36,953)</b>	<b>(36,154)</b>
<b>Capital Expenditure Requiring Borrowing</b>	<b>(19,081)</b>	<b>(21,981)</b>

## 4.2 The Council's overall borrowing position.

4.2.1 The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR)<sup>2</sup>. Whether physical borrowing is taken out depends on the level of cash balances held by the Council. Based on the Capital Strategy and Treasury Management Strategy, the treasury service manages the Council's cash position to ensure sufficient cash is available to meet the capital payments. This may be through borrowing from utilising cash balances held by the Council in the short to medium term or external bodies

<sup>2</sup> Capital Financing Requirement (CFR) represents the amount of debt the Council needs to/has taken to fund the capital programme after debt repayments and Minimum Revenue Provision (MRP) are taken into account

(such as the Government, through the Public Works Loan Board (PWLB) or the money markets).

4.2.2 The Council has not undertaken any new physical borrowing as at 15 October 2018.

4.2.3 In 2018/19 the average cash holding between April and September was £64Million (£70.7Million April to September 2017/18). While investment returns are low the “internal” borrowing rate is significantly cheaper than the cost of external borrowing and remains a prudent use of the Council’s cash balances, unless the condition in para 4.3.1 apply.

4.2.4 As at the 30 September 2018 the Council had total external borrowing of £205,614,160 (projected to increase to £227,463,331 by 31 March 2019 if all approved borrowing is taken). When expenditure is incurred on the purchase of commercial property the decision to take out the remaining of approved borrowing (£15million) will be reviewed. To accelerate the purchase process, an agent has been appointed towards end of September and they have three months to seek opportunities which will take us to the end of December. In the meantime other purchase options are also currently being pursued.

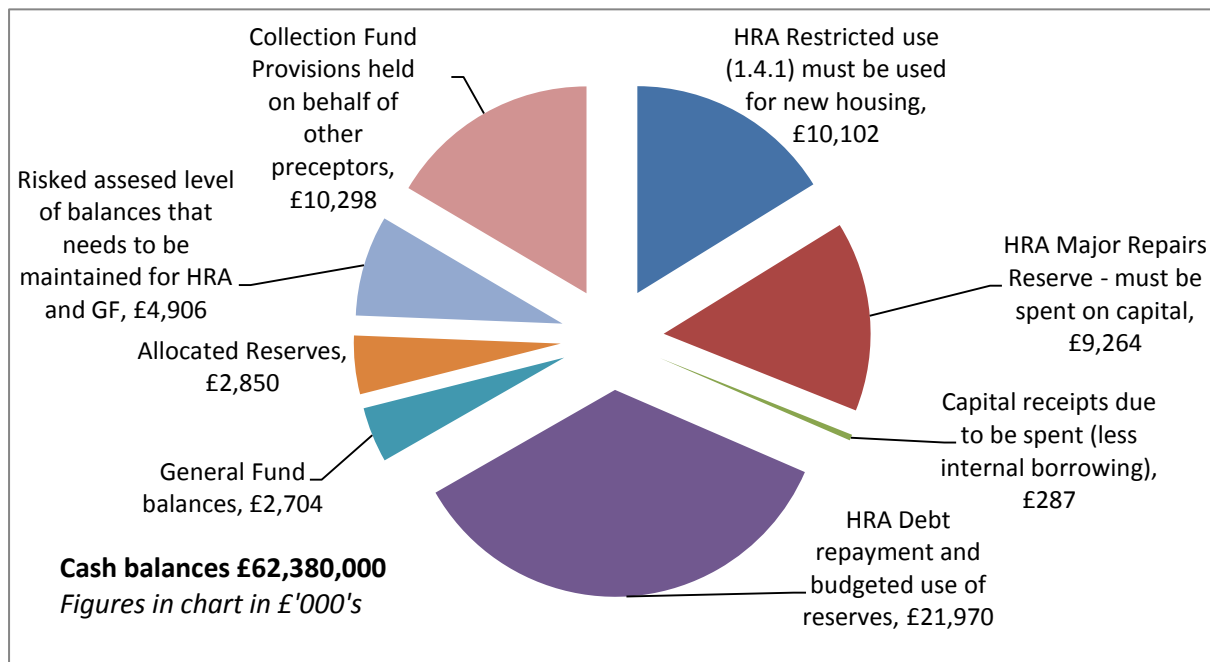
4.2.5 The General Fund has £2,940,160 external borrowing with the PWLB. The HRA has external borrowing of £202,674,000 with the PWLB, with the majority of the HRA debt (£194,911,000) taken out in March 2012 to finance the payment required to central government for self-financing. This debt was arranged over a number of loans at fixed rates and with varying maturities

4.2.6 The HRA borrowing includes £7,763,000 used to fund the pre 2012 decent homes programme. This debt was called ‘supported borrowing’ under the former HRA subsidy system but now forms part of the HRA debt portfolio. . The remaining difference between the HRA debt portfolio and CFR at 31 March 2019 is the result of asset transfers from General Fund to the HRA and HRA internal borrowing prior to self-financing.

4.2.7 HRA borrowing was constrained by legislation (unlike the General Fund) and was capped at £217,685,000. In the autumn budget statement it was confirmed that **the borrowing cap on local authorities with housing revenue accounts (HRA) will be abolished completely with immediate effect**. Going forward the constraint on HRA borrowing will be based on affordability rather than legislation. The approved prudential indicators contained within this report (operational boundary and authorised limit for borrowing (see paragraph 4.4.6)) are based on the HRA debt cap pre autumn statement. These limits will be reviewed and updated following approval of the HRA 2019/20 budget and the Capital Strategy.

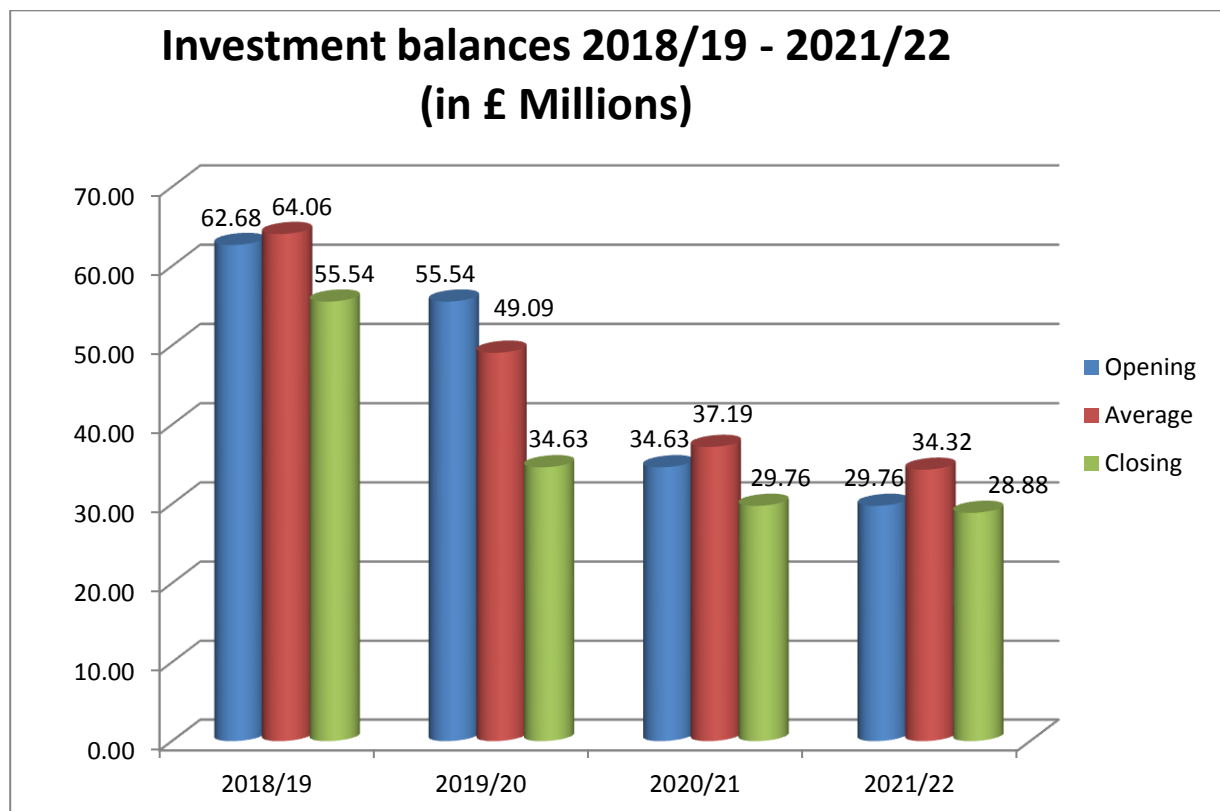
### 4.3 Cash balances and cash flow management

4.3.1 As at 1 April 2018 cash balances held by SBC totalled £62.4Million. As seen in the following pie chart most of these sums are held on behalf of other parties (Collection Fund – Hertfordshire County Council, Police and Central Government) or their use is restricted to capital projects which have already been identified.



4.3.2 Currently cash balances are estimated to be £55.5Million by 31 March 2019, but is dependent on current spending projections and approved borrowing included in the capital strategy and HRA business plan (General Fund - £15.581million and HRA - £6.4Million) for 2018/19. Decisions as to when this borrowing is actually taken will be considered based on cash balances and anticipated interest rates.

**Chart One: Investment Balances forecast**



#### 4.4 Prudential Indicators

4.4.1 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators, (which affordability limits), are included in the approved Treasury Management Strategy and an update on those indicators is included in this report. During the year to 21 November 2018, the Council has operated within the treasury and prudential indicators set out in that strategy. Further explanation of key prudential indicators is given below and is also shown in Appendix A.

4.4.2 **Borrowing and the 2018/19 Capital Financing Requirement (CFR)** - The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). The Council's original estimate and latest CFR for the year is shown below. The estimate of the CFR for 2018/19 has been updated for the capital strategy approved by Members (5 September 2018 Executive).

<b>Table Two : Capital Financing Requirement 2018/19</b>			
	<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>
	<b>Original</b>	<b>Revised</b>	<b>Revised</b>
	<b>Estimate</b>	<b>Annual</b>	<b>Mid-Year</b>
		<b>Treasury</b>	<b>Review</b>
		<b>Management</b>	<b>(Executive</b>
		<b>Review of</b>	<b>November</b>
		<b>2017/18</b>	<b>2018)</b>
		<b>(Approved</b>	
		<b>Council</b>	
		<b>October</b>	
		<b>2018)</b>	
<b>CFR Calculation</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Opening Balance</b>	<b>221,877</b>	<b>221,877</b>	<b>221,877</b>
Closing Capital Financing Requirement (General Fund)	35,666	35,666	29,835
Closing Capital Financing Requirement (Housing Revenue Account)	208,709	208,709	211,857
<b>Closing Balance</b>	<b>244,375</b>	<b>244,375</b>	<b>241,692</b>
<b>Increase/ (Decrease)</b>	<b>22,498</b>	<b>22,498</b>	<b>19,815</b>

4.4.3 Total debt repayments made in the first half of 2018/19 relating to principle on PWLB GF loans were £131,579 (paid in August) and a repayment of £1.241,000 in respect of HRA debt in April 2018. A further repayment of £131,579 will be made in February 2019 in relation to General Fund debt.

#### 4.4.4 The Council could further reduce its CFR by:

- The application of additional capital financing resources (such as unapplied capital receipts) if available; or
- Charging more than the statutory revenue charge (Minimum Revenue Provision (MRP)) each year through a Voluntary Revenue Provision (VRP) which would increase the cost to the General Fund.

4.4.5 The **net borrowing position** of the Council at 31 March 2019 is estimated to be **£173,344K** of borrowing (total borrowings/loans of £227,463K less total investments held of £54,119K).

4.4.6 The **operational boundary and authorised limit** refer to the borrowing limits within which the treasury team operate. A temporary breach of the operational boundary is permissible for short term cash flow purposes however a breach of the authorised limit would require a report to Council. To date there have been **no breaches** of either limit in 2018/19. Both limits have been updated to reflect approved borrowing for the HRA and debt cap and approved prudential borrowing for the General Fund (see also paragraph 4.2.7).

4.4.7 **Minimum Revenue Provision (MRP)**<sup>3</sup> – In 2018/19 the MRP charged to the General Fund is £661,090, based on previous years' borrowing. At present the only borrowing included in this indicator relates to the ten year plan for the garages estate (£6.7million prudential borrowing over the period 2018/19 to 2020/21) and the investment property strategy (£13.24million in 2018/19 out of the £15M that was approved ). MRP will need to be made regardless of whether actual external borrowing has been taken and hence differs from the treasury management arrangements, the latter considers utilising cash balances when borrowing rates are higher than investment interest rates (as in paragraph 4.2.2).

4.4.8 The **ratio of financing costs to net revenue stream** is equal to General Fund interest costs divided by the General Fund net revenue income from Council Tax and RSG/NDR. For 2018/19 this indicator has changed due to changes to MRP, re profiling of garages business plan and the revised capital programme figures are shown in Appendix A. In future years it increases due to approved borrowing for the investment property strategy which will contribute to General Fund financial security objectives.

4.4.9 The treasury management indicators for 2018/19 onwards have been calculated based on the 1st quarter capital programme reported to Executive 5 September 2018. There will be subsequent updates to the capital programme including the capital bidding process for the period 2019/20 to 2023/24 and as such the data relating to future years is indicative only and will be subject to change. The full list of Treasury Prudential Indicators is shown in Appendix A.

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<sup>3</sup> MRP- The Council must base its borrowing decisions in accordance with the Prudential Code which requires the Council to demonstrate a need to borrow and to show the cost of that borrowing for the General Fund is affordable. The Council's MRP policy, as required by CIPFA guidance, is approved annually by Council as part of the Treasury Management Strategy. The calculation of MRP is based upon prior years' borrowing requirement and the life of the assets for which borrowing was required.

## 4.5 Update on Treasury Management Strategy Position 2018/19

4.5.1 The Council's debt and investment position is managed by the treasury management section to ensure adequate liquidity for revenue and capital activities. In addition, investment decisions are based on the security of the investments and spread over a number of counter parties to manage the Council's exposure to risk.

4.5.2 The Council's **average investment returns** are modest due to historically low Bank of England Base Rate which is currently 0.75% (see also para 4.8.3) and the risk appetite in the treasury management strategy. As at 30 September 2018 the 2018/19 average rate of interest being earned on investments was 0.77% this compares to 0.58% earned in 2017/18. This exceeded the 7 day LIBID benchmark rate of 0.59% (source: LINK Asset Services 30-9-18).

4.5.3 While costs for loans of between eight and ten years are around 2.35-2.50% (as at 12 October 2018) it is still prudent to utilise the Council's cash balances (as shown in paragraph 4.2.3) for short-term internal borrowing. However, borrowing costs are forecast to increase and officers will be determining whether it may be prudent to take some borrowing at lower interest rates based on the forecast reduction of future cash balances. The decision and timing of when to borrow is being monitored by officers.

4.5.4 The Council's treasury position for the first half of year was as follows;

Table three Treasury Position 2018/19						
	30 Sep 2018 Principal £'000s	Rate / Return %	Average Life (Yrs)	31 Mar 2019 Principal £'000s	Rate / Return %	Average Life (Yrs)
Fixed rate loans - PWLb	205,614	3.37	15.53	205,482	3.37	15.53
Approved Prudential Borrowing	15,581	TBC	TBC	15,581	TBC	TBC
Approved HRA Borrowing	6,400	TBC	TBC	6,400	TBC	TBC
<b>Total Borrowing</b>	<b>205,614</b>	<b>3.37</b>	<b>15.53</b>	<b>227,463</b>	<b>3.37</b>	<b>15.53</b>
CFR				241,692		
Over/(under) borrowing*				(14,229)		
<b>Investments Portfolio</b>	<b>69,450</b>	<b>0.54</b>		<b>54,119</b>	<b>0.54</b>	

\* financed by internal borrowing

4.5.5 The maturity structure of the debt portfolio was as follows (see also Appendix B):

<b>Table four Maturity of Debt Portfolio for 2017/18 and 2018/19</b>		
<b>Time to maturity</b>	<b>31 March 2018 Actual £'000's</b>	<b>30 September 2018 Actual £'000's</b>
Maturing within one year	3,004	263
1 year or more and less than 2 years	263	263
2 years or more and less than 5 years	790	658
5 years or more and less than 10 years	18,956	18,956
10 years or more	185,474	185,474
<b>Total</b>	<b>208,487</b>	<b>205,614</b>

4.5.6 There are seven investments with **maturities over one year** as detailed below:

<b>Counterparty</b>	<b>Country</b>	<b>Rating</b>	<b>Deposit amount</b>	<b>Start date</b>	<b>Maturity on</b>
Birmingham City Council	UK	AA	3,000,000	24/04/2017	24/04/2019
Spelthorne Borough Council	UK	AA	1,300,000	22/06/2017	21/06/2019
Newcastle upon Tyne City Council	UK	AA	1,000,000	03/04/2017	03/04/2020
London Borough of Barking and Dagenham	UK	AA	2,000,000	09/01/2017	09/04/2020
Lancashire County Council	UK	AA	2,300,000	06/09/2018	07/09/2020
Great Yarmouth BC	UK	AA	2,000,000	16/05/2018	17/05/2021
Barnsley Metropolitan Borough Council	UK	AA	2,700,000	15/09/2017	15/09/2021
			<b>14,300,000</b>		

All other investments held during the first half of 2018/19 are due to mature within one year. A summary of the Council's exposure to fixed and variable rate investments is shown below in Table Five. (See also Appendix B).

<b>Table Five : Fixed and Variable Rate Investment Totals</b>		
	<b>31 March 2018 Actual £'000's</b>	<b>30 September 2018 Actual £'000's</b>
Fixed rate principal	48,500	51,800
Variable rate principal	13,880	10,970
<b>Total</b>	<b>62,380</b>	<b>62,770</b>

4.5.7 The total limit on the amount invested in **Money Market Funds** was removed (Recommendation 2.5 Treasury Management Review including Prudential

Code – Council 28 Feb 2017) and no further Money Market funds have been added to the portfolio in 2018/19.

- 4.5.8 There have been **no breaches** of treasury **counter party limits**. Any breach would be notified to the Chief Finance Officer. There have been no pressures on counter party limits and no investments have been deposited with the DMO since October 2014 when Treasury Management limit changes were implemented.
- 4.5.9 The use of **enhanced cash funds** was also approved in February 2017. These funds are now referred to as “Ultra Short Dated Bond” (USDB) funds (Recommendation 2.7 Treasury Management Review including Prudential Code – Council 28 Feb 2017). Currently no investments have been made with USDB funds.
- 4.5.10 The updated list of “Approved Countries for Investments” is detailed in Appendix D.
- 4.5.11 Other Treasury Management Issues - **Money Market Fund Regulatory Change** The Money Market Fund sector is now in the last stages of introducing new regulations, expected to be finalised in early 2019. These will see existing non-government Constant Net Asset Value (CNAV) funds convert to Low Volatility Net Asset Value (LVNAV) pricing. Government-type funds will remain as “CNAV” funds under the new regulations. This change is not expected to impact on the existing treasury Management strategy.
- 4.5.12 As part of the Council regeneration programme and financial security objectives officers will be establishing special purpose vehicles (SPV) to deliver regeneration in the town and to improve the offer in the private rented sector. These SPV’s will include a Limited Liability partnership and wholly owned companies. As completely separate legal entities the board of Directors of the SPV will need to delegate authority for the treasury management function to the Council. This report seeks to gain approval from Members for officers to invest monies on behalf of the SPV’s subject to Director’s delegation. All sums invested on behalf of these SPV’s will be done in accordance with the Councils own treasury management policies.

## **4.6 Economic Review & Interest Rate Outlook**

### **4.6.1 UK Growth**

The first half of 2018/19 saw the UK economy grow modestly and the Monetary Policy Committee, (MPC) voted (9-0) to increase Bank Rate on 2nd August from 0.5% to 0.75%. Although growth looks as if it will continue at around 1.5% in 2018, the Bank of England’s August Quarterly Inflation Report suggested that growth will pick up to 1.8% in 2019, caveated by whether or not the UK achieves an orderly withdrawal from the European Union in March 2019.

### **4.6.2 Inflation and Bank Rate**

Some MPC members have expressed concerns about a build-up of inflationary pressures, particularly with the pound falling in value again against both the US dollar and the Euro. The Consumer Price Index (CPI) measure of inflation rose unexpectedly from 2.5% to **2.7% in August** due to increases in



volatile components, but is expected to fall back to the 2% inflation target over the next two years given a scenario of minimal increases in Bank Rate. The MPC has indicated Bank Rate would need to be in the region of 1.5% by March 2021 for inflation to stay on track. Financial markets are currently pricing in the next increase in Bank Rate for the second half of 2019. Should interest rates increase by 0.25% annual interest costs for the Council would rise by £2,500 for every £1million of new borrowing taken.

#### **4.6.3 Wage inflation**

Unemployment remains at a 43 year low at 4% on the Independent Labour Organisation measure. A combination of job vacancies hitting an all-time high in July, together with negligible growth in total employment numbers, indicates that employers are now having major difficulties filling job vacancies with suitable staff. Wage inflation picked up to 2.9%, (3 month average regular pay, excluding bonuses) and to a one month figure in **July of 3.1%**. This meant that in real terms, (i.e. wage rates higher than CPI inflation), earnings grew by about 0.4%, near to the joint high of 0.5% since 2009. The MPC views wage inflation in excess of 3% as increasing inflationary pressures within the UK economy and hence its increase in Bank Rate in August.

#### **4.6.4 Eurozone Economy**

Eurozone growth has undershot early forecasts of a strong economic performance in 2018. In particular, data from Germany has been mixed and it could be negatively impacted by US tariffs on a significant part of its manufacturing exports e.g. cars. For that reason, growth is expected to be in the region of 2% for 2018.

#### **4.6.5 Brexit**

There is continued uncertainty as to the outcome of Brexit negotiation and a risk that the current Conservative minority government may be unable to muster a majority in the Commons over Brexit in March 2019. If the UK faces a general election in the next 12 months, this could result in a potential loosening of monetary policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up. Treasury advisors do not think that the MPC will increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. They also feel that the MPC is more likely to wait until August 2019, than May 2019, before the next increase, to be followed by further increases of 0.25% in May and November 2020 to reach 1.5%. However, this cautious approach will be dependent on the Brexit negotiations.

## **5. IMPLICATIONS**

### **5.1 Financial Implications**

- 5.1.1 This report is of a financial nature and reviews the treasury management function for the 2018/19. Any consequential financial impacts of the Strategy will be incorporated into the Capital Strategy updates and subsequent Quarterly budget monitoring reports.

## **5.2 Legal Implications**

- 5.2.1 Approval of the Prudential Code Indicators and the Treasury Management Strategy Indicators are intended to ensure that the Council complies with relevant legislation and best practice.

## **5.3 Risk Implications**

- 5.3.1 The current policy of not borrowing externally only remains financially viable while cash balances are high and the differentials between investment income and borrowing rates remain. Should these conditions change the Council may need to borrow at higher rates which would increase revenue costs.
- 5.3.2 There is continued uncertainty regarding Brexit negotiations and the possibility of a “no deal” exit. SBC’s approach to Brexit is that it is treated as a business continuity issue with appropriate cross-checking carried out with other members of the Hertfordshire Resilience Forum.

## **5.4 Equalities and Diversity Implications**

- 5.4.1 This purpose of this report is to review the implementation of the Treasury management policy in 2018/19. Before investments are placed with counter parties the Council has the discretion not to invest with counter parties where there are concerns over sovereign nations’ human rights issues.
- 5.4.2 The Treasury Management Policy does not have the potential to discriminate against people on grounds of age; disability; gender; ethnicity; sexual orientation; religion/belief; or by way of financial exclusion. As such a detailed Equality Impact Assessment has not been undertaken.

## **BACKGROUND DOCUMENTS**

BD1 Prudential Code Indicators and Treasury Management Strategy 2018/19 (28 February 2018 Council)

BD2 Annual Treasury Management Review of 2018/19 (28 February 2018 Council)

## **6 APPENDICES**

- Appendix A – Prudential Indicators for Mid Year Review.
- Appendix B – Investment and Loan Portfolios
- Appendix C – Specified & Non-Specified Investment Criteria
- Appendix D – Approved Countries for Investments

<b>Appendix A</b>		2018/19 Treasury Management Strategy - Mid year review				
<b>Treasury Management Prudential Indicators</b>						
	2017/18	2018/19	2018/19	2018/19	2019/20	2020/21
<b>Capital Expenditure (Based on Q1 Capital report September 2018):</b>			Revised September 2018 (TM report)	Revised Mid year review 18-19	Revised Mid year review 18-19	Revised Mid year review 18-19
	Actual	Original February 2018				
	£000	£000	£000	£000	£000	£000
General Fund	9,013	21,708	32,007	32,007	17,544	3,784
HRA	17,022	31,355	26,128	26,128	44,744	31,439
<b>Total</b>	<b>26,035</b>	<b>53,063</b>	<b>58,135</b>	<b>58,135</b>	<b>52,148</b>	<b>35,409</b>
	2017/18	2018/19	2018/19	2018/19	2019/20	2020/21
<b>Ratio of financing costs to net revenue stream:</b>			Revised September 2018 (TM report)	Revised Mid year review 18-19	Revised Mid year review 18-19	Revised Mid year review 18-19
	Actual	Original February 2018				
	%	%	%	%	%	%
General Fund Capital Expenditure	6.91%	14.22%	14.22%	9.34%	15.32%	15.13%
HRA Capital Expenditure	15.61%	16.94%	16.94%	16.94%	16.72%	16.16%
General Fund: Net revenue stream is the RSG, NNDR grant and Council Tax raised for the year.						
HRA: The net revenue stream is the total HRA income shown in the Council's accounts from received rents, service charges and other incomes. The ratio of financing costs to net revenue stream reflects the high level of debt as a result of self financing.						
	2017/18	2018/19	2018/19	2018/19	2019/20	2020/21
<b>Authorised Limit for external debt</b>			Revised September 2018 (TM report)	Revised Mid year review 18-19	Revised Mid year review 18-19	Revised Mid year review 18-19
	Actual	Revised February 2018				
	£000	£000	£000	£000	£000	£000
Borrowing - General Fund	33,971	40,666	40,666	40,666	42,251	43,103
Borrowing - HRA	217,655	217,655	217,655	217,685	217,685	217,685
<b>Total</b>	<b>251,625</b>	<b>258,321</b>	<b>258,321</b>	<b>258,351</b>	<b>259,906</b>	<b>260,758</b>
The authorised limit in that it is the level up to which the Council may borrow without getting further approval from Full Council. The Council may need to borrow short term for cash flow purposes, exceeding the operational boundary. The authorised limit allows for £9m headroom, which is in addition to our capital plans.						
	2017/18	2018/19	2018/19	2018/19	2019/20	2020/21
<b>Operational Boundary for external debt</b>			Revised September 2018 (TM report)	Revised Mid year review 18-19	Revised February 2018	Revised February 2018
	Actual	Revised February 2018				
	£000	£000		£000	£000	£000
Borrowing - General Fund	31,471	38,166	38,166	38,166	39,751	40,603
Borrowing - HRA	211,209	211,209	211,209	211,209	211,209	211,209
<b>Total</b>	<b>242,680</b>	<b>249,376</b>	<b>249,375</b>	<b>249,375</b>	<b>250,961</b>	<b>251,812</b>
The operational boundary differs from the authorised limit in that it is the level up to which the Council expects to have to borrow. The Council may need to borrow short term for cash flow purposes, exceeding the operational boundary. The operational boundary allows for £1m headroom in addition to our capital plans.						
	31/03/2018	31/03/2019	31/03/2019	31/03/2019	31/03/2020	31/03/2021
<b>Gross &amp; Net Debt</b>			Revised September 2018 (TM report)	Revised September 2018 (TM report)	Revised February 2018	Revised February 2018
	Actual	Revised February 2018				
	£000	£000	£000	£000	£000	£000
Gross External Debt - General Fund	4,572	18,389	18,389	18,390	20,692	22,284
Gross External Debt - HRA	203,915	206,174	206,174	209,074	206,174	206,174
<b>Gross External Debt</b>	<b>208,487</b>	<b>224,563</b>	<b>224,563</b>	<b>227,464</b>	<b>226,866</b>	<b>228,458</b>
Less Investments	(62,380)	(45,563)	(45,563)	(54,119)	(37,038)	(31,479)
<b>Net Borrowing</b>	<b>146,107</b>	<b>179,000</b>	<b>179,000</b>	<b>173,345</b>	<b>189,828</b>	<b>196,979</b>
The Gross External Debt is the actual debt taken out by the Council plus any relevant long term liabilities. The Gross External Debt should not exceed the Operational Boundary						
The Net Borrowing is defined as gross external debt less investments. The net borrowing requirement may not, except in the short term, exceed the total capital financing requirement in the preceding year, plus the estimates of any additional financing.						
	31/03/2018	31/03/2019	31/03/2019	31/03/2019	31/03/2020	31/03/2021
<b>Capital Financing Requirement</b>			Revised September 2018 (TM report)	Revised Mid year review 18-19	Revised February 2018	Revised February 2018
	Actual	Revised February 2018				
	£000	£000	£000	£000	£000	£000
Capital Financing Requirement GF	15,623	35,666	35,666	29,835	37,251	38,103
Capital Financing Requirement HRA	206,253	208,709	208,709	211,857	208,709	208,709
<b>Total Capital Financing Requirement</b>	<b>221,876</b>	<b>244,376</b>	<b>244,376</b>	<b>241,692</b>	<b>245,961</b>	<b>246,812</b>
The Capital Financing Requirement (CFR) reflects the amount of money the Council would need to borrow to fund it's capital programme. This is split between the Housing Revenue Account CFR (HRACFR) and the General Fund CFR (GFCFR).						

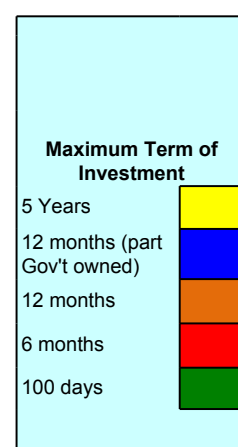
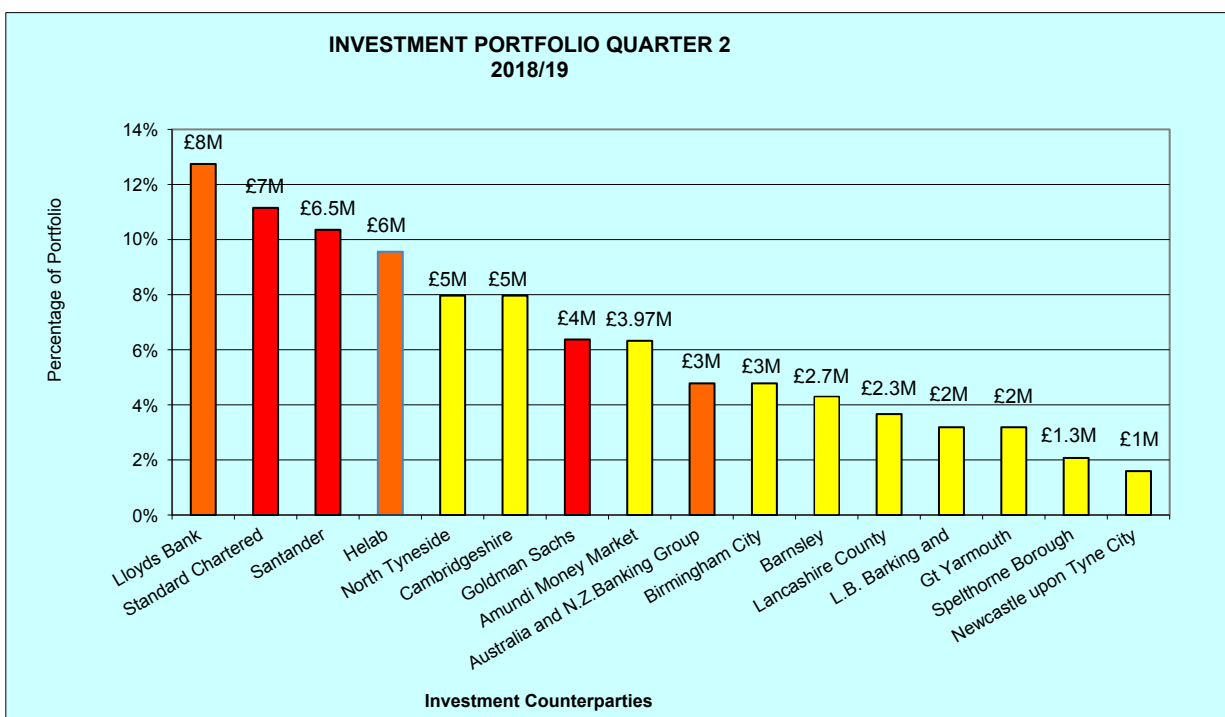
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# INVESTMENT PORTFOLIO QUARTER 2 (30th September 2018)

# Appendix B

Average interest rate for 2017/18 0.58%  
 Average Investment Rate Sept 2018 0.77%  
 Bank of England Bank Rate 0.75%  
 (Bank Rate Increased 2 Aug 2018 from 0.50%)

Borrower	Nation	Sovereign Rating (Fitch)	Amount £'s	From	To	Rate %
<b>Money Market Funds (Instant Access)</b>						
Amundi	UK	AA	3,970,000			0.70
<b>95 Day Notice</b>						
Standard Chartered Bank	UK	AA	7,000,000			1.01
<b>Fixed Term Deposit</b>						
Helaba	GER	AAA	2,000,000	10/01/18	10/10/18	0.71
Goldman Sachs International	UK	AA	1,700,000	19/04/18	19/10/18	0.98
Lloyds Bank plc	UK	AA	5,000,000	24/11/17	23/11/18	0.90
North Tyneside Metropolitan Borough Council	UK	AA	5,000,000	18/12/17	17/12/18	0.75
Santander UK	UK	AA	3,500,000	21/06/18	20/12/18	0.80
Santander UK	UK	AA	3,000,000	02/07/18	02/01/19	0.80
Goldman Sachs International	UK	AA	2,300,000	17/07/18	17/01/19	0.90
Lloyds Bank plc	UK	AA	3,000,000	24/01/18	23/01/19	0.85
Australia and New Zealand Banking Group	AUS	AAA	3,000,000	24/05/18	25/02/19	0.82
Birmingham City Council	UK	AA	3,000,000	24/04/17	24/04/19	0.80
Spelthorne Borough Council	UK	AA	1,300,000	22/06/17	21/06/19	0.70
Helaba	UK	AA	4,000,000	14/08/18	13/08/19	0.97
Cambridgeshire C.C.	UK	AA	5,000,000	11/09/18	10/09/19	1.05
Newcastle upon Tyne City Council	UK	AA	1,000,000	03/04/17	03/04/20	1.00
London Borough of Barking and Dagenham	UK	AA	2,000,000	09/01/17	09/04/20	0.98
Lancashire County Council	UK	AA	2,300,000	06/09/18	07/09/20	1.20
Gt Yarmouth BC	UK	AA	2,000,000	16/05/18	17/05/21	1.45
Barnsley Metropolitan Borough Council	UK	AA	2,700,000	15/09/17	15/09/21	0.98
			<b>62,770,000</b>			



## LOAN PORTFOLIO QUARTER 1 (30th September 2018)

### Decent Homes Borrowing

<u>Lender</u>	<u>Type</u>	<u>Rate %</u>	<u>Amount £'s</u>	<u>From</u>	<u>To</u>	<u>Life of Loan</u>
PWLB	Fixed Rate/Maturity	4.75	2,000,000	04/03/2010	04/03/2035	25 years
PWLB	Fixed Rate/Maturity	4.28	1,800,000	25/05/2010	25/05/2035	25 years
PWLB	Fixed Rate/Maturity	4.24	963,000	17/08/2010	17/08/2035	25 years
PWLB	Fixed Rate/Maturity	4.65	3,000,000	25/03/2010	25/09/2035	25 1/2 years
			<b>7,763,000</b>			

### Self Financing Borrowing

<u>Lender</u>	<u>Type</u>	<u>Rate %</u>	<u>Amount £'s</u>	<u>From</u>	<u>To</u>	<u>Life of Loan</u>
PWLB	Fixed Rate/Maturity	2.92	500,000	28/03/2012	28/03/2026	14 years
PWLB	Fixed Rate/Maturity	3.01	8,000,000	28/03/2012	28/03/2027	15 years
PWLB	Fixed Rate/Maturity	3.08	8,700,000	28/03/2012	28/03/2028	16 years
PWLB	Fixed Rate/Maturity	3.15	9,600,000	28/03/2012	28/03/2029	17 years
PWLB	Fixed Rate/Maturity	3.21	10,600,000	28/03/2012	28/03/2030	18 years
PWLB	Fixed Rate/Maturity	3.26	11,000,000	28/03/2012	28/03/2031	19 years
PWLB	Fixed Rate/Maturity	3.30	16,000,000	28/03/2012	28/03/2032	20 years
PWLB	Fixed Rate/Maturity	3.34	17,500,000	28/03/2012	28/03/2033	21 years
PWLB	Fixed Rate/Maturity	3.37	17,600,000	28/03/2012	28/03/2034	22 years
PWLB	Fixed Rate/Maturity	3.40	17,300,000	28/03/2012	28/03/2035	23 years
PWLB	Fixed Rate/Maturity	3.42	15,300,000	28/03/2012	28/03/2036	24 years
PWLB	Fixed Rate/Maturity	3.44	21,000,000	28/03/2012	28/03/2037	25 years
PWLB	Fixed Rate/Maturity	3.46	18,200,000	28/03/2012	28/03/2038	26 years
PWLB	Fixed Rate/Maturity	3.47	19,611,000	28/03/2012	28/03/2039	27 years
PWLB	Fixed Rate/Maturity	3.48	4,000,000	28/03/2012	28/03/2040	28 years
			<b>194,911,000</b>			

### Prudential Borrowing

<u>Lender</u>	<u>Type</u>	<u>Rate %</u>	<u>Amount £'s</u>	<u>From</u>	<u>To</u>	<u>Life of Loan</u>
PWLB	Fixed Rate/EIP	2.37	1,184,211	19/08/2013	19/02/2022	9 1/2 years
PWLB	Fixed Rate	2.29	1,755,950	19/03/2018	19/03/2028	10 years
			<b>2,940,161</b>			

### Total Borrowing

**205,614,161**

**Appendix C**  
**Specified and Non-specified Investment Criteria**  
**(including Treasury Limits and Procedures)**

**TM Review Update**

Table 1

**Specified Investments** are sterling denominated with maturities up to maximum of one year and must meet the following minimum high credit quality criteria:

Investment Counterparty	Investment Instrument	Minimum High Credit Quality Criteria	Investment Duration
Banks or Building Societies	Overnight Deposit	Fitch: Short Term F1 and Long Term A and Moody, Standard & Poor, equivalent where rated, the lowest rating used where different OR Part-nationalised or Nationalised UK banking institutions (subject to regular reviews of government share percentage).	Maximum duration as per Treasury Advisor's (Capita's) colour coded Credit List, and less than one year
	Notice Account		
	Short Term Deposit		
Debt Management Office or UK Local Authority	Any deposit	No limit.	
Money Market Funds	Instant Access	AAA rated	Instant Access

Table 2

**Non-Specified Investment** are sterling denominated with a maturity longer than one year but no longer than five years, and must meet the following criteria:

Investment Counterparty	Investment Instrument	Minimum High Credit Quality Criteria	Investment Duration
Banks or Building Societies	Any deposits with maturity up to a maximum of five years	Fitch: Short Term F1+ and Long Term AA- and Moody, Standard & Poor, equivalent where rated, the lowest rating used where different	Maximum duration suggested by Treasury Advisor's (Capita's) colour coded Credit List, and not in excess of five years
Debt Management Office or UK Local Authority		No Limit.	

Please Turn Over

Table 3 **Treasury Limits**

Investment Instrument	Cash balances less than £30Million	Cash balances higher than £30Million
	Limits	Limits
Variable Rate Investments (Excluding Enhanced Cash Funds)	Maximum holding £30M	Maximum holding 100%
Counterparty limits (to encompass all forms of investment)	Maximum £5M	Maximum £8M
Instant Access Or Overnight Deposit	Maximum holding 100%	
Fixed Rate less than 12 month maturity	Maximum holding 100%	
Fixed Rate more than 12 months to maturity (includes all types of Fixed Rate Investments i.e. Certificates of Deposits )	Maximum £5M	Maximum £10M
Money Market Funds - Traditional Instant Assess (Counterparty Limit per Fund)	Maximum £5M per MMF	Maximum £8M per MMF
	No limit on total cash held	
Enhanced Cash Funds	Maximum £3M	
Certificates of Deposits	Maximum £5M	
Property Funds	Maximum of £3M - No durational limit. Use would be subject to consultation and approval	

Procedures of Applying the Criteria and Limits	
	Before the Treasury Team makes an investment, the Team will follow the follow procedure to ensure full compliance with the Specified and Non-Specified Criteria and Treasury Limits:
1	Check that the Counterparty is on the Counterparty List (also known as Current Counterparty Report for Stevenage) produced by Link Asset Services (LAS), specifically meeting the Council's Specified and Non-specified Minimum High Credit Quality Criteria in the above Table 1 & 2. If it is not on the list, the Treasury Team will not invest with them.
2	If the Counterparty is on the list, then the Treasury Team refers to the Credit List produced by LAS in colour coding, to determine the maximum investment duration suggested for the deposit, as per the column of Suggested Duration (CDS Adjusted with manual override).
3	Refer to the Treasury Limits in the above Table 3 to ensure the amount invested complies with the Treasury Limits.



## APPENDIX D: Approved Countries (with Approved counterparties) for Investments (October 2018)

*Based on lowest available rating*

### AAA

- Australia
- Canada
- Denmark
- Germany
- Netherlands
- Singapore
- Sweden
- Switzerland
- U.S.A.

### AA+

- Finland

### AA

- United Arab Emirates
- France

### AA-

- Belgium
- Qatar

**The UK is exempt from the sovereign rating criteria as recommended by Link Asset Services**

**The above list includes the possible countries the Council may invest with. Not all of these countries are used or will be used in treasury management investments**

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Part I – Release to Press



**Meeting** Executive  
**Portfolio Area** Planning and Regulation  
**Date** 21 November 2018



## STATEMENT OF COMMUNITY INVOLVEMENT (SCI)

### KEY DECISION

Author – Caroline Danby Ext. 2823  
Lead Officer – Chris Berry Ext. 2954

### 1 PURPOSE

- 1.1 To inform Members of the key outcomes of the public consultation on the draft SCI.
- 1.2 To seek approval of the revised SCI.

### 2 RECOMMENDATIONS

- 2.1 That the Executive note the outcomes of the draft SCI consultation (attached in Appendix A).
- 2.2 That the revised SCI (Appendix B) be adopted.
- 2.3 That the SCI, 2012 (BD1) be revoked.

### 3 BACKGROUND

- 3.1 The Planning and Compulsory Purchase Act 2004 requires all local authorities to prepare a Statement of Community Involvement (SCI), which

sets out their vision and strategy for effective community engagement throughout the planning process.

- 3.2 New legislation in the form of the Town and Country Planning (Local Planning) (England) (Amendment) Regulations 2017, requires SCI's to be reviewed every 5 years. The Council's last SCI was adopted in 2012. This provides an update to that document and, once adopted, will replace the existing version. Regularly reviewing the SCI allows for any policy changes to be incorporated, and allows for new methods of communication and consultation to be considered.
- 3.3 With the emphasis on community participation and localism high up on the national agenda, it is becoming increasingly important to encourage local people to play an active role in the early stages of all planning activities. The SCI will provide an updated framework to ensure that comprehensive and effective public engagement will take place throughout all stages of the planning process.
- 3.4 The draft SCI sets out:
- Why consultation is important
  - What will be consulted on
  - Who will be consulted
  - When consultation and engagement will take place
  - How these views will be taken into account
- 3.5 It includes guidance on consultation during the production of planning policy documents, as well as setting out the formal statutory processes for producing these documents. It also sets out what the Council will do to engage people in relation to planning applications, and this version of the SCI has been expanded to include sections on both neighbourhood planning and the Community Infrastructure Levy (CIL).
- 3.6 The Council carried out an 8 week public consultation on the draft SCI in July – September 2018.
- 3.7 Representations made in response to the consultation have since been collated and summarised by Officers and minor amendments made to the SCI.

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

**Recommendation 2.1: That the Executive note the outcomes of the draft SCI consultation (Appendix A).**

- 4.1 Public consultation on the SCI took place from 18 July to 12 September 2018.
- 4.2 Letters and emails were sent to all of the people, businesses and organisations on our consultation database. Copies of the consultation document were made available at our main offices and at the libraries in

Stevenage town Centre and Old Town. The document was also put on the Councils website, on the Planning Policy web page and also in the specific consultation area 'Have Your Say' Links to the consultation document were also published on both Facebook and twitter.

4.3 A total of 7 representations were received from 6 representors. Responses were received from:

- **Organisations:** Transport for London; Historic England; and CPRE
- **Three individuals**

4.4 Of these representations, 1 offered clear support for the draft SCI and the remaining 6 representations were either general comments, or did not provide a clear overall view either way.

4.5 The key points raised have been summarised below, along with our response to these comments. A more detailed summary of responses can be found in Appendix A and the full responses can be viewed via the Council's consultation portal (BD2):

Respondent	Comments	Our response
Historic England	General Support Amend name from English Heritage to Historic England in Appendix A	Noted Amendment made
TFL	No specific comments	
CPRE	CPRE should be added to the named Local Environmental Groups	CPRE has been added to the 'General Consultation Bodies' list in Appendix A
Mr Stone	Local Plan was not appropriately prepared, was deliberately skewed to ignore national guidance on Green Belt, referring to Forster Country	The SCI is the about the ways, when and for how long the Council consults on planning policy documents. It is not an opportunity to comment on the Local Plan
Mr Madgin	The Showmans Guild should be included in Appendix A	The Council considers the Showman's Guild to be included in the list of 'General Consultation Bodies' under local groups in Appendix A
Mr Glanfield	The Council ignore resident's objections to local development. The Council are offering the general public the opportunity to object despite objections being	The SCI sets out how, who and when the Council consults on planning documents. All responses are considered, but the local planning authority are required to make a

	ignore by the planning department. To receive truthful important feedback, planners must always listen to the essential objections from the local residents.	planning judgement, so will not necessarily agree with all objections made.
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- 4.6 A Statement of Consultation has been produced (Appendix C), which provides full details of the consultation and the responses received. The Council has considered the inclusion of bodies to Appendix A and amendments have been made accordingly.
- 4.7 Members are requested to formally note the outcome of the public consultation.

**Recommendation 2.2: That the revised SCI (attached as Appendix A) be adopted**  
**Recommendation 2.3: That the SCI, 20012 (BD1) be revoked**

- 4.8 The final version of the SCI, incorporating the minor amendments made following consultation, is attached to this report as Appendix A.
- 4.9 Members are requested to approve the final version of the SCI for adoption.
- 4.10 Once adopted, the SCI 2018 will replace the existing 2012 SCI. Members are requested to formally approve the revocation of the 2012 SCI.

## **5 IMPLICATIONS**

### **Financial Implications**

- 5.1 The costs associated with producing and consultation on this SCI has been met by the Local Plan budget for 2018/19.

### **Legal Implications**

- 5.2 An updated SCI will ensure the Council is compliant with the most up-to-date regulations.

### **Equalities and Diversity Implications**

- 5.3 The SCI contains a section on equalities and diversity. It seeks to ensure that our consultations and planning activities are open to everyone and the Council do not discriminate against different groups or individuals, in line with the Equality Act 2010. It recognises that some groups are harder to engage with than others and suggests alternative consultation techniques and methods are used in order to overcome these barriers.

- 5.4 An Equality Impact Assessment of the Planning Policy service has previously been carried out. It identified that the unit's responsibilities and methods would not discriminate against people on grounds of age; disability; gender; ethnicity; sexual orientation; religion/belief; or by way of financial exclusion.

#### **Risk Implications**

- 5.5 There are no significant risks associated with the adoption of the SCI.

#### **Policy Implications**

- 5.6 The SCI makes reference to the Co-operative Council ethos of Stevenage. It recognises that the Council is currently reviewing its corporate strategies in relation to consultation and engagement, but takes into account the Co-operative Council objectives.
- 5.7 Officers have worked with the Council's corporate policy team, as well as the Executive Members for Children, Young People and Leisure and Neighbourhoods and Co-operative Council, in producing the SCI and determining how best to engage with the community.

#### **Planning Implications**

- 5.8 Once adopted, the revised SCI will provide updated guidelines for public engagement in the planning process. It will replace the existing SCI adopted in May 2012 and should be followed when producing planning policy documents, considering planning applications or undertaking neighbourhood planning.

#### **Human Rights Implications**

- 5.9 The SCI should help to ensure that the planning service is fully inclusive and respectful of human rights. The SCI details the rights that the public have to engage with the plan-making process.

#### **Information Technology Implications**

- 5.10 The SCI recognises the importance of taking advantage of new technologies to improve and expand our consultation processes, and the opportunities for people to get involved. Whilst the Council does not require any new systems to enable this, improvements to the Council's website to make consultation events more visible and appealing to users would be welcomed.
- 5.11 Proprietary document management and consultation software has been used for the preparation of planning documents since 2008. This allows for documents to be published and responses to be made, directly on-line, via the Council's web-site.

## **BACKGROUND DOCUMENTS**

- BD1 [Statement of Community Involvement, 2012](#)
- BD2 [SCI Executive Report, July 2018](#)
- BD3 [Consultation portal – full consultation responses](#)

## **APPENDICES**

- A Summary of consultation responses, 2018
- B Statement of Community Involvement, 2018
- C SCI Statement of Consultation, 2018



## Who Said What?

Here you can search for comments made across this site by any word(s) within the comments or by the name of the consultee, agent or organisation who submitted the comment.

### What are you looking for?

Currently looking in the Consultation **Statement of Community Involvement** [Look in All Consultations](#)

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<b>Statement of Community Involvement</b>	<b>CPRE Hertfordshire (Mr Steve Baker) (ID: 341498)</b>	<a href="#">PDF</a>
<b>Attachments:</b> <a href="#">CPRE Hertfordshire.pdf</a> (Size: 210.33K)		
Comment ID: 5 Response Date: 12/09/18 11:45 <a href="#">View consultation point</a> : Appendix A: Stakeholders to be involved in the development of local planning policy		
<b>Statement of Community Involvement</b>	<b>A.N.Other Historic England (ID: 903161)</b>	<a href="#">PDF</a>
<b>Attachments:</b> <a href="#">Historic England.pdf</a> (Size: 119.35K)		
Comment ID: 4 Response Date: 10/09/18 09:27 <a href="#">View consultation point</a> : Appendix A: Stakeholders to be involved in the development of local planning policy		
<b>Statement of Community Involvement</b>	<b>A.N.Other Historic England (ID: 903161)</b>	<a href="#">PDF</a>
<b>Attachments:</b> <a href="#">Historic England.pdf</a> (Size: 119.35K)		
Comment ID: 3 Response Date: 10/09/18 09:21 <a href="#">View consultation point</a> 1 : Introduction		
<b>Statement of Community Involvement</b>	<b>Mr David Stone (ID: 342737)</b>	<a href="#">PDF</a>
No  I do not consider the most recent Local Plan was appropriately prepared. It seems to be skewed to deliberately, ignore national guidance concerning to protection of Green Belt Land which is intended to be cast in perpetuity, not metttled with at whim to suit developers or the Council. This was the intention of creating Green Belt and to provide green buffer defining, NOT merging boundaries. I refer in particular to Forster Country, north Stevenage.		
Comment ID: 2 Response Date: 17/08/18 00:06 <a href="#">View consultation point</a> 3 : Plan Preparation		
<b>Statement of Community Involvement</b>	<b>Mr Anthony Glanfield (ID: 970888)</b>	<a href="#">PDF</a>
<b>Attachments:</b> <a href="#">Anthony Glanfield.pdf</a> (Size: 93.58K)		
Comment ID: 6 Response Date: 18/07/18 12:05 <a href="#">View consultation point</a> 1 : Introduction		
<b>Statement of Community Involvement</b>	<b>Mr Hugh Madgin (ID: 1170412)</b>	<a href="#">PDF</a>
No  I am concerned to see that in Appendix A there a list of 'Stakeholders' is set out, this list does not include the Showman's Guild. Stevenage Fair is as old as the town itself, dating back to the 13th century. If nearly 800 years involvement in the town does not qualify the showmen who bring their magic to the High Street every September as stakeholders, then something is sadly wrong with your value judgements. Hugh Madgin		
Comment ID: 1 Response Date: 18/07/18 10:16 <a href="#">View consultation point</a> 1 : Introduction		

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**20**

## 1 Introduction

### What is the Statement of Community Involvement?

**1** The Planning and Compulsory Purchase Act 2004 requires all local authorities to produce a Statement of Community Involvement, which sets out their vision and strategy for effective community participation.

**2** This Statement of Community Involvement (SCI) sets out how Stevenage Borough Council will involve the community and other stakeholders in the preparation, alteration and review of local planning policy and decisions on planning applications.

**3** The council's last SCI was adopted in 2012. This provides an update to that document. Regularly reviewing the SCI allows for its effectiveness to be monitored and for amendments to be made to incorporate any policy changes, and to increase levels of public involvement, where possible.

**4** Whilst some requirements for consultation and engagement are set out in national legislation, the Council is committed to going beyond these statutory requirements and aims to get as many people involved in the plan preparation process as possible. The SCI aims to frontload this process by ensuring that the community is involved at an early stage. This document sets out:

- Why consultation is important
- What will be consulted on
- Who will be consulted
- When consultation and engagement will take place
- How your views will be considered

The SCI should help to ensure that all consultation activities are carefully planned to enable a useful and effective outcome, which can be fed directly into the planning process, offer everybody the opportunity to get involved, and ensure that resources are used efficiently. It also allows for monitoring to take place on the effectiveness of consultation activities and for new ideas and approaches to be added, where required.

### Why should we get involved in planning?

**5** Planning helps to shape the places people live, work and relax, by guiding development to appropriate locations, protecting important assets, ensuring development is of a high quality and ensuring that adequate infrastructure is available to meet its needs. Planning affects everyone in some way, so it is important that communities understand the process fully and are given the opportunity to get involved.

**6** A key objective of the town and country planning system, particularly the Localism Act 2011, is to strengthen community and stakeholder involvement in the planning and development process. By involving the whole community, a locally-based strategy can be developed that seeks to meet the aspirations and expectations of the widest possible range of residents, employees, communities and organisations.

**7** Getting involved in the planning system at an early stage is essential to shaping the decisions which are made. There are three basic aspects of town planning that you can be involved in, which are discussed in greater detail throughout this document:

- **Planning applications** (Development Management) - most types of development require a planning application to be submitted and approved. Anyone can view and make comments on a planning application.
- **Plan preparation** (local planning documents) - this includes the Local Plan and Supplementary Planning Documents (SPDs), such as the Design Guide and Parking Standards SPD, as well as the Community Infrastructure Levy (CIL). Decisions on planning applications are made in line with local planning documents, so getting involved in the production of these is essential.
- **Neighbourhood planning** - this is a way for local communities to take the lead on preparing planning policies for their areas. Once produced, a neighbourhood plan would sit alongside the Local Plan and would also need to be considered when assessing planning applications.

## The corporate policy context

**8** As a Co-operative Council, Stevenage Borough Council is committed to ensuring local people are at the heart of the decisions we make as an authority. This means avoiding top-down approaches and enabling and encouraging local people to get involved and have their say through proactive and innovative consultation methods and close working relationships.

**9** The Council is currently reviewing its corporate strategies relating to consultation and engagement. However, the key objectives are clear:

- Ensure a proactive approach to consultation and engagement
- Take advantage of new technologies and ideas to improve consultation effectiveness and to broaden the opportunities for people to get involved
- Ensure all members of the community have the opportunity to get involved, fulfilling our duties under the Equality Act 2010
- Ensure appropriate consultation timescales are used
- Provide feedback about how we have used the comments made and any next steps
- Ensure greater co-ordination between council services.

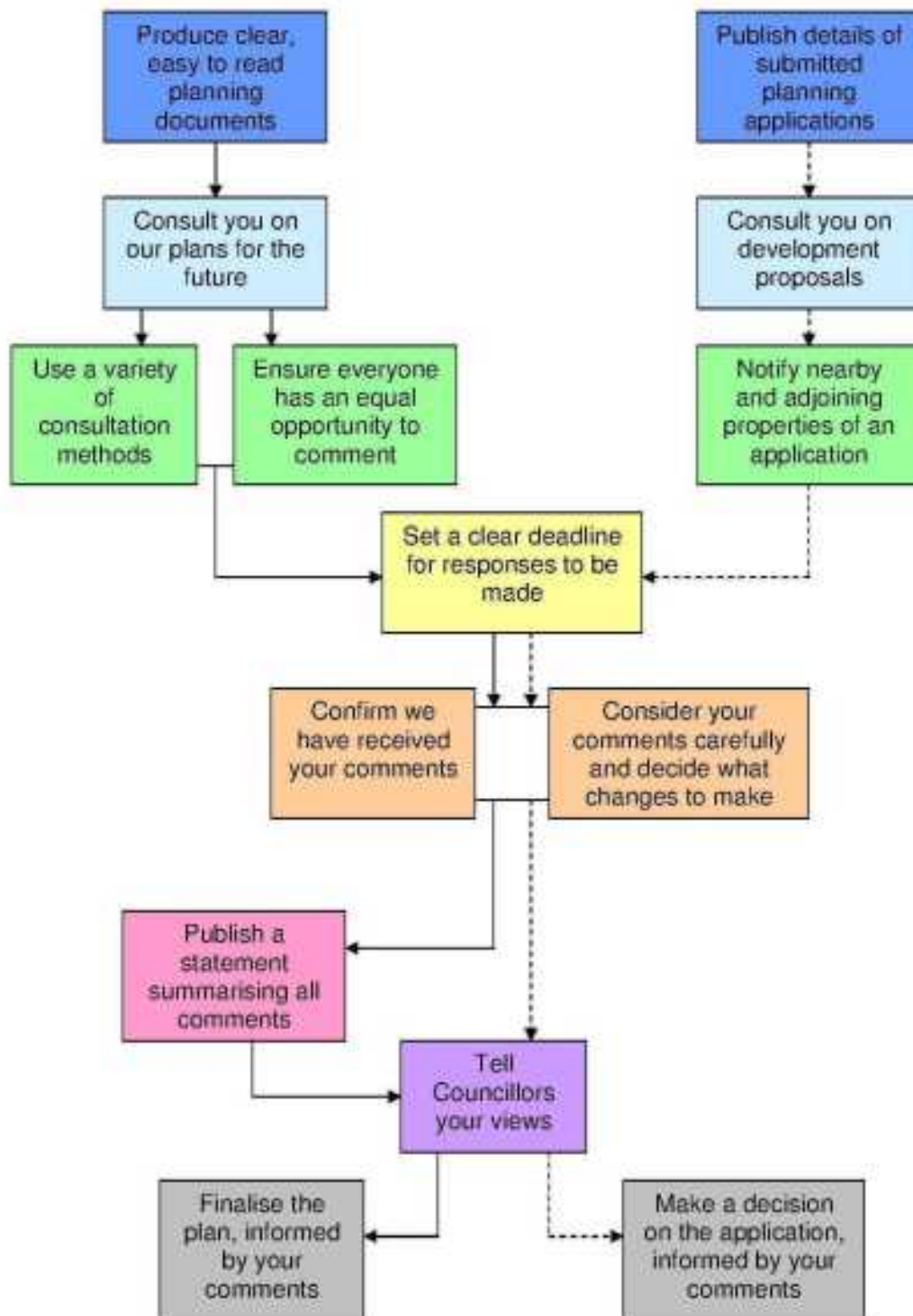
**10** These objectives not only apply to local residents, but also to local businesses, retailers, organisations, and to those people who work or choose to spend time in the Borough. It is important that we reach out to all members of the community in order to achieve the true community-led approach we are seeking.

**11** This SCI seeks to ensure these objectives are embedded within the planning process and that consultation is undertaken effectively throughout the process. We will work with other departments to ensure that a consistent approach is taken to consultation. Where, appropriate, we may also link our public consultation with events and activities organised by other council departments and vice versa.

## **2 Summary of consultation activities**

We promise that we will...





## 3 Plan Preparation

**12** Local Planning Authorities are required to produce local development documents, which set out the spatial strategy for the Borough and provide the basis on which planning applications are determined. There are two types of local development documents:

- **Development Plan Documents (DPDs) - The Local Plan.** This sets out policies to control land use, including the allocation of sites for particular types of development. It covers the whole of the Borough.
- **Supplementary Planning Documents (SPDs)** - these provide further details on policies within the Development Plan Documents (the Local Plan).

**13** The Town and Country Planning (Local Planning) (England) Regulations 2012 sets out the legal requirements for consultation and engagement during the preparation of local development documents. The Localism Act 2011 sets out an additional requirement for local authorities and other prescribed bodies to actively engage on cross-boundary/strategic matters, known as the Duty to Co-operate.

**14** The following chapters explain these requirements in more detail, but also set out additional consultation we will aim to undertake in order to ensure more meaningful engagement is achieved. The Duty to Co-operate should be ongoing through all stages of the plan-making process, as such it is not referenced specifically in the text below.

### The Local Plan - key stages of preparation

Stage	Details
1. Evidence gathering/scoping	<p>Evidence will be gathered/produced to identify the key issues the plan needs to deal with. An up-to-date and comprehensive evidence base is required to justify policies within the plan.</p> <p>Early consultation may be undertaken to ensure the correct issues have been identified. This is not a statutory requirement.</p>
2. Public participation - preparation stage (Regulation 18)	<p>The draft plan will be prepared using the evidence gathered at Stage 1 and the results of any initial consultation undertaken. It will set out the main issues to be covered within the plan and the options for meeting the needs and requirements of the Borough. An accompanying Sustainability Appraisal (SA), which assesses the plan's social, economic and environmental impacts, will also be consulted upon. The initial draft of the Local Plan will be published for formal, statutory consultation (see para 17 below).</p>
3. Consideration of responses	<p>Comments received in response to the consultation will be considered by the Council. Once processed, all comments will be made publicly available.</p> <p>The Local Plan will be revised, where necessary, to take into account comments received and any objections raised at this stage, to create a final draft of the plan for further consultation.</p>

Stage	Details
4. Public participation - publication stage (Regulation 19)	Formal, statutory consultation (see para 17 below) on the final draft of the Local Plan and its accompanying Sustainability Appraisal (SA).
5. Submission to Secretary of State (Regulation 22)	The Local Plan is formally submitted to the Secretary of State, along with the responses made at Stage 4 (above). It is accompanied by other 'submission documents' including the Sustainability Appraisal, Policies Map, and a statement summarising all consultation undertaken when producing the plan.
6. Examination of the plan by Independent Planning Inspector (Regulation 24)	<p>Following submission, an independent inspector is appointed by the Planning Inspectorate, who will be responsible for assessing the submitted plan and determining whether it is acceptable (or 'sound'). The Inspector will consider the consultation responses received. Generally this stage will involve a Public Examination, where people who have made comments on the plan previously are invited to discuss their concerns around the table, in front of the Inspector, or to submit further statements. The Planning Inspector is in charge of these sessions and will determine what is discussed. These sessions are public, so anyone can come and observe.</p> <p>The Planning Inspector is likely to recommend a number of changes to the plan (known as Main Modifications), to make the plan sound.</p>
7. Consultation on Main Modifications	Consultation is required on any Main Modifications recommended. The scope of this consultation will need to be agreed by the Inspector, but will include the minimum statutory requirements in para 17 below.
8. Adoption	The Inspector will consider any responses made to the consultation and then issue a report to the Council containing his/her recommendations relating to the plan. The Council will then decide whether to adopt the plan, with those recommendations, or not.

## Supplementary Planning Documents (SPDs) - key stages of preparation

Stage	Details
1. Evidence gathering/scoping	<p>Evidence will be gathered/produced to identify the key issues the SPD needs to deal with.</p> <p>Early consultation may be undertaken to ensure the correct issues have been identified. This is not a statutory requirement.</p>
2. Public participation (Regulation 12)	The draft SPD will be prepared using the evidence gathered at Stage 1 and the results of any initial consultation undertaken. This will be published for formal, statutory consultation (see para 17 below). Sustainability Appraisal (SA) is not required for SPDs.
3. Consideration of responses	<p>Comments received in response to the consultation will be considered by the Council. Once processed, all comments will be made publicly available.</p> <p>The SPD will be revised, where necessary, to take into account comments received.</p>

Stage	Details
4. Adoption (Regulation 14)	Adoption of the SPD by the Borough Council

## Community Infrastructure Levy

**15** The Community Infrastructure Levy (CIL) is a planning charge introduced by the Planning Act 2008, as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area. It allows local authorities to raise funds from developers undertaking new building projects. The money can be used to fund a wide range of infrastructure that is needed as a result of development taking place.

**16** Key stages in the preparation of CIL:

Stage	Details
1. Evidence gathering/scoping	Evidence will be gathered/produced.
2. Public participation - Preliminary Draft Charging Schedule (Regulation 15)	The Preliminary Draft Charging Schedule will be prepared using the evidence gathered at Stage 1. This will be published for formal, statutory consultation (see para 17 below).
3. Consideration of responses	Comments received in response to the consultation will be considered by the Council. Once processed, all comments will be made publicly available.
4. Public participation - Draft Charging Schedule (Regulation 17)	The Draft Charging Schedule will be finalised, taking into account the comments received. This will be published for formal, statutory consultation (see para 17 below).
5. Submission to independent examiner (Regulation 19)	The Charging Schedule is submitted to an independent examiner, along with the consultation responses received at Stage 4 and other statutory submission documents.
6. Examination (Regulation 21)	Following submission, an independent examiner is appointed to assess the Charging Schedule and determine whether it is acceptable. The Inspector will consider the consultation responses received. Generally this stage will involve hearing sessions. Anyone who has responded to the consultation at Stage 4 has a right to be heard by the examiner. If the Council makes changes to the Charging Schedule following Stage 4, other people can also request to be heard. The examiner is in charge of these sessions and will determine what is discussed. These sessions are public, so anyone can come and observe.
7. Adoption (Regulation 25)	The examiner will issue a report to the Council setting out his/her recommendations. The Council will then decide whether to adopt the Charging Schedule.

## Statutory consultation requirements

**17** For local development documents, the following statutory consultation requirements must be met;

Local Plan	SPDs and CIL
Minimum of 6 weeks	Minimum of 4 weeks
Make consultation documents available on our website, in libraries and in the council offices	Make consultation documents available on our website, in libraries and in the council offices
Send notifications to consultation bodies and those on our consultation database	Send notifications to consultation bodies and those on our consultation database

**18** We will seek to ensure a wide range of responses are achieved by going above and beyond the minimum requirements and using a variety of consultation methods at all stages of the process. These methods are discussed in more detail in para 22 - 23 of this statement.

## Who we will consult

**19** National planning legislation requires local authorities to meet a minimum level of community involvement and specify a number of organisations which must be consulted if the Council considers that they will be affected, known as statutory consultees and general consultation bodies.

**20** In addition to meeting its statutory obligations, the Council is committed to ensuring that local groups, organisations and individuals are provided with the best possible opportunity to become involved in the preparation of local development documents. The consultation methods in para 22 - 23 set out the ways in which we seek to do this.

**21** We also currently have a database of around 2,000 consultees, who have either commented upon, or expressed an interest in being involved with the production of our local development documents. If you are interested in getting involved in planning policy consultations in the future, please register to be added to our database via the following link: <http://stevenage-consult.limehouse.co.uk/portal> or contact us directly on 01438 242865.

## Consultation methods

**22** Using a variety of different consultation methods and techniques can help to ensure our consultations are understood and are easy to get involved in for as many people as possible, from an early stage. With technologies improving and changing the way many people communicate, we seek to ensure our methods are up-to-date and make use of all of the opportunities available to us, whilst still ensuring our consultations are available to those who are not familiar with new technologies.

**23** We will take a flexible approach to consultation, depending on the consultation activity being undertaken. We may choose to use some, or all, of the methods below, as well as looking for alternatives, where they might be appropriate:



## Equalities and Diversity

**24** The Equality Act (2010) defines nine 'protected characteristics': age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. We will aim to ensure that these characteristics do not affect people's ability to respond to our consultations and to have their voice heard.

**25** The Council recognises that some groups are harder to engage with than others. In more specific terms, these hard-to-reach groups include: people whose first language is not English, people with disabilities, children and young people, older people, ethnic minorities, asylum seekers, gypsies and travellers, religious groups, the homeless, substance abusers and people who have experienced domestic violence (this list is not intended to be exhaustive). Such groups may not be engaged by, or may be unable or generally unwilling to engage in, traditional consultation methods.

**26** We will take into account the barriers faced by these groups and try to overcome these by using alternative methods of consultation, or by asking the affected groups/individuals how they would like to be involved.

**27** We will use the expertise and networks of communication already established throughout different areas of the Council to engage such groups. Where appropriate, the Planning Policy team will hold meetings and host presentations with such groups at a mutually convenient time and venue.

## How we will use the comments we receive

**28** Planning legislation requires formal responses to any planning consultations to be made in writing. All of the comments that you send us will be public documents and your name and address will be visible. We cannot accept confidential or anonymous comments.

**29** All written comments received in response to consultation activities will be acknowledged in writing. At the end of each consultation period officers will consider all of the representations received and make changes to the plan if appropriate. We will not accept any comments that are offensive, obscene, racist or illegal.

**30** We will notify anyone who responds to the consultation of the next stage in the process.

**31** A Statement of Consultation will be produced which contains an overview of the consultation activities undertaken, a summary of the responses received and how we have taken these into account when producing the final version of the document. A copy of the statement will be placed on the Council's website and will be made available to view at our Daneshill House offices. The responses will also be reported to the Council's Executive, along with recommendations for future action.



## 4 Neighbourhood Planning

**32** Neighbourhood planning gives communities the power to shape the development and growth of their local area. It provides the opportunity for local people/businesses to choose where they want new homes, jobs and facilities to be located, what development should look like and what infrastructure is required, and grant planning permission for the new buildings they want to see go ahead.

**33** A neighbourhood plan must be in general conformity with the strategic policies of the Council's development plan. Once approved, the neighbourhood plan will have the same legal status as the Council's own plan. Policies and guidance set out in a neighbourhood plan will be used by local authorities when considering planning applications within that area.

**34** There are specific processes that need to be followed, as briefly set out below. Please do not let the process put you off, if you need help understanding anything, we can offer support and guidance. There are lots of other sources of advice and support too. Further information can be found in our online guide to neighbourhood planning: <http://www.stevenage.gov.uk/content/15953/26379/43320/Planning-in-your-Neighbourhood-Dec12.pdf>.

Stage	Details
1. Creation of Neighbourhood Forum (Regulation 8)	A group or organisation must apply to the local planning authority to be designated as a neighbourhood forum (a forum application). This group must include a minimum of 21 individuals who live or work in the area, or are elected members. They must submit this to the Council for approval.
2. Public participation (Regulation 9)	The Council are required to publicise the application and carry out public consultation for a minimum of 6 weeks. The Council will publish the outcome of the application on its website and notify relevant stakeholders.
3. Pre-submission consultation (Regulation 14)	A draft neighbourhood plan is prepared by the neighbourhood forum group. The group must carry out public consultation on the draft plan for a minimum of 6 weeks. A copy of the draft plan must also be sent to the Council.
4. Submission to Council (Regulation 15)	The forum takes into account the consultation responses received before preparing a final version of the plan, along with a consultation statement setting out how the responses have been dealt with. This is then submitted to the Council.
5. Publication consultation (Regulation 16)	The Council must carry out public consultation for a minimum of 6 weeks.
6. Submission to examiner (Regulation 17)	The Council appoints an independent examiner to examine the plan. The plan is submitted to the examiner for consideration, along with the responses of the consultation (at Stage 5).
7. Independent examination (Regulation 18)	<p>The examination is likely to be carried out through written representations, but a hearing sessions(s) can be held if required. A written report will be issued by the examiner. The report will conclude that either the draft neighbourhood plan should proceed to a referendum (with or without modifications) or that the draft neighbourhood plan should be refused. The Council will publicise the report.</p> <p>The Council must also be satisfied that the plan meets the legal requirements.</p>



Stage	Details
8. Referendum	A referendum is then held, in the same way in which a local election would be. The Council is required to publicise the referendum.
9. Adoption	If a majority vote is gained for the plan (over 50% of those voting), the Council will adopt the plan.

**35** If you are interested in being involved in preparing a neighbourhood plan, we would suggest talking to your local Ward Councillor in the first instance.

## 5 Planning Applications

**36** Planning applications for development can shape the character of the borough and the areas where people live, work and spend their leisure time. In 2017/18, the Council determined over 600 planning applications ranging from household extensions, listed building applications, to major new housing estates and business premises.

**37** Opportunities exist for informing and consulting the community on development proposals and planning applications at both application stage and after a decision has been made.

### Application stage

**38** Once an application has been lodged with the council, it will be registered and included on the weekly application register. The register, and all active planning applications, are available to view on the Council's website. Copies of applications can also be viewed at the Council's offices.

**39** The council is required to consult with the community on all planning applications under the requirements of The Town and Country Planning (Development Management Procedure) (England) Order 2015, as follows:

- Nearby and adjoining property owners and tenants affected by a development proposal will be notified of an application by letter from the council and/or a notice will be posted on, or close to, the development site. These communications will contain details of the planning application proposal and information on where plans (and any supporting information) can be viewed. They will also explain how to make comments about the application.
- For larger development proposals and some statutory applications, such as listed buildings, a Public Notice will be placed in the local newspaper.
- For certain types of planning applications, the council is also required to consult specific organisations and groups. A list of the statutory consultees, and details of the regulation requirements, is set out in Appendix B.
- Occasionally, for larger proposals, the Council may decide to issue a press release to communicate proposals more widely. The need for this will be determined on a case-by-case basis.

**40** Applicant's are also encouraged to engage in their own pre-application consultations with neighbours and/or the wider community prior to submitting a planning application. Further information on how to go about such community consultations can be sought from the Council's Development Management team.

**41** From time to time, planning applications are revised after they have been submitted. Often this is in response to concerns raised by council staff or matters raised in objections. In these cases, where considered necessary, the council will re-consult those people originally notified of the application in order for them to be given an opportunity to comment on the amended design.

**42** For major, significant and controversial applications, decisions on applications are made by Councillors via the Planning and Development Committee. The council's Development Management officers will prepare a report for the Committee that outlines the proposal and issues raised during the consultation period, and provides recommendations as to whether approval should be given.

**43** Decisions on most minor and householder applications are made by the Assistant Director: Planning and Regulation, under powers delegated by the Planning and Development Committee. However, any Member of the council may request, under a call-in procedure, that a particular application is decided by the Planning and Development Committee, if they consider there to be exceptional circumstances surrounding it. Councillors have 28 days from the date of receipt of an application to request that it be considered by the Planning and Development Committee. The Councillor is required to justify why this is necessary.

**44** The Secretary of State also has the power to call-in planning applications. If this happens, the council will provide copies of all correspondence to the Secretary of State. Objectors will be notified of the call-in and given the chance to comment directly to the Secretary of State.

## **How we will use the comments we receive**

**45** All written comments received by the council will be acknowledged in writing. At the end of the consultation period all responses will be considered. Officers will not respond directly to any questions raised in representations unless expressly necessary.

**46** Where appropriate, the comments will either be reflected in changes being made to the proposal and/or adding conditions to address particular issues if permission is granted, or they may result in refusal of the application. As there are generally competing views and interests on development proposals, it is the council's role to make an informed decision on what outcome will be in the best interest of the community, having regard to the local planning policies for the area and the amenity impacts of the proposal.

**47** Once a decision has been made on an application, the council will send a letter to all statutory consultees and those people who made representations informing them of the decision. Decisions also appear on the weekly decision register. If an application is to be determined at Planning and Development Committee, anyone who made comments on the proposal will be notified with details of the meeting. A copy of the Officer's report can be made available on request.

**48** Any person who lodged an objection to a planning application may apply to speak against the proposal at the Committee meeting. If, however, more than one objector wishes to speak, then a representative should be nominated to express the combined views of all objectors. If any objector elects to speak to the Committee then a similar right will be granted to the applicant or his/her agent. You may address the Committee for a maximum of 3 minutes. An applicant may only speak to the Committee meeting where an objector is also speaking.

## Post-application stage

**49** Where an applicant is unhappy with the council's decision, they have the right to appeal. Applicants must lodge an appeal with the Planning Inspectorate who will determine its validity before initiating proceedings and setting a start date. Where an appeal is accepted, the council will notify all relevant statutory consultees and those who submitted comments of the appeal and how to make representation (where applicable), and again, once the Inspectorate has made a decision. Further information on appeal procedures can be viewed at [www.gov.uk/appeal-planning-inspectorate](http://www.gov.uk/appeal-planning-inspectorate).

## Planning Aid

**50** Planning Aid England (PAE) provides planning advice and support to help individuals and communities engage with the planning system and get involved in planning their local area. PAE is built on the principle that that everyone should have access to the planning system, regardless of their ability to pay. The services are delivered by a range of volunteer members of the Royal Town Planning Institute (RTPI). PAE is separate from both central and local government and provides completely independent and impartial planning advice. The following website provides further information about the services and support offered: <http://www.rtpi.org.uk/planning-aid/>

**51** Planning Aid England can be contacted on:

- Email – [advice@planningaid.rtpi.org.uk](mailto:advice@planningaid.rtpi.org.uk)
- Telephone – 020 7929 8338
- Address - Planning Aid England, RTPI, 41 Botolph Lane, London EC3R 8DL

## Complaints procedure

### Customer Complaints

**52** If you are not happy with the service you have received, you should contact the Planning Policy team in the first instance. However, if you are dissatisfied with the response, you can make a formal complaint through the Council's Complaint Procedure. There are 3 stages to the procedure, your complaint will first be dealt with by the Service Manager, if you are not satisfied with the response, the Assistant Director and then an independent Assistant Director will look at the case if you are still dissatisfied.

If you have been through all of the stages of the complaints procedure and you are still dissatisfied you can appeal to the Local Government Ombudsman (LGO). The LGO investigates complaints of injustice arising from misadministration by Local Government and certain other bodies. The Ombudsmen can investigate complaints about how the council has done something. But they cannot question what a council has done simply because someone does not agree with it. You can complete an online complaint form via the LGO website: <https://www.lgo.org.uk/make-a-complaint/how-to-complain> or contact the LGO on 0300 061 0614.

**53** For further information, please visit the Local Government Ombudsman's website at [www.lgo.org.uk](http://www.lgo.org.uk).

## **Appendix A: Stakeholders to be involved in the development of local planning policy**

Please note that these lists refer to successor bodies where re-organisation occurs.

### **Statutory Consultees**

The specific consultation bodies which the Regulations<sup>(1)</sup> require the Council to consult are:

- Community and Parish Councils (Including Aston Parish Meeting, Datchworth Parish Council, Graveley Parish Council, Great Ashby Community Council, Knebworth Parish Council, Langley Parish Council, St Ippolyts Parish Council, Walkern Parish Council, Weston Parish Council and Wymondley Parish Council)
- East Hertfordshire District Council
- Hertfordshire Constabulary
- Hertfordshire County Council
- Marine Management Organisation\*
- Natural England
- East and North Herts NHS Trust
- North Hertfordshire District Council
- Relevant communications companies
- Relevant electricity and gas companies
- Relevant sewerage and water undertakers

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1 The Town and Country Planning (Local Planning) (England) Regulations 2012

- The Coal Authority\*
- The Environment Agency
- The Highways Agency
- The Historic Buildings and Monuments Commission for England (Historic England)
- The Homes and Communities Agency
- The Secretary of State for Transport

\*Unlikely to be relevant for Stevenage Borough Council.

## **General Consultation Bodies**

The Regulations also require the Council to consult general consultation bodies, where appropriate. For Stevenage, these include:

- Campaign to Protect Rural England
- Community/resident groups
- Developers, house builders, the development industry and their agents
- Local business groups (including local business forums)
- Local community action groups
- Local community transport groups
- Local disability groups
- Local education trusts and associations
- Local environmental groups (e.g. Hertfordshire Biological Record Centre, Hertfordshire and Middlesex Wildlife Trust)
- Local health associations
- Local housing groups and associations
- Local history and conservation groups (e.g. Friends of Forster Country)
- Local leisure and sport groups
- Local racial, ethnic or national groups

- Local registered social landlords
- Local religious groups
- Local resident associations
- Local retail associations
- Neighbourhood Watch groups
- Older persons groups
- Voluntary organisations
- Youth groups, schools and colleges

## **Appendix B: Stakeholders to be involved in Development Management**

The regulations<sup>(2)</sup> require the Council to consult specific consultation bodies when considering some planning applications.

The statutory consultees for Development Management include:

- Highways England
- Historic England
- Lead Local Flood Authority
- Local highway authorities
- Local planning authorities
- Natural England
- Parish councils
- Rail network operators
- Regional development agencies
- The British Waterways Board
- The Coal Authority

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2 The Town and Country Planning (Development Management Procedure) (England) Order 2015

- The English Sports Council
- The Environment Agency
- The Health and Safety Executive
- The Historic Buildings and Monuments Commission for England
- The National Park authority
- The Secretary of State for the Environment, Food and Rural Affairs
- The Secretary of State for Transport
- The Theatres Trust

However, the statutory consultees which need to be consulted vary depending on the type of application submitted, and the specific site circumstances. Therefore, the detailed table within Schedule 4 of The Town and Country Planning (Development Management Procedure) (England) Order 2015 should be referred to for more detailed information.









## Translation facilities

### Translation Facilities

We can make published information available in different languages, Braille and large print upon request. We also have interpreting facilities for people who do not speak English. Telephone 01438 242242 or Textphone 01438 242555 for information.

আমরা মুদ্রিত তথ্যাবলী প্রকাশ করতে পারি যা অনুরোধক্রমে বিভিন্ন ভাষায়, ব্রেইলে এবং বড় প্রিন্টে পাওয়া যাবে। যারা ইংরেজী বলেন না তাদের জন্য আমাদের অনুবাদকের সুবিধাও রয়েছে। তথ্যের জন্য ফোন নাম্বার 01438 242242 বা টেক্সটফোন নাম্বার 01438 242555।

我们可以应需求，以各种不同的语言，布莱叶盲文以及大字体格式来制作出版资料。我们还可以为那些不会说英语的人士提供便利的口译服务。请致电 01438 242242 或播打文本电话 01438 242555 来获取相关信息。

વિનંતી મુજબ પ્રકાશિત થયેલ માહિતી અમે જુદી જુદી ભાષામાં, બ્રેઈલમાં અને મોટા અક્ષરના મુદ્રણમાં ઉપલબ્ધ કરાવી શકીએ છીએ. અંગ્રેજી ભાષા ન બોલનાર લોકો માટે અમારી પાસે દુભાષિયાની સેવા પણ છે. માહિતી માટે ફોન કરો 01438 242242 અથવા ટેક્સ્ટફોન 01438 242555.

अनुरोध करने पर हम प्रकाशित जानकारी को विभिन्न भाषाओं, ब्रेल और बड़े अक्षरों में उपलब्ध करा सकते हैं। हमारे पास अंग्रेजी न बोलने वाले व्यक्तियों के लिए दुभाषिया की सुविधा भी है। जानकारी के लिए 01438 242242 पर टेलीफोन करें या 01438 242555 पर टेक्स्टफोन पर बात करें।

ਅਸੀਂ ਬੇਨਤੀ ਕੀਤੇ ਜਾਣ ਤੇ, ਵੱਖ ਵੱਖ ਭਾਸ਼ਾਵਾਂ, ਬਰੇਲ ਲਿਪੀ ਅਤੇ ਵੱਡੇ ਪਿੰਟਾਂ ਵਿੱਚ ਉਪਲਬਧ ਸੂਚਨਾ ਛਪਵਾ ਸਕਦੇ ਹਾਂ। ਸਾਡੇ ਕੋਲ ਉਹਨਾਂ ਲੋਕਾਂ ਵਾਸਤੇ ਦੁਭਾਸ਼ੀਆਂ ਸੁਵਿਧਾਵਾਂ ਵੀ ਹਨ ਜਿਹੜੇ ਕਿ ਅੰਗਰੇਜ਼ੀ ਨਹੀਂ ਬੋਲਦੇ। ਜਾਣਕਾਰੀ ਲੈਣ ਲਈ 01438 242242 ਤੇ ਫੋਨ ਕਰੋ ਜਾਂ 01438 242555 ਤੇ ਅੱਖਰਫੋਨ ਦੀ ਵਰਤੋਂ ਕਰੋ।

ہم درخواست کرنے پر مختلف زبانوں، بریل، اورچھاپے کے جلی حروفوں میں شائع شدہ مواد فراہم کر سکتے ہیں۔ ہمارے پاس انگریزی نہ بولنے والے افراد کے لئے ترجمانی کی سہولت بھی موجود ہے۔ معلومات کے لئے ٹیلیفون 01438 242242 یا ٹیکسٹ فون 01438 242555 پر بات کریں۔



## Introduction

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## Public consultation

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## 1 Introduction

### What is a Statement of Consultation?

**1.1** A Statement of Consultation says how we have prepared our planning documents. It should show that we have met the legal requirements set out by the Government<sup>(1)</sup>.

**1.2** It says who we consulted and when this happened. The Statement of Consultation summarises the responses that were sent to us and also says how we have changed our document as a result of these comments.

**1.3** This document allows people that sent us comments to see how we have dealt with them. People who did not send us comments but want to understand more about how we have prepared our plan may also find this document interesting and useful.

**1.4** This Statement accompanies the Statement of Community Involvement (SCI).

### What is the Statement of Community Involvement?

**1.5** The Statement of Community Involvement (SCI) sets out how the Council proposes to engage with its stakeholders and the community in the preparation of development plan documents and when considering planning applications.

**1.6** It will replace the existing Statement of Community Involvement produced in 2012.

**1.7** With the emphasis on community participation and localism high up on the national agenda, it is becoming increasingly important to encourage local people to play an active role in the early stages of all planning activities.

**1.8** The SCI will provide an updated framework to ensure that comprehensive and effective public engagement will take place throughout all stages of the planning process.

**1.9** Please read the main consultation document if you would like to find out more about the Statement of Community Involvement.

### How do we decide who to consult?

**1.10** The existing SCI says which groups and organisations we will consult and how we will involve members of the public in our planning documents.

**1.11** We adopted our current SCI in May 2012. It is available on our website ([www.stevenage.gov.uk](http://www.stevenage.gov.uk)). The SCI says that we will use some or all of the following methods to consult you.

- You can see our plans at our offices, in local libraries and on our website.
- We will write to people who have told us they are interested in our planning documents. (We will do this each time there is a consultation).
- We will put adverts in the local newspaper.

1 The Town and County Planning (Local Development) (England) Regulations 2012 (as amended).

- We will use social media to publicise consultations and events and also use this form of communication to send regular reminders and updates.
- We will send out leaflets and brochures.
- We will set up exhibitions or displays and hold meetings.
- We will give presentations and host workshops.

**1.12** We have a database which holds details of people, businesses and organisations that have told us they are interested in our planning documents. The General Data Protection Regulations (GDPR) will be followed to ensure that personal data is kept securely and personal details are not disclosed.



## 2 Public consultation

**2.1** This section of the statement says who we consulted, when this happened and what people said. It also shows how we have taken these comments into account when writing our plan.

**2.2** The Government says that we must consult certain organisations when we prepare our planning documents. We should also ask groups that have an interest in the future of Stevenage for their comments and think about the best way(s) to involve local people and businesses.

**2.3** We have carried out a formal consultation on the Statement of Community Involvement. More details on this consultation are set out below.

### When was this consultation?

**2.4** The consultation was approved by the Council's Executive on 11 July 2018.

**2.5** The consultation began on Wednesday 18 July 2018 and ended on Wednesday 12 September 2018. A copy of the consultation document is available on our website, [www.stevenage.gov.uk](http://www.stevenage.gov.uk).

### Who was consulted?

**2.6** We asked everyone on our consultation database, which includes over 1,500 people, businesses and organisations, to tell us what they thought.

**2.7** We also presented the consultation document to the Planning and Development Committee, to provide an opportunity for Members' to comment.

### What did we do?

**2.8** We sent a letter or email to all of the people, businesses and organisations on our consultation database.

**2.9** We made copies of the consultation document available at our main office, and at the libraries in Stevenage Town Centre and the Old Town High Street.

**2.10** The document was put on the Council's website ([www.stevenage.gov.uk](http://www.stevenage.gov.uk)). It was placed on the Planning Policy web pages, as well as the specific consultation area 'Have Your Say'. Our consultation portal was used to provide easy access to view the document and to make comments online, where possible. Comments could also be made by letter or email.

**2.11** Links to the consultation document were published on both Facebook and Twitter, in the hope that this would reach additional members of the public.

**2.12** Appendix 1 shows screenshots of the publicising of the consultation.

### Who responded to the consultation?

**2.13** We were sent 6 responses by the end of the consultation. The list below shows who sent comments:

- Historic England
- Transport for London

- Campaign to Protect Rural England (CPRE)
- Mr Stone
- Mr Madgin
- Mr Glanfield

**2.14** A summary of all of these responses, and how they have been considered by the Council in producing the final version of the document, is contained within Appendix 2.



## Appendix 1: Consultation publicity

## Appendix 1: Consultation publicity

27 Images of the advertisements and web pages are shown below:

Figure 1 Stevenage Borough Council Website



Figure 2 Facebook

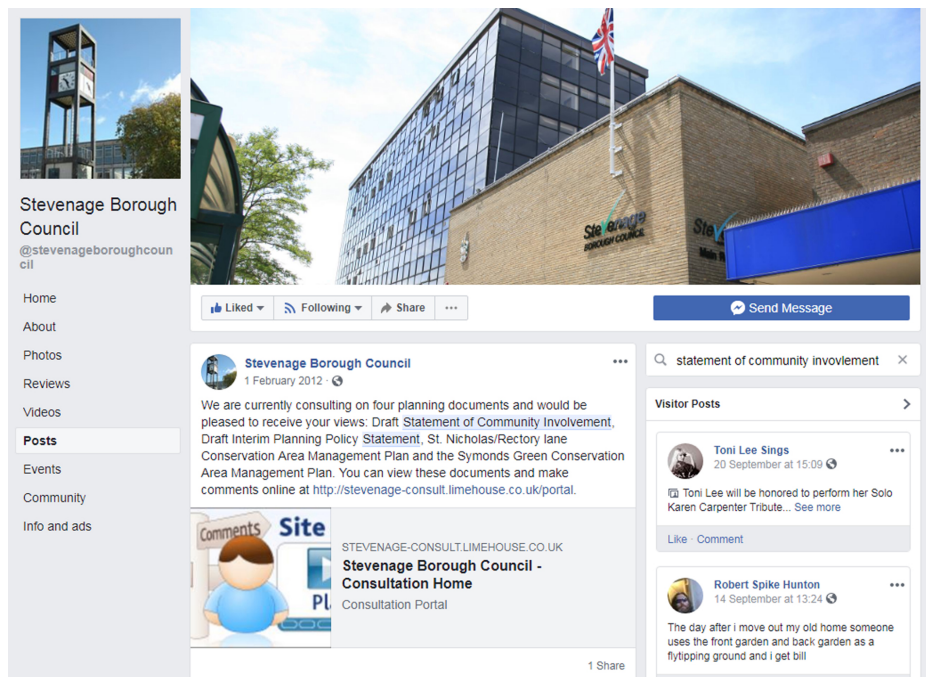
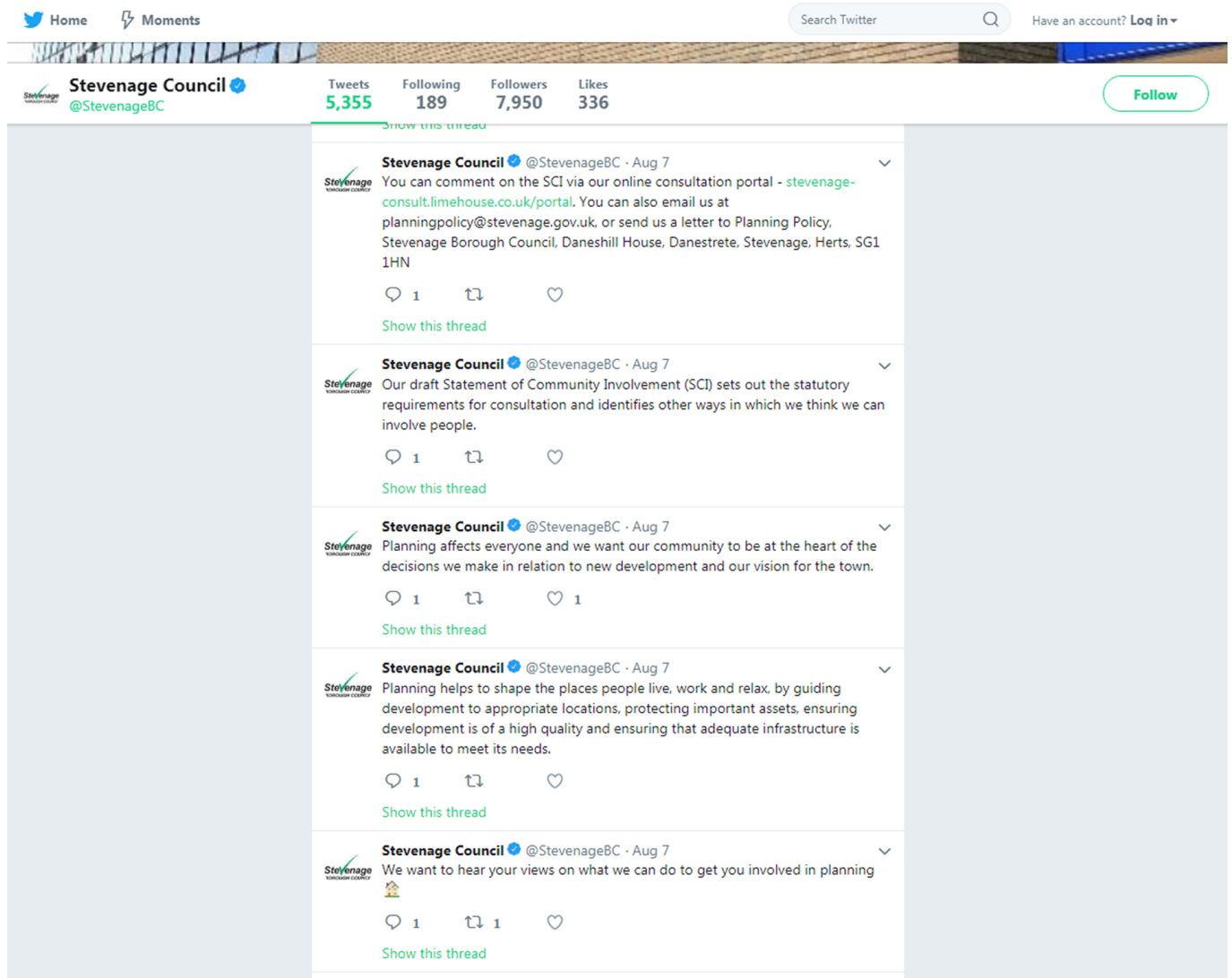


Figure 3 Twitter





## Appendix 2: Summary of responses

## Appendix 2: Summary of responses

Table 1 External consultation responses

Chapter/section	Representation	Main issues raised	Council response
General comments/Introduction	Historic England	General support for the document	Support noted
	Mr Anthony Glanfield	The Council ignore residents objections to local development. The Council are offering the general public the opportunity to object despite objections being ignored by the planning department. To receive truthful important feedback, planners must always listen to the essential objections from the local residents.	The SCI sets out how, who and when we consult people and is a means of informing residents of what the Council undertakes to ensure that those who want to can respond to planning documents, whether they are in support of them or not. All responses are considered and amended, if appropriate, in relation to planning documents prior to their adoption
Plan preparation	Mr David Stone	Local Plan was not appropriately prepared, deliberately skewed to ignore national guidance on Green Belt, referring to Forster Country	The SCI is a document which details how, who and when we consult people, it is not an opportunity to revisit previous consultations
Appendix A	CPRE	CPRE should be added to the named Local Environmental Groups	CPRE has been added to the 'General Consultation Bodies' list in Appendix A
	Historic England	Historic England's name should be amended in Appendix A from English Heritage to Historic England	Historic England's name has been amended in the 'Statutory Consultees' list in Appendix A
	Mr Hugh Madgin	Appendix A does not include the Showman's Guild	We consider the Showman's Guild to be included in our list of 'General Consultation Bodies' under local groups in Appendix A







Part I – Release to Press



**Meeting** Executive

**Portfolio Area** Communities, Community Safety and Equalities  
Neighbourhoods and Co-operative Working

**Date** 21<sup>st</sup> November 2018



## COMMUNITY CENTRE REVIEW – DIRECTION OF TRAVEL REPORT

**Authors** Neil Baker | 2247

**Contributor** Rob Gregory | 2749

**Lead Officers** Rob Gregory | 2749

**Contact Officer** Neil Baker | 2247

### 1 PURPOSE

- 1.1 The report summarises the stage one review of council-owned community centres operating across Stevenage and recommends further community consultation and a co-operative agreement with existing community associations to develop a sustainable future model of community centre delivery.

### 2 RECOMMENDATIONS

- 2.1 That the Executive notes the outcome of the stage one review of community centres and the scope of options for potential future operational models
- 2.2 That the Executive agrees to undertake wider community consultation to vision the future community centre offer for Stevenage to meet our resident's needs.

- 2.3 That the Executive approves the implementation of a co-operative agreement with existing community associations in order to award delivery grants for 2019/20.

### **3 BACKGROUND**

- 3.1 The review of community centres started in 2017, sponsored through the council's Co-operative Neighbourhood Management Programme.

This initial review built upon previous reviews undertaken in 2003 and 2008.

The review explored current operations across all sites and utilised Stevenage Community Association Network meetings to better understand some of the joint challenges and future opportunities. Community Associations were also invited to complete a questionnaire on current operations. This was combined with desk-based research via Companies House and the Charity Commission. Based on this feedback and direct engagement with Community Centres via the community development team strengths, weaknesses, opportunities and threats were captured to help summarise the findings.

A list of community centres associated with current delivery models is attached in Appendix C

#### **3.2 Summary of Analysis**

The review clearly identified the need to ensure stronger less reliant community centres while improving the ability of centres to adapt and change to community needs in their neighbourhoods. The review highlighted the social value community associations bring to the town, and the importance of community centred delivery. The review also highlighted the potential reliance on more commercial activities as opposed to community functions in order to maintain income levels. The review gave clear consideration to the co-location of alcohol related venues on community centre sites and the need for community centres to be bastions of community health and wellbeing as well as community activities.

The review clearly identified the need to ensure more sustainable community centres, less reliant on council support whilst improving the ability of centres to adapt and change to meet community needs across neighbourhoods. The review gave clear consideration to the conflict between permanent bars within some centres and broader community, health and wellbeing objectives, particularly in relation to the commitments contained within the Healthy Stevenage Strategy.

The review also highlighted a lack of engagement and innovation across centres in involving young people in centre service design and delivery, often leading to young people feeling isolated in local community centre delivery.

The review highlighted some of the current innovation and good practice within community centres and associations, reflecting on the following themes from across the community centre estate:

1. There are good examples of where community coffee shops and cafes have been introduced to bolster income and provide informal meeting spaces to local community, increasing diversity, footfall and access to other groups and services
2. In some locations new community buildings or extensions supported by the council have provided associations with opportunities to reconfigure the community offer and provide a wider variety of engagement opportunities
3. Governance across some community associations has been strengthened by partnership working in areas such as GDPR, HR and finance
4. Several community centres have busy and vibrant programmes of activity led by the local community, this model enables the centres to fully understand and adapt to community needs

The review considered learning from elsewhere and explored existing delivery models, that may could considered in the Stevenage context;

1. Community hubs – as neighbourhood service delivery points for a range of Voluntary and Community Sector (VCS) and public services, such as health care and housing support
  2. Community ownership – Community Asset Transfer of sites to individual groups
  3. VCS infrastructure – The development of an overarching trust for the management and operation of all community buildings
  4. Cooperative models – Partnership models between local authorities and community organisations to drive effective operational models and social dividend for local communities
- 3.3 As part of the review process a Policy Advisory Session was held with members chaired by the Portfolio Holder for Communities, Community Safety and Equalities.
- 3.4 The session highlighted the need to consult with the town's residents on their needs and aspirations for 21<sup>st</sup> century community buildings in Stevenage. This is deemed essential to set the vision.
- 3.5 The feedback reflected the need to develop a cooperative approach to engaging with existing community associations in the consultation and development of new models for community centre delivery and the need to address some of the operational challenges presented as part of this exercise.

- 3.6 The feedback highlighted the importance of community based buildings in Stevenage in achieving social cohesion, cultural development and access to specialist services, highlighting the commitment of Stevenage as a cooperative council in building stronger communities.
- 3.7 The Community Centre Review has focussed primarily on current governance and operations. This work informs the Locality Reviews as part of the Asset Management Strategy. Locality Reviews will help to determine a longer-term approach to the provision and management of council owned assets across the town. The reviews will inform the council's capital programme moving forwards.
- 3.8 The review created an opportunity to engage with the Cooperative Council Innovation Network in exploring potential models for Stevenage based on learning and delivery in other councils where changes to community centre delivery models have or are in the process of being made.

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

- 4.1 The review to date has highlighted the importance of engaging the broader population of Stevenage in establishing a vision for Community Centres of the future. A proposed consultation scope and timetable is provided in Appendix A.
- 4.2 The review has highlighted the need to work more co-operatively with Community Associations to develop a future operating model. A co-operative agreement will establish a partnership approach over the coming year. The council will formalise its support for community associations through Rent in Kind, a 2019/20 delivery grant and dedicated community development support. In return Community Associations will be asked to ensure good governance and legal compliance arrangements and to support broader community development and community wellbeing objectives. A proposed co-operative agreement is outlined as part of appendix B to this report. The co-operative compact partnership CCP will replace existing SCAN meetings with a more targeted, consultation and outcome based approach to future models.
- 4.3 The alternative of maintaining current arrangements is not being presented as an option as it does not help to address more immediate issues facing community centres outlined in section 3.1. The consequence may result in community associations not being able to meet governance and compliance requirements.

#### 4.4 Timetable for process

Review work area	Start date	Completion date
Cooperative Compact Partnership	January 2019	March 2020
Community Consultation	January 2019	March 2019
Final report	July 2019	September 2019

## 5 IMPLICATIONS

### Financial Implications

- 5.1 A provisional community centre grant allocation of £25,720.00 for 2019/20 was proposed as part of a tapered funding programme for Community Centre delivery in 2017. Individual community centre grant allocations linked to the proposed co-operative agreement maintain this overall grant figure. The council continues to pay compliance costs, repairs and maintenance costs in relation to Community Centres. The expenditure level in compliance and capital on community centres during 2017/18 stood at £57,600 compliance and £614,000 capital.
- 5.2 The council will continue to support community centres with compliance and maintenance costs throughout the review process. In spite of this ongoing support it is clear that some Community Associations have struggled to sustain their existing liabilities, including existing staffing arrangements. In some cases this has only been sustained through more commercial lets, such as day nurseries, social clubs or commercial bookings. Community Associations will need to continue to make decisions on current operating models over the coming 12 months to ensure good financial governance. In some cases they will need to make more fundamental decisions about their future form to remain viable.
- 5.3 A time-limited Project Officer role, funded by a successful bid to the Hertfordshire Pooled Business Rates Partnership will be introduced to lead public consultation and supporting the proposed cooperative agreement. This role will work closely with the council's Estates team as part of the Locality Review process.

### Legal Implications

- 5.4 Once an operating model for the delivery of Community Centres has been determined following consultation, lease arrangements will be reviewed and updated

- 5.5 The proposed co-operative agreement is a voluntary agreement and will form the basis of a grant conditions offer set out in the 2019/20 Community Centre Delivery Grant allocation.

### **Risk Implications**

- 5.6 Community centres facing high risks in financial sustainability will continue to be supported with advice and guidance on how to mitigate against some of those risks. In circumstances where community associations decide to cease operations the council will explore alternative options to protect and support community uses in the same or alternative neighbourhood venues.

### **Equalities and Diversity Implications**

- 5.7 Equality and diversity in relation to community centre delivery and operations formed a central platform of the initial review process. The council is committed to ensuring community buildings and assets further community cohesion and building stronger communities across the town. Equality and diversity will therefore have a central role in both the proposed community consultation and the development of a co-operative agreement. A future operating model will give due consideration to how community centres will also serve the following protected characteristic groupings, by being safe, equitable and welcoming environments.

- Age
- Gender
- Sexual Orientation
- Gender Identity
- Race
- Maternity and Paternity
- Disability
- Religion and Belief

In addition a future operating model will also give consideration to the provision of community buildings and socio-economic needs, ensuring that the community offer from the council's community buildings is accessible regardless of socio-economic circumstances.

### **Service Delivery Implications**

- 5.8 Service delivery implications have been considered. The proposed co-operative agreement has been developed as an enabling mechanism to form a future working partnership between the council and community associations. Where an operating model currently conflicts with the agreement, community associations will need to determine how best to respond to this to meet their overall mission and objectives.



Given the financial resilience of some community associations it is clear that some areas of service delivery might be at risk for more profitable commercial activities. Through the co-operative agreement the council will offer support to community associations to explore other funding opportunities to sustain community work. At all times the council will work to protect and support community uses.

### **Safeguarding Children Implications**

- 5.9 Safeguarding implications will be fully assessed during consultation and cooperative compact development. The council will ensure consultation with children and young people follows national standards in ensuring safety and security for those involved. The impact of consultation results on potential safeguarding measures within community buildings will be fully reviewed in consultation and compact development.

### **Other Corporate Implications**

- 5.10 The Community Centre Review will also inform Locality Reviews as part of the council's agreed Asset Management Strategy. This will help to inform future works as part of the council's capital programme
- 5.11 The review also references the ambitions contained within the Healthy Stevenage strategy in ensuring the council delivers community wellbeing. The strategy references the wider social determinants of health that are more prevalent in Stevenage than other parts of Hertfordshire. These include binge drinking amongst adults, benefit claims as a consequence of alcoholism, obesity and diabetes levels. The co-operative agreement formalises this commitment in the proposed use of council-owned community assets.

## **APPENDICES**

- A Community consultation draft structure.
- B Cooperative Compact draft agreement.
- C List of community centres in scope.

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# ***Stevenage*** ***BOROUGH COUNCIL***

**Have your say on the  
future development of  
community centres  
across the town**

## Why Change?

Stevenage Borough Council currently maintains and offers grant support to 15 community centres across the town. These centres are managed by independent community associations and vary in delivery, opening hours and structure. Many centres have historical partnership arrangements with Stevenage Borough Council that are now outdated and often lead to a lack of creativity and innovation in how centres are used by their local community.

New modern options for the delivery of high quality and innovative community centre delivery now need developing alongside consultation with existing community associations and residents

## What has happened to date?

A review of the current delivery model started in 2017. This initial review built upon reviews undertaken in 2003 and 2008. The review explored current operations across all sites and utilised Stevenage Community Association Network meetings to better understand some of the joint challenges and opportunities.

Community Associations were also invited to complete a questionnaire on current operations. This was combined with desk based research via Companies House and the Charity Commission. Based on feedback and direct engagement with community centres via the community development team strength, weaknesses, opportunities and threats were captured to help summarise the findings.

The review considered learning from elsewhere and explored a range of delivery models in existence which might be considered in the Stevenage context:

1. **Community hubs – as neighbourhood service delivery points for a range of Voluntary and Community Sector (VCS) and public services, such as health care and housing support.**
2. **Community ownership – Community Asset Transfer of sites to individual groups.**
3. **VCS infrastructure – The development of an overarching trust for the management and operation of all community buildings.**
4. **Cooperative models – Partnership models between local authorities and community organisations to drive effective operational models and social dividend for local communities.**

As part of the review process a Policy Advisory Session was held with elected members.

The session highlighted the need to consult with the town's residents on their needs and aspirations for 21<sup>st</sup> century community buildings in Stevenage.

The feedback reflected the need to develop a cooperative approach to engaging with existing community associations in the consultation and development of new models for community centre delivery and the need to address some of the operational challenges presented as part of this exercise.

The feedback highlighted the importance of community based buildings in Stevenage in achieving social cohesion, cultural development and access to specialist services, highlighting the commitment of Stevenage as a cooperative council in building stronger communities.

The review to date has highlighted the importance of engaging the broader population of Stevenage in establishing a vision for Community Centres of the future.

The review has highlighted the need to work more co-operatively with Community Associations to develop a future operating model. A co-operative agreement will establish a partnership approach over the coming year. The council will formalise its support for community associations through Rent in Kind, a 2019/20 delivery grant and dedicated community development support. In return Community Associations will be asked to ensure good governance and legal compliance arrangements and to support broader community development and community wellbeing objectives.

The alternative of maintaining current arrangements is not being presented as an option as it does not help to address more immediate issues facing community centres.

### What are we consulting on?

We wish to consult residents in establishing a vision for community centre delivery across the town in the future. This consultation will work alongside co-operative partnership arrangements with community associations in identifying models of delivery for community centres in the future.

### Who would this affect?

The consultation will affect future outcomes in the delivery of community centres across Stevenage

### How will the consultation work?

Our consultation will form two parts to ensure we achieve a broad base of opinion and views from across the town. Consultation will run from to

## **Focus Groups**

Six focus groups will be organised in the following areas across the town:

(ADD)

Focus groups enable up to 10 local residents in each area to input ideas, opinions and views in a structured group work activity based on current community centre delivery models and potential new models. We will work with local resident and community centre groups in delivering these focus group sessions during 2019.

If you would like to take part in a focus group one of the above focus group sessions please contact:

### **Consultation Roadshow**

**We will be holding two consultation roadshow events at the following locations on the following dates/dates:**

**These events are open to all residents to attend, but we would appreciate you confirming your attendance at either event by following the link to the Eventbrite page**

**A consultation for young people aged 11-18 will be held by Stevenage Borough Youth Council on:**

**To attend please follow the link the Eventbrite page and register your place:**

### **Digital Consultation Questionnaire**

**Our digital consultation will be available from                      to                      . To submit your views please fill out the consultation questionnaire and make sure it reaches us by**

**The survey is available online at:**

**(ADD)**

**Paper copies of the questionnaire are available on request in your local community centre foyer.**

**You can send your completed questionnaire to the following freepost address  
(ADD)**

**If you need help to complete the questionnaire or have any questions about the consultation please call 01438 242247 or email**

**What happens next?**

**(ADD)**

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## **Co-operative Compact Community Centres and Associations**

### **I. Introduction**

The review of community centres started in 2017, sponsored through the council's Co-operative Neighbourhood Management Programme.

This initial review built upon previous reviews undertaken in 2003 and 2008. The review explored current operations across all sites and utilised Stevenage Community Association Network meetings to better understand some of the joint challenges and future opportunities. Community Associations were also invited to complete a questionnaire on current operations. This was combined with desk-based research via Companies House and the Charity Commission. Based on this feedback and direct engagement with Community Centres via the community development team strengths, weaknesses, opportunities and threats were captured to help summarise the findings.

### **Summary of Analysis**

The review clearly identified the need to ensure stronger less reliant community centres while improving the ability of centres to adapt and change to community needs in their neighbourhoods. The review highlighted the social value community associations bring to the town, and the importance of community centred delivery. The review also highlighted the potential reliance on more commercial activities as opposed to community functions in order to maintain income levels. The review gave clear consideration to the co-location of alcohol related venues on community centre sites and the need for community centres to be bastions of community health and wellbeing as well as community activities.

The review clearly identified the need to ensure more sustainable community centres, less reliant on council support whilst improving the ability of centres to adapt and change to meet community needs across neighbourhoods. The review gave clear consideration to the conflict between permanent bars within some centres and broader community, health and wellbeing objectives, particularly in relation to the commitments contained within the Healthy Stevenage Strategy.

The review also highlighted a lack of engagement and innovation across centres in involving young people in centre service design and delivery, often leading to young people feeling isolated in local community centre delivery.

The review highlighted some of the current innovation and good practice within community centres and associations, reflecting on the following themes from across the community centre estate:

1. There are good examples of where community coffee shops and cafes have been introduced to bolster income and provide informal meeting spaces to local community, increasing diversity, footfall and access to other groups and services
2. In some locations new community buildings or extensions supported by the council have provided associations with opportunities to reconfigure the community offer and provide a wider variety of engagement opportunities
3. Governance across some community associations has been strengthened by partnership working in areas such as GDPR, HR and finance
4. Several community centres have busy and vibrant programmes of activity led by the local community, this model enables the centres to fully understand and adapt to community needs

The review considered learning from elsewhere and explored existing delivery models, that may be considered in the Stevenage context;

1. Community hubs – as neighbourhood service delivery points for a range of Voluntary and Community Sector (VCS) and public services, such as health care and housing support
2. Community ownership – Community Asset Transfer of sites to individual groups
3. VCS infrastructure – The development of an overarching trust for the management and operation of all community buildings
4. Cooperative models – Partnership models between local authorities and community organisations to drive effective operational models and social dividend for local communities

As part of the review process a Policy Advisory Session was held with members chaired by the Portfolio Holder for Communities, Community Safety and Equalities.

- The session highlighted the need to consult with the town's residents on their needs and aspirations for 21<sup>st</sup> century community buildings in Stevenage. This is deemed essential to set the vision.
- The feedback reflected the need to develop a cooperative approach to engaging with existing community associations in the consultation and development of new models for community centre delivery and the need to address some of the operational challenges presented as part of this exercise.
- The feedback highlighted the importance of community based buildings in Stevenage in achieving social cohesion, cultural development and access to specialist services, highlighting the commitment of Stevenage as a cooperative council in building stronger communities.
- The Community Centre Review has focussed primarily on current governance and operations. This work informs the Locality Reviews as part of the Asset Management Strategy. Locality Reviews will help to determine a longer-term approach to the provision and management of council owned assets across the town. The reviews will inform the council's capital programme moving forwards.
- The review created an opportunity to engage with the Cooperative Council

Innovation Network in exploring potential models for Stevenage based on learning and delivery in other councils where changes to community centre delivery models have or are in the process of being made.

## **The Co-operative Compact**

In response to the review the co-operative compact is a partnership deal between community associations and Stevenage Borough Council tied to final year grant payments allowing full and detailed co-operation on the future models for community centre delivery alongside wider community consultation.

### **Aims**

1. To enable co-operative working between Stevenage Borough Council and Community Associations managing community venues
2. To define clear expectations for the resolution of any difficulties in consultation on the future structure and delivery of community centre services
3. To provide a mechanism to enable the Co-operative Compact Group to respond formally to the review of community centre services

### **Scope**

Exploring and developing possible solutions acceptable to both parties can improve understanding and help build stronger relationships. The co-operative compact partnership will work together to identify recommendations acceptable to both parties on the future delivery, management and structure of community centre services. As part of the compact it is important that there is an effective way to reach joint decisions on future structures and possible implementation methods. By committing to it, organisations are agreeing to work together for the benefit of communities in Stevenage in a constructive manner.

As with any process that deals with change, the aim will always be to ensure efficient resolution, preferably informally, for all parties concerned. The process should be comprehensive enough to respond to all aspects of community consultation without being burdensome for partners. The process should be focused on improving outcomes for the communities as a whole.

### **Commitments 2019**

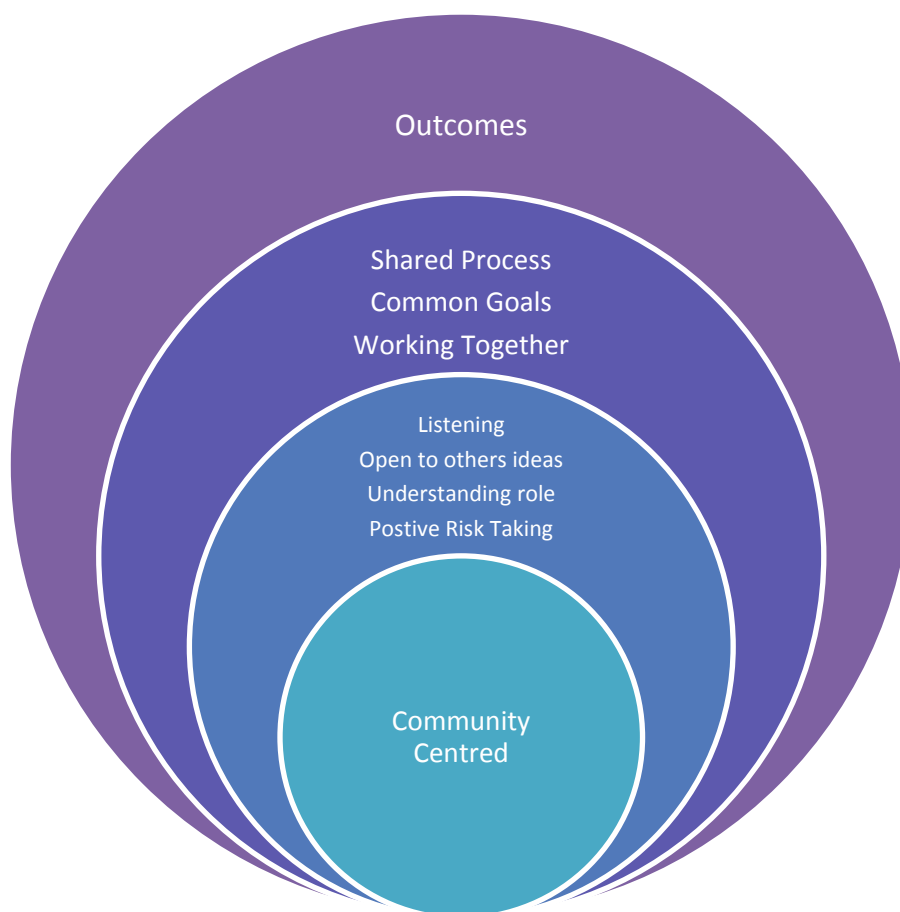
Stevenage Borough Council commitment for 2019:

- Provide Community Development support
- Continue to provide a final year of rent exemption
- Continue to pay compliance costs
- Continue to pay R&M costs
- Give a final delivery grant

In return Community Associations will:

- Participate as active members of the CCP
- Work with us to develop the future vision for community centres
- Ensure that they meet their governance and legal obligations
- Limit the sale of alcohol on premises to private bookings not totalling more than 20% of weekly community usage

## II. Partnership approach



### Working together to achieve results

- The partnership will be reasonable, understanding it takes time for all partners to adapt the way they work to make sure they meet the Compact requirements.
- The partnership will be realistic as well as identifying problems, the partnership will think about possible solutions that are SMART based.
- The partnership will bear in mind that compact partners may start from different positions in relation to an end result, and will give time and space for partners to explore solutions, understanding the importance of diversity within the group
- The partnership understand that final year grant payments will be allocated based on the involvement in the compact group
- The partnership expect that not all partners may wish to take part in compact discussions and negotiations, but that final models or recommendations may still have a direct effect on these partners

### Dealing with disagreement or conflict

As with all partnership work that deals with change, we will aim as a collective to ensure all voices are listened to within the compact process; however it is also understood that disagreements may take place. The compact partnership will aim to deal with disagreements in professional and supportive manner, listening to alternate views and accepting that final recommendations may not fully suit every compact member.

At the end of the process a final vote will take place on the recommendations moving forward, this vote will be a majority agreement vote. Where compact members disagree with the final vote they will have a right to reply in the form of a letter attached to the final report.

## **Wider community consultation and focus groups**

**\*See consultation scoping document**

### **III. Compact Process**

#### **Stage One - Co-operative Compact Partnership**

- The Co-operative Compact Partnership (CCP) will replace the current SCAN group
- The CCP will meet quarterly during the compact year for 4 special consultation and planning workshops (Jan, March, June and October 2019), each lasting from 9.30am – 1.00pm.
- Co-operative Compact Partnership sessions will be structured around achieving agreement on future direction of services; understanding that results may not deliver a one size fits all solution. The partnership will reflect upon wider community consultation taking place, but will not seek to influence consultation outcomes or solutions
- The CCP understand that the status quo in the delivery of community centre services is not an option moving forward and that innovative thinking and realistic responses will be required to achieve recommendations alongside wider community consultation.

#### **Stage two – Co-operative compact final report**

- The CCP with the support of Stevenage Borough Council will produce a final report of recommendations to inform decision making on future delivery, structure and operations within the area of community centre management
- The CCP understand that final report production must be SMART and realistic to potential achievements in the area of community centre delivery
- The CCP understand that the final report will work alongside wider community consultation data
- The CCP understand that final recommendations will be subject to scrutiny in the process of agreeing final resolutions.

### CCP flow chart

#### **Stage One**



Partners agree to Co-operative Compact



#### **Compact Initiation**



CCP Group formed alongside final year grant payments



CCP Planning and Consultation Meetings  
1 year fixed compact working alongside wider  
community consultation and focus groups



#### **Stage Two**



Final Recommendations and  
Report

Compact next steps and  
evaluation

\*AGREEMENT FORM WILL BE ATTACHED HERE

## Appendix C

Community Centres involved in review process 2017/2018

Organisation
Douglas Drive Senior Citizens Centre
Bedwell Community Centre
Chells Manor Community Centre
Timebridge Community Centre
The Bragbury Centre
Springfield House
Oval Community Centre
Hampson Park Community Centre
Shephall Community Centre
St Nicholas Community Centre
Symonds Green Community Centre

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Part I – Release to Press



**Meeting** Executive  
**Portfolio Area** Planning and Regulation  
**Date** 21 November 2018



## SMART CHOICES, BETTER PLACES: A TRANSPORT STRATEGY FOR STEVENAGE

### KEY DECISION

Author – Caroline Danby Ext 2823  
Lead Officer – Chris Berry Ext 2954

### 1 PURPOSE

- 1.1 To provide Members' with an update on progress made in preparing a Transport Strategy for Stevenage.
- 1.2 To seeks Members' approval to carry out public consultation on the draft Transport Strategy.

### 2 RECOMMENDATIONS

- 2.1 That the content of the draft Smart choices, better places: A Transport Strategy for Stevenage (attached as Appendix A) be agreed for public consultation.
- 2.2 That delegated powers be granted to the Assistant Director: Planning and Regulation, following consultation with the Portfolio Holder for Economy, Enterprise and Transport, to make minor amendments as are necessary in the final preparation of the draft Strategy prior to its consultation.
- 2.3 That public consultation on the draft Transport Strategy be approved for a period of 3 months, commencing 5 December 2018.

### **3 BACKGROUND**

- 3.1 As Britain's First New Town, Stevenage has a relatively unique history in terms of its design and layout, which impacts upon the way people move around the town. Its pedestrianised town centre was the first of its kind and its neighbourhood centres and segregated cycleways were designed to enable and encourage self-containment and active modes of transport – walking and cycling. The town is also very well connected by rail, with Stevenage station being on the East Coast Mainline and served by Thameslink services. Local buses service the town, connecting it to the local area.
- 3.2 Stevenage also has excellent road links north and south, being directly connected to Junctions 7 and 8 of the A1(M), which links London to the north. The A602 connects Stevenage to Hitchin and Ware, whilst the nearby A505 provides connections between Luton Airport and Cambridgeshire.
- 3.3 However, despite its innovation at the time, the design of the New Town did not fully predict the rise of the motor car and the residential roads were not designed to accommodate such an increase in traffic and on-street parking. Whilst the network handles the number of journeys fairly well, increase in car use in Stevenage has led to an underuse of the pedestrian and cycle network, and an increase in parking problems on residential streets.
- 3.4 It is clear that the excellent walking and cycling infrastructure is not being used as effectively as it could be, and that improvements could be made to other forms of sustainable transport infrastructure to make it more appealing, thus encouraging behavioural change.
- 3.5 Parking at residential properties is now a common concern for many residents. Residential streets are considerable local assets. They provide not only access to the wider world from people's homes, but spaces in which neighbourhood activities take place, from organised events, such as street parties, to chance interactions as people walk down the street. However, a change in the way people use these streets is required to increase their value to local communities, resulting in socio-economic benefits.
- 3.6 The period to 2031 will be the next step in the evolution of the New Town. The emerging Stevenage Borough Local Plan (SBLP) sets out policies to bring forward at least 7,600 new homes for our residents, together with new jobs and community facilities to support this growth. This includes the large-scale regeneration of the town centre, helping to stimulate interest in Stevenage as an attractive place to live, work, visit and invest.
- 3.7 Key to delivering this growth sustainably is ensuring that the infrastructure required to support this growth is available and of a high quality. The SBLP recognises that peak time congestion on the transport network, even without growth, is a considerable local issue, and delivering this growth with a "business as usual" approach to car-based transport patterns is not an option.
- 3.8 At the county level, Hertfordshire County Council's (HCC's) recently adopted Local Transport Plan 4 (LTP4) sets out how transport can help deliver a positive future vision of Hertfordshire. It recognises the wider impact of a successful transport system, in terms of enabling and encouraging economic

growth, meeting housing needs, improving public health and reducing environmental damage. It moves away from the previous strategies that were largely car based, to a more balanced approach with a focus on encouraging walking, cycling and public transport as a priority.

- 3.9 Consequently, the SBLP includes a Mobility Strategy, which sets out the Borough Council's commitment to prioritising sustainable and active modes of transport and to changing behaviours across the town. It seeks to mitigate the demands of the Local Plan, but to go beyond this, with a reduced reliance on the private car and more active and integrated communities, thus also offering health and other social benefits to the people of Stevenage.
- 3.10 Local policies also recognise that technological advances and lifestyle changes will continue to influence the way people and businesses connect.
- 3.11 As well as being a driver behind this push towards sustainable and active travel, the emerging SBLP also brings forward opportunities to make this change happen.
- 3.12 Sustainability is at the heart of the plan and development is directed to locations that can be effectively connected to the existing pedestrian and cycling networks. As opposed to trying to retrofit solutions, new development can be planned with active and sustainable travel principles in mind, to ensure that local facilities are provided on-site, where appropriate, and that walking and cycling take priority over car use.
- 3.13 A key element of the SBLP is its ambitious proposals to regenerate, rebrand and reimagine the central area of Stevenage, known as Stevenage Central. This offers significant opportunities to improve the experiences of residents and visitors through good urban design that helps create a sense of place. This is a unique opportunity to take a holistic view of the centre and to re-think the existing transport nodes, integrating sustainable transport infrastructure more effectively into the built environment and breaking down some of the barriers to movement that currently exist.
- 3.14 Offering sustainable and active forms of transport choices will have benefits for the community:
- Local streets will change from being places to park and drive cars to places which local communities can enjoy.
  - The local and wider environment will benefit as fewer emissions are emitted, improving local air quality and reducing the effect transport has on climate change.
  - Residents and visitors will gain health and economic benefits by making shorter journeys by foot or on a bike.
- 3.15 At the 25 July 2018 meeting, Council resolved to prepare a Transport Strategy for the Borough, which seeks to deliver this step change in approach to transport.

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

**Recommendation 2.1: That the content of the draft Smart choices, better places: A Transport Strategy for Stevenage (attached as Appendix A) be agreed for public consultation**

- 4.1 The production of a Transport Strategy was agreed by Council on 25 July 2018. Since this time, officers have been pulling together existing evidence to inform the strategy, and a draft has been produced.
- 4.2 The Strategy sets out Stevenage's approach to sustainable transport; providing a strategy for coordinated action by a wide range of agencies and institutions, and a framework for planning and decision-making. It draws together the aims of national, county, and local policy documents in relation to this issue, and identifies the principal existing and future challenges affecting transport in Stevenage, taking account of future growth in population and jobs.
- 4.3 The Strategy seeks to establish Stevenage as a leader in sustainable transport, reflecting its original New Town design objectives. It establishes the key local transport issues and opportunities that exist in Stevenage, and sets out a vision and objectives for what will be delivered in the future. It is focused around four key themes:
1. Connectivity: improve connections between our residents to jobs and services, and business to markets.
  2. Liveable streets: restore neighbourhood streets to places that our community can enjoy and be proud of
  3. Active and healthy travel: achieve a change in behaviour to encourage walking and cycling
  4. Green travel: reduce the carbon footprint of Stevenage's travel movements
- 4.4 The Strategy builds upon the council's existing Infrastructure Delivery Plan (IDP), which sets out the infrastructure required to ensure the Local Plan can be delivered. It begins to show how the transport-related infrastructure and changes will be delivered, by whom and when. By clearly setting out action plans for future work, the Strategy will enable the Council to prioritise and bid for external funding for specific works.
- 4.5 The Borough Council is only one of the many stakeholders that need to be involved in achieving this strategy. The Strategy has been developed with HCC, as Highways Authority, and sets out Action Plans to deliver projects and plans in a co-ordinated manner and by a wide range of agencies and institutions (such as HCC, local businesses, infrastructure providers and operators, as well as a corporate approach across the Borough Council). As such, it is crucial that the council works with these public and private sector

partners to ensure they share its objectives when progressing their projects locally. Getting our residents involved will also be key to achieving our aims in this regard, particularly around Liveable Streets.

- 4.6 The substantive content of the draft Strategy focuses around a comprehensive schedule of transport-related plans and projects in and around Stevenage, including what has been achieved so far and projects that are underway, to those that are planned or proposed for the future in the form of short and medium-term Action Plans.
- 4.7 Each of the projects and plans is presented in a standard format, with a schedule setting out key dates for achieving actions, identifying who is responsible for delivering the task, and where the money will come from. The following example demonstrates the proposed layout within the Strategy:

#### Liveable Streets Pilot Projects, SBC



1. The Council will identify a minimum of three 'Liveable Streets' projects in Stevenage. These will be pilots to help understand what types of projects and schemes people want and what will be successful in enhancing the local street environments in residential areas of Stevenage. Local communities will be at the heart of these projects. The Council will seek to bring communities together to help them re-imagine and re-design their streets and public spaces to make them more attractive, more enjoyable and safer places to live.
2. Schemes to tackle issues such as antisocial parking and vehicle obstruction, slow traffic down, and reduce or prevent through traffic, can help to transform residential streets from those dominated by cars and traffic, to places that encourage walking and cycling and interaction between neighbours and communities. Physical improvements will be accompanied by promotional and educational activities to encourage behavioural change leading to more sustainable travel choices.
3. The Council will work with experts such as Living Streets and Sustrans, who have proven experience of what can be achieved.

Action	Deadline	Who?	Funding
Scope potential pilot projects	Nov 2018	SBC-Planning	Link to CNM programme? \$106 funding Existing budgets – Planning and Engineers CIL income in the future
Select initial project	Dec 2018	SBC-Planning	
Consultation with local community	Jan 2019	SBC-Planning	
Procure delivery body, as necessary	Mar 2019	SBC-Planning	
Commence physical work	Apr 2019	SBC-Planning, Engineers	
Complete all pilot projects	Feb 2020	SBC-Planning, Engineers	

- 4.8 As a strategic document, the Strategy acts as a co-ordinating and promotional instrument to provide an overview of the actions proposed that affect the Borough.
- 4.9 Stevenage has already made some progress in terms of encouraging sustainable transport choices, which form a firm basis for achieving the aims of the Strategy and can be built upon and expanded in the future. The Strategy sets out those projects that have already been completed, such as:
- The Council's Green Travel Plan, which has been successful in promoting sustainable travel by council employees, with a small fleet of electric pool cars and electric bikes now in use.
  - SMARTGo Stevenage, which is part of a national scheme that offers discounts and incentives to help employers encourage their staff to use more sustainable transport modes and to stay more active. It has over 30 employers on board within the town, representing 15,000 employees, including some of the largest employers such as GSK and MBDA.
  - Stevenage Cycle Hub opened recently at Fairlands Valley, offering a wide range of facilities and services aimed at encouraging cycling within the town.
- 4.10 The Short Term Action Plan builds on the completed projects and sets out an ambitious programme for the next 3 years. This is split into parts: plans for the next 12 months (2019 – 2020) and then an action plan for the following 2 years (2020-2022). Within the first 12 months, most schemes are either already underway or are scheduled and costed for the next financial year. Some examples of schemes that are included are:
- HCC's LTP4 sets out an intention to designate a number of urban areas as Sustainable Travel Towns. Within these areas, comprehensive packages of schemes and behaviour change initiatives aimed at achieving a significant modal shift to non-car modes and reduction in single occupancy car use will be considered. Stevenage will bid to become a designated Sustainable Travel Town.
  - Liveable Streets – the idea is to make streets more appealing and useable for residents. Streets are often dominated by parking of cars and vans, and road users are prioritised. Living Streets and Sustrans are organisations that have implemented similar examples elsewhere, but each place will have its own context and character. The Council will identify a minimum of three 'Liveable Streets' projects in Stevenage. These will be pilots to help understand what types of projects and schemes people want and what will be successful in enhancing the local street environments in residential areas of Stevenage. There is potential to consider a 'core offer' for each neighbourhood in terms of the minimum standards of infrastructure provision people would like to see and what the priorities might be. Local communities will be at the heart of these projects. The Council will seek to bring communities together to help them re-imagine and re-design their streets and

public spaces to make them more attractive, more enjoyable and safer places to live.

- To make significant progress on town centre related schemes: Bus station relocation and railway station improvements – generally helping to break down the barriers that currently exist to movement around the town centre.

4.11 Within the second part of the Short Term Action Plan, for the following 2 years (2020-2022), most projects can be delivered either without significant resource, or already have funding and resource attributed to them. These include schemes such as:

- Campaign to extend contactless payment on trains into Stevenage
- Fifth platform at Stevenage Station
- Employer accreditation programme – to introduce a Stevenage Borough Council endorsement (stamp of approval) to employers who make significant efforts to encourage sustainable and active travel.

4.12 The Medium Term Action Plan identifies projects to be delivered by the end of the Local Plan period (2031). These are generally projects that are not yet underway, and are yet to be fully worked up or have funding in place. However, some may be worked up and come forward sooner than expected, and there is nothing to preclude that within the Strategy. Examples include:

- Consideration of bus priority measures across the town
- Underpass improvements
- Stevenage Outer Orbital Path (STOOP) improvements

4.13 In the longer term, post the SBLP period, it becomes much harder to predict what might happen in terms of transport and new technologies. There is the potential for transport choices to be revolutionised, with the increasing use of emerging technologies such as autonomous vehicles, robots and drones. It is important to recognise that things may change and to ensure the town is prepared for this, by future-proofing new development as much as possible. The Strategy seeks to ensure Stevenage continues to take advantage of and embrace new technologies.

4.14 It will be important to monitor the Strategy on a regular basis to understand how much progress is being made in delivering the actions identified and whether there are steps that could be taken to improve or increase progress. The Strategy contains a section on monitoring, which sets out how the council will seek to achieve this.

**Recommendation 2.2: That delegated powers be granted to the Assistant Director: Planning and Regulation, following consultation with the Portfolio Holder for Economy, Enterprise and Transport, to make minor amendments as are necessary in the final preparation of the draft Strategy prior to its consultation.**

- 4.15 The draft Transport Strategy is appended to this report. However, it may be necessary to make minor changes to it prior to the consultation start date. This might include cosmetic adjustments, the correction of typographical errors and any minor factual changes.
- 4.16 It is recommended that any such amendments be approved via delegated powers.

**Recommendation 2.3: That public consultation on the draft Transport Strategy be approved for a period of 3 months, commencing 5 December.**

- 4.17 The Council motion made clear the intention to work with local communities, along with businesses and other partners to develop our approach to sustainable transport. The Transport Strategy is intended to be a consultative document, which seeks the full participation of communities and stakeholders.
- 4.18 Hertfordshire County Council, as the highways authority, has been closely involved in the preparation of this strategy. Officers have also worked with teams internally, such as Regeneration, Engineers, Leisure and Housing Development, to ensure a co-ordinated corporate approach is taken and that the Strategy is comprehensive in its scope.
- 4.19 Stevenage is a co-operative Council which recognises that services planned with local communities are more likely to be successful. The Strategy offers an opportunity to encourage real participation in many elements of the plans and projects proposed. The intention is to engage all members of the community as much as possible to ensure what is being delivered is what people really want for their communities.
- 4.20 Engagement will be sought, both on the Strategy itself, but also on the specific projects and schemes as they begin to be delivered.
- 4.21 Some of the schemes and projects identified in this strategy will have already been subject to consultation and engagement, for example those contained within the SBLP, which sets out the high level plans for Stevenage Central, including the relocation of the bus station, improvements to the railway station and bus priority measures, amongst other things, and the Stevenage Mobility Strategy. However, further detailed discussions and consultation activities will be required for all of these significant proposals, once they begin to progress.

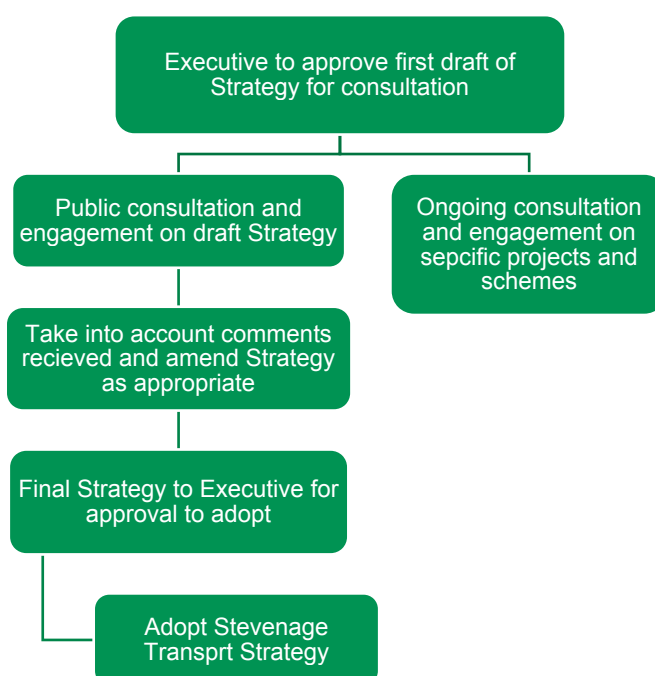


- 4.22 Furthermore, there are many potential projects within the Strategy that residents and local community or stakeholder groups may be able to more actively participate in. Active community engagement has already been successfully achieved in delivering the Co-operative Neighbourhood Management (CNM) programme across various parts of the town. The Strategy seeks to use this approach to implement local schemes particularly, such as the Liveable Streets pilots. Residents can tell us what they want in their areas and what would make them use their streets more and encourage walking and cycling, for example, greening up streets, parking restrictions or reduced speed limits.
- 4.23 Other forms of community participation may include involvement in 'walking buses' to schools, adopting an underpass, and joining a recreational cycling club or visiting a cycling hub.
- 4.24 Involving other stakeholders will also be key to ensuring the Strategy is deliverable. There will be extensive consultation with businesses and other stakeholders (including Network Rail, bus operators, Highways England and other public agencies and institutions) to ensure that their interests are taken into account.
- 4.25 Many local businesses, including those global commercial organisations represented in Stevenage, are already taking a proactive approach to sustainable transport with their own Corporate Social Responsibility (CSR) agendas, by offering incentives for staff such as shuttle buses and pool bikes, and as being members of the employee benefit scheme, SmartGo Stevenage. Local businesses will continue to be encouraged to get involved in helping to achieve the aims and objectives of this strategy.
- 4.26 The intention for this Strategy is an extended initial consultation period for a period of around 3 months, to take into account the Christmas break and the fact that the consultation should be wide-reaching and engaging for communities. It is recommended that public consultation commences on 5 December 2018 and closes on 6 March 2019.
- 4.27 The Council's Communications Team have been involved in putting together a full launch strategy, to ensure the consultation is meaningful and engaging, and that active participation is genuinely achieved.
- 4.28 The consultation will be publicised by a range of measures, including:
- Placing the Strategy on the Council's website for the duration of the consultation;
  - Notifying everyone on the Local Plan database by email or letter;
  - Making hard copies of the Strategy available at the Customer Service Centre and at the town's two libraries;
  - Use of social media, such as the Council's Facebook and Twitter pages to target consultation responses and seek engagement;
  - Use of the existing CNM programme and community engagement events;
  - Presentations/workshops at resident meetings.
- 4.29 The Council will specifically engage with the following stakeholders:

- Local residents and communities
- Cycling and walking groups
- Bus and rail user groups
- Local businesses – through SmartGo Stevenage network, business breakfasts and Herts Chamber
- Infrastructure providers
- Other commercial operators within the town

4.30 Following this consultation, the Strategy will be revised taking into account the comments received.

4.31 A summary of the consultation responses received and a finalised version of the Strategy will be reported back to Executive in Spring 2019, where approval to adopt the Strategy will be sought.



## 5 IMPLICATIONS

### Financial Implications

5.1 The costs of producing the Strategy will be met from the agreed departmental budget.

5.2 The Strategy highlights the cost implications of particular schemes and projects, where these are known. The Infrastructure Delivery Plan (IDP) is a rolling list of infrastructure projects required (or desirable) to support the Local Plan. This already identifies many of the schemes and sets out where

funding to deliver them will come from. Any additional projects identified will feed into the IDP. This will also help to prioritise them against other infrastructure needed across the Borough.

- 5.3 Many of the schemes identified within the Strategy will not be led by SBC. Schemes will often be led by infrastructure providers, or by HCC as Highways Authority. The Strategy makes clear who is responsible for each project and what role SBC has in delivering it, if any.
- 5.4 The Strategy will be a useful tool for prioritising projects and accessing external funding opportunities, including LEP, Central Government funding and money from HCC as Highways Authority. As the outputs are all infrastructure schemes, CIL / S106 monies can provide another source of funding.
- 5.5 It is important to acknowledge that not all schemes/projects outlined in the Strategy are funded and programmed. Some are more aspirational ideas at this stage, for consideration in the longer term. Each project will have different resource implications. The Action Plans within the document make clear which projects are programmed for delivery and who will be responsible for delivering them.

#### **Legal Implications**

- 5.6 There are no significant legal implications associated with producing the Transport Strategy.

#### **Risk Implications**

- 5.7 There are no significant risks associated with producing the Transport Strategy.

#### **Policy Implications**

- 5.8 The Transport Strategy accords with the Stevenage Borough Local Plan and seeks to provide an overview of sustainable transport schemes and projects within or affecting the Borough. Whilst not a statutory planning document, once adopted, it will constitute a corporate policy document that should be utilised across council departments and by relevant stakeholders, as appropriate.
- 5.9 It is also aligned with other corporate Council documents such as the Cultural Strategy and has received input from other Council departments to ensure a corporate approach.

#### **Planning Implications**

- 5.10 The Strategy will accord with the emerging Local Plan. It will seek to ensure infrastructure to support the plan's proposals is delivered and opportunities arising from the plan's allocations are utilised to ensure sustainable transport is considered at the early stages of all new development.

### **Environmental Implications**

- 5.11 The Strategy has the potential to have a positive impact on the environment through the multiple benefits prioritising sustainable and active modes of transport, and minimising car use, can bring. Active forms of transport, walking and cycling, can have significant benefits in terms of health and well-being, as well as other indirect social benefits. The minimisation of private car use, as well as the introduction of electric vehicles will have benefits in terms of air quality and reducing our carbon footprint more generally.

### **Equalities and Diversity Implications**

- 5.12 The Strategy pulls together existing and future plans and projects that will deliver sustainable transport objectives. Whilst the Strategy itself does not have any direct equality or diversity implications, when implementing any of the proposals the delivery body will need to consider the potential impacts on different community groups, in particular those who are less mobile or disabled. Input from all members of the community will also need to be ensured when engaging with local communities in relation to specific proposals for their areas, particularly.

### **Community Safety Implications**

- 5.13 The Strategy pulls together existing and future plans and projects that will deliver sustainable transport objectives. Whilst the Strategy itself does not have any direct community safety implications, when implementing any of the proposals the delivery body will need to consider the potential impacts on community safety.

## **BACKGROUND DOCUMENTS**

- BD1 [National Planning Policy Framework](#)  
BD2 [Local Transport Plan 4, HCC](#)  
BD3 [Stevenage Borough Local Plan, 2011-2031](#)  
BD4 [Stevenage Mobility Strategy](#)  
BD5 [Infrastructure Delivery Plan, 2017](#)  
BD6 [Minutes and papers for 25 July Council](#)  
BD7 [Stevenage Borough Council's Green Travel Plan, 2013-18](#)

## **APPENDICES**

- A Stevenage Transport Strategy

# Smart choices, better places

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## A Transport Strategy for Stevenage

2018 - 2031

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## Foreword

Stevenage Borough Council recognises that giving people a choice in how they travel and encouraging and enabling people to walk and cycle, and make use of public transport, can have huge benefits for the community. Environmentally, it can improve air quality and reduce congestion on our roads: Socially, it allows people to interact and has many health benefits, and: Economically, it can improve business connections, access to the workplace and encourage a healthier workforce.

Stevenage was built around the principles of sustainable transport and self-containment, and has world-class walking and cycling facilities that have the potential to enable healthier travel choices. Whilst we recognise that car use plays an important role in the way that people and businesses connect, we want to improve and enhance our offer, to give people the opportunity to make choices in terms of the way they travel and the way their streets are used.

As a Borough Council, we have already taken a number of significant steps towards achieving some of the benefits that active (walking and cycling) and sustainable travel, and more liveable local streets can bring. Our Healthy Stevenage Strategy and the emerging Local Plan, in particular, set out specific policies and objectives that seek to achieve this aim. Council employees are encouraged to make use of a small fleet of electric pool vehicles through the Green Travel Plan, a cycle hub has recently been introduced at Fairlands Valley Park and a number of other schemes are already underway.

However, we recognise that we cannot achieve this aim alone. There are a wide range of partners involved in delivering transport infrastructure, whose decisions and plans will impact upon the choices people make. The Transport Strategy seeks to pull together the short, medium and long term plans, strategies and projects of all relevant partners and to provide a series of action plans, which identify who will deliver the projects and plans, the timescales involved and how they will be funded.

As a Co-operative Council, Stevenage strongly believes that communities must be at the heart of the decisions we make. This Strategy, and the actions that it sets out, seeks to inspire and empower communities to make behavioural changes and to lead the implementation of projects in their neighbourhoods, that will encourage them to travel more sustainable and make better use of their streets.

Cllr. Ralph Raynor





## Executive Summary

# 1. Introduction

## Why do we need a Transport Strategy?

### The Stevenage context

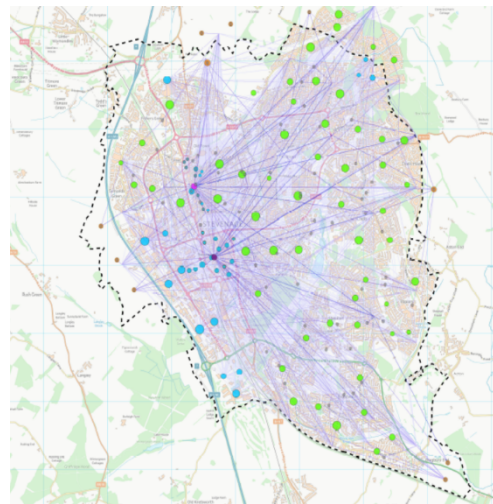
- 1.1 As Britain's first New Town, Stevenage has a unique history. Its New Town design means it has a relatively compact urban form, focused around a pedestrian town centre – the first in the UK, and with jobs available for residents in a distinct employment area close to public transport links. Stevenage was designed to enable its residents to move around the town in safety on a network of cycle and pedestrian routes, segregated from the road system. These routes remain a strong legacy of sustainable transport for us to build on.



Figure 1: Stevenage transport network

- 1.2 Stevenage was built around the concept of self-containment, with distinct neighbourhoods each containing their own local neighbourhood centre, providing shops and services for communities. Networks of dedicated cycleways and pedestrian routes connect these neighbourhoods, with Stevenage offering world-class facilities, often compared with those of some European cities, where cycling thrives.
- 1.3 Stevenage's railway station is on the East Coast Mainline and is also connected to Thameslink. Long distance direct services to the North and Scotland and also to the South Coast are available from Stevenage. Whilst commuter services connect the town to Kings Cross, Cambridge and Peterborough as well as nearby towns including Hitchin, Letchworth and Welwyn Garden City. However, the existing railway station has been underinvested for some time. The station requires an upgrade to increase capacity, but also to create a more appealing gateway into the town, thus helping to attract private investment opportunities.

- 1.4 Local buses service the town and also connect Stevenage to the wider local area, to towns such as Hitchin, Letchworth and Hertford, as well as the surrounding villages. National bus services are also available, with a National Express stop in the Town Centre that connects Stevenage to Stansted Airport and Northampton, Coventry and Birmingham. Stevenage has one of the most extensive networks in Hertfordshire. However, in line with national and regional trends, some bus services are under threat from reducing subsidies and low usage making them unattractive to commercial providers. A reduction in bus services would be particularly detrimental to isolated and vulnerable residents, who may rely on these services to get around.



- 1.5 Stevenage is connected to Junctions 7 and 8 of the A1(M), which links London to the north. The A602 connects Stevenage to Hitchin and Ware, whilst the nearby A505 provides connections between Luton Airport and Cambridgeshire.
- 1.6 Despite its innovation at the time, the design of the New Town did not fully predict the rise of the motor car and the residential roads were not designed to accommodate such an increase in traffic and on-street parking. Whilst the network handles the number of journeys fairly well, increase in car use in Stevenage has led to an underuse of the pedestrian and cycle network, and an increase in parking problems on residential streets.
- 1.7 Parking at residential properties is now a common concern for many residents. When the new town was developed, in some areas it was envisaged residents would be happy to park their cars to the rear of their properties or in garage courts, but, ease of access and visibility benefits, means that parking in front of homes is the preferred choice. This has resulted in congestion on local streets and an uninviting environment for residents.
- 1.8 The underuse of the pedestrian and cycle network, and the preference for private car use, has resulted in funding being directed away from these assets, resulting in a lack of maintenance. There are also perceptions of anti-social behaviour associated with these routes, due to the lack of visibility resulting from the segregated nature of these facilities. Opportunities must be taken to make improvements to the network, and to break down any barriers to its use.

## The future of Stevenage

- 1.9 The period to 2031 will be the next step in the evolution of the New Town. The emerging Stevenage Borough Local Plan (SBLP) sets out policies to bring forward at least 7,600 new homes for our residents, together with new jobs and community facilities to support this growth. This includes the large-scale regeneration of the town centre, helping to stimulate interest in Stevenage as an attractive place to live, work, visit and invest.
- 1.10 Key to delivering this growth sustainably is ensuring that the infrastructure required to support this growth is available and of a high quality. The SBLP recognises that peak time congestion on the transport network, even without growth, is a considerable local issue, and delivering this growth with a “business as usual” approach to car-based transport patterns is not an option.
- 1.11 At the county level, Hertfordshire County Council’s Local Transport Plan 4 (LTP4) also recognises these issues and identifies that expanding the road network to accommodate the level of growth proposed across Hertfordshire is not sustainable for a number of reasons. The quantity of new roads that would be required would have a significant adverse impact on our local environments, and would continue to increase greenhouse gas emissions and contribute to poor air quality locally. It would also be costly and would not necessarily solve the problems. It is clear that another approach is required.
- 1.12 Consequently, the SBLP includes a Mobility Strategy, which sets out the Borough Council’s commitment to prioritising sustainable and active travel modes of transport and to changing behaviours across the town. It seeks to mitigate the demands of the Local Plan, but to go beyond this, with a reduced reliance on the private car and more active and integrated communities, thus also offering health and other social benefits to the people of Stevenage.
- 1.13 Local policies also recognise that technological advances and lifestyle changes will continue to influence the way we connect with people and businesses. The way we use services and spaces is changing. Increasingly there is no longer a need to make a physical journey to obtain information, goods or services, or even to provide labour. Many of these things can be delivered remotely, and this will increasingly influence our relationship with our transport systems.
- 1.14 Alongside these changes, where a physical journey is required, new technologies are continuing to alter the way we move. Electric vehicles and bicycles are becoming more common place, and solutions such as driverless vehicles and on-demand public transport services are starting to emerge.

## **The benefits of growth**

- 1.15 As well as being a driver behind this push towards sustainable and active travel, the emerging SBLP also brings forward opportunities to make this change happen.
- 1.16 Sustainability is at the heart of the plan and development is directed to locations that can be effectively connected to the existing pedestrian and cycling networks. As opposed to trying to retrofit solutions, new development can be planned with active and sustainable travel principles in mind, to ensure that local facilities are provided on-site, where appropriate, and that walking and cycling take priority over car use.
- 1.17 A key element of the SBLP is its ambitious proposals to regenerate, rebrand and reimagine the central area of Stevenage, known as Stevenage Central. This offers significant opportunities to improve the experiences of residents and visitors through good urban design that helps create a sense of place. This is a unique opportunity to take a holistic view of the centre and to re-think the existing transport nodes, integrating sustainable transport infrastructure more effectively into the built environment and breaking down some of the barriers to movement that currently exist.
- 1.18 Transitioning from the private car to sustainable and active forms of transport will have benefits for all members of society:
- Local streets will change from being places to park and drive cars to places which local communities can enjoy.
  - The local and wider environment will benefit as fewer emissions are emitted, improving local air quality and reducing the effect transport has on climate change.
  - Residents and visitors will gain health and economic benefits by getting out of their cars and making shorter journeys by foot or on a bike.

## **What is the Stevenage Transport Strategy?**

- 1.19 The Strategy sets out Stevenage Borough Council's approach to sustainable transport; providing a strategy for coordinated action by a wide range of agencies and institutions, and a framework for planning and decision-making which emphasises the sustainable development of transport networks and modes. It draws together the aims of national, county, and local policy documents in relation to this issue, and identifies the principal existing and future challenges affecting transport in Stevenage, taking account of future growth in population and jobs. It will enable the Council to prioritise and bid for external funding for specific works.

- 1.20 It establishes the key local transport issues and opportunities which exist in Stevenage, and sets out a vision and objectives for what will be delivered in the future. The Strategy seeks to establish Stevenage as a leader in sustainable transport, reflecting its original New Town design objectives.
- 1.21 The Strategy provides a comprehensive schedule of plans and projects already underway in and around Stevenage as well as those that are planned or proposed for the future in the form of short and medium-term Action Plans. The Borough Council is only one of the many stakeholders involved in achieving this strategy and the Action Plans identify the contribution of the wide range of agencies and institutions involved.
- 1.22 As Stevenage's strategic transport document, the Strategy does not provide detail on specific plans and projects which are already included in other plans or project documents. It acts as a co-ordinating and promotional instrument to provide an overview of the actions proposed that affect the Borough.
- 1.23 The Strategy will guide the Council, relevant stakeholders and the public on key projects and requirements to achieve truly sustainable transport. All future local transport projects should contribute to meeting the objectives included in this document to ensure that transport investment in Stevenage is joined up, maximising the benefits to all residents and businesses.
- 1.24 As noted above, the Borough Council is not the sole provider of local transport projects. Hertfordshire County Council is the Highway Authority, and has been involved in the preparation of this Strategy. The County Council, alongside other stakeholders such as Network Rail, public transport operators and Highways England, will be crucial to delivering on the objectives of this Strategy and it is important that they share its objectives when progressing their projects locally.
- 1.25 This Strategy will sit above the strategies and projects linked to specific modes and delivery of projects, to provide an overview of what we are seeking to achieve. This will include those already complete, which will continue to have an important role in delivering the objectives of this document.

### **Structure of the Strategy**

- 1.26 Following the Introduction, this document notes the Policy Context (Chapter 2) and the Challenges and Opportunities facing Stevenage in transport terms by mode (Chapter 3), and then states the Vision (Chapter 4) and the Strategic Objectives (Chapter 5).

- 1.27 The substantive content of the Strategy focuses around a comprehensive schedule of transport-related plans and projects in and around Stevenage, including what we have achieved so far and projects that are underway (Chapter 6), to those that are planned or proposed for the future in the form of short and medium-term Action Plans (Chapters 7 and 8, respectively). Each of the projects and plans is presented in a standard format, with a schedule setting out key dates for achieving actions, identifying who is responsible for delivering the task, and where the money will come from.
- 1.28 Towards the end of the Strategy, the longer term aspirations are discussed (Chapter 9), which recognises that the future, particularly in terms of technological change, is unknown, but that it is important to consider how we future-proof any infrastructure to ensure we can adapt when needed. The final chapters (Chapters 10 and 11) cover Implementation and Delivery, and then Monitoring, respectively.

## Consultation

- 1.29 At this stage, the Strategy is a consultation document, and the Council is seeking the full participation of all communities and stakeholders involved in the promotion and achievement of sustainable transport outcomes. Stevenage Borough Council will work with communities to improve their services and standard of living as well as with Hertfordshire County Council and other key stakeholders such as Network Rail and Highways England.

## How communities can get involved

- 1.30 Stevenage is a co-operative Council which recognises that services that are planned with local communities are more likely to be successful. The Strategy offers an opportunity to encourage real participation in many elements of the plans and projects proposed, rather than seeking responses to published documents which tend to reach a similar section of the population each time. The intention for this Strategy is an extended initial consultation period to seek how best local communities may become involved in local projects which directly benefit their area.
- 1.31 Some of the schemes and projects identified in this strategy will have already been subject to consultation and engagement, for example those contained within the Stevenage Borough Local Plan, which sets out the high level plans for Stevenage Central, including the relocation of the bus station, improvements to the railway station and bus priority measures, amongst other things, and the Stevenage Mobility



Strategy. However, further detailed discussions and consultation activities will be required for all of these significant proposals, once they begin to progress.

- 1.32 Furthermore, there are many potential projects within the Strategy that residents and local community or stakeholder groups may be able to more actively participate in, potentially with Council or other institutional support.
- 1.33 These may include projects such as improvements to the Council's underpasses, which are often perceived as locations for anti-social activities, deterring people from using them. Local communities could 'adopt a street or underpass' with the aim of improving and using them as spaces for local community use or reducing their often intimidating nature.
- 1.34 The Council's Co-operative Neighbourhood Management (CNM) approach provides the capability of implementing smaller projects. For example, funding may be available to improve the lighting, appearance, and maintenance of underpasses, and where appropriate, the redesign of these will be carried out in partnership with local communities.
- 1.35 Other issues for community involvement may include responses on how to reduce the use of private vehicles and affect peoples' behaviour with regard to short journeys. Specifically, the Council is already supporting initiatives to increase cycling by providing riding events, education and training to build rider's confidence and riding ability, to embed this into personal lifestyles.
- 1.36 Community consultation will aim to be more focussed and will promote trial and demonstration projects to make residential streets more "liveable". Local communities may nominate their local street for consideration as a trial or demonstration project on reappportioning and greening up streets so that walking and cycling is safer and local environmental conditions are improved.
- 1.37 Other forms of community participation may include involvement in 'walking buses' to schools and joining a recreational cycling club or visiting a cycling hub. There may be other types of local projects that can help to create a connected and sustainable transport future for Stevenage and these should be nominated in response to consultation.

### **Institutional response**

- 1.38 As well as recognising the key role of Hertfordshire County Council in both the preparation of the Strategy and implementation of plans and projects, there will also be extensive consultation with businesses and other stakeholders (including Network



Rail, bus and rail operators, Highways England, local interest and user groups, and other public agencies and institutions) to ensure that their interests are taken into account.

- 1.39 A multi-agency approach will be required if we are to make a real difference with regards to movement in Stevenage. Many local businesses, including those global commercial organisations represented in Stevenage, are already taking a proactive approach to sustainable transport, by encouraging staff to make use of sustainable transport modes by offering schemes such as pool bikes and car sharing incentives, and by being members of the employee benefit scheme, SmartGo Stevenage. We will continue to encourage local businesses to get involved in helping to achieve the aims and objectives of this strategy.
- 1.34 Environmentally oriented organisations such as Living Streets and Sustrans may also be involved in local projects which seek to achieve the Strategy's objectives.

## 1. Policy Context

- 2.1 This section briefly outlines current national, County-wide and existing Borough policies which establish the scope of this Strategy. This Strategy forms a “bridge” between these policies, and the projects and action plans which will deliver sustainable transport outcomes over the coming 15 years.

### National policy

- 2.2 National transport policy is determined primarily by the Department for Transport (DfT), which states that:
- “safe and dependable transport is essential to UK society and the economy. The government is working to make rail, road, air and water transport more efficient and effective, keep them safe and secure, and reduce greenhouse gas and other emissions<sup>1</sup>”
- 2.3 This vision is an intrinsic element of the Government’s National Planning Policy Framework (NPPF) published originally in 2012 and revised in 2018. The NPPF sets out the Government’s planning policies for England and how these should be applied, providing a framework within which locally-prepared plans for housing and other development can be produced.
- 2.4 The NPPF emphasises the importance of rebalancing the transport system in favour of sustainable transport modes, whilst encouraging local authorities to plan proactively for the transport infrastructure necessary to support the growth of ports, airports and other major generators of travel demand. The Framework recommends that Transport Assessments and Travel Plans should accompany applications for developments that generate significant amounts of movement, although it recognises that the opportunities to maximise sustainable transport solutions will vary from urban to rural areas.
- 2.5 Other key national policies include:
- National policy statement for national networks, DfT, Dec 2014 - sets out the need and government policies for nationally significant infrastructure rail and road projects for England.
  - Connecting People: A Strategic vision for rail, DfT, Nov 2017 - describes the government’s strategic vision for the railways, and the actions they are taking to make it a reality.
  - Cycling and Walking Investment Strategy, DfT, April 2017 - sets out the government's ambition for cycling and walking.

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<sup>1</sup> <https://www.gov.uk/government/topics/transport>

- A green light for better buses, DfT Nov 2012 – sets out Government plans to improve bus services by reforming the Bus Service Operators Grant, encouraging more passengers to use buses and cutting transport emissions.
- Inclusive Transport Strategy, DfT, Aug 2018 – sets out the government's plans to make our transport system more inclusive and better for disabled people.
- Rail Freight Transport Strategy, DfT, Sep 2013 - outlines the government's strategy to promote freight transport by rail to limit road congestion and reduce transport carbon emissions.

2.6 National policy relating to air transport is set out in 3 strategies, The Aviation Policy Framework (2013), UK Airspace Policy (2017), and Beyond Horizon, Making the best use of existing runways (2018). These set out how air travel can contribute towards economic growth and sets out a framework for the utilisation of airspace, as well as encouraging making best use of runways.

### **Hertfordshire County Council (HCC) Policies**

2.7 As the lead transport authority, HCC has responsibility for investing in and maintaining the transport network, and the County Council has recently adopted its Local Transport Plan 4 (LTP4) which switches the focus of investment towards active and sustainable transport modes, away from the traditional investment in road infrastructure, with the aims of delivering prosperity, enhancing places, and supporting people.

2.8 Work has commenced to produce the North Central Growth and Transport Plan (GTP), which largely covers the Stevenage and North Hertfordshire local authority areas. The GTP is being developed by HCC, with the support of Stevenage Borough Council. The GTP will develop and justify packages of transport-led improvement schemes and priority action plans to deliver the objectives of LTP4.

2.9 It will be critical to building a thorough understanding of current and future growth and transport challenges in North Central Hertfordshire, and informing decision-making on what appropriate actions should be taken. This plan is likely to be more strategic than the Urban Transport Plan, which it will replace.

2.10 The Local Transport Plan includes the following supporting documents, which are currently being reviewed to ensure that they deliver LTP4 policies:

- Active Travel Strategy – sets out how greater emphasis can be given to walking and cycling
- Intalink Bus Strategy – sets out how the local authorities work with the public transport providers around infrastructure, information, ticketing and marketing.

- Rail Strategy, June 2016 – seeks to ensure that the railway in Hertfordshire can support economic growth and development by agreeing investment priorities for the next fifteen years and beyond. It sets the strategic framework against which decisions regarding future franchises and investment in key elements of infrastructure can be identified and prioritised.
- Speed management strategy, March 2014 – sets out a consistent approach to setting speed limits and implementing traffic calming measures, how speed management schemes are selected and funded and education and publicity programmes.
- Roads in Hertfordshire – Highway Design Guide, 2011 – sets out how improvements to the highway network must be designed to follow a philosophy of sustainability. It recommends shared use and designs less dominated by motorised traffic.

### Stevenage Borough Council Policies

- 2.11 The emerging Stevenage Borough Local Plan, supported by the Mobility Strategy sets out how Stevenage will develop over the period 2011-2031. The Plan promotes sustainable transport movements, with walking and cycling prioritised in new development, and infrastructure improvements being carried out across the town from the value generated by new development. Improvements to the town centre will be crucial to this, enabling better connectivity by rail, bus, cycle and foot.
- 2.12 The setting of parking standards in Hertfordshire is devolved to the Local Planning Authorities and car and cycle parking standards for new developments are set out in the Parking Provision Supplementary Planning Document (Parking Provision SPD). The last version was adopted in 2012.
- 2.13 The Stevenage Infrastructure Delivery Plan (IDP) includes all the projects that will be delivered to support the growth set out in the Local Plan. It is a schedule of projects with delivery partners, and estimates of timeframes and costs associated with them.
- 2.14 The Stevenage Central Framework is the overarching regeneration strategy for the development of the centre of Stevenage including the establishment of investment priorities, partnership working and physical interventions over the next twenty five years. The aim of the Framework is to make sure that Stevenage Central once more plays as full a role as possible in the lives of Stevenage residents, ensuring that it becomes the place that provides real and tangible benefits for the wider community population of the district and the wider region.

2.15 The Healthy Stevenage Strategy, 2018-2022, sets out the vision for health and wellbeing in Stevenage. It has been agreed by the Healthy Stevenage Partnership, which is a multi-agency partnership including the following organisations; SBC, HCC, Public Health, East and North Herts Clinical Commissioning Group, East and North Herts NHS Trust, Mind in Mid Herts, Healthwatch, Stevenage Football Club Foundation, Citizens Advice Stevenage, Children Centres, Stevenage Leisure Limited, Stevenage Sporting Futures, among many others. It sets out an action plan and priorities for improving the health of our population. It recognises that healthier travel choices can have a significant impact on people's health and wellbeing, thus this Strategy can have a significant role to play in improving the health of our residents.

### 3 Challenges and Opportunities

- 3.1 Change and growth bring challenges and opportunities as an increasing population requires new and better services. The relationships and connections between places will change as economies shift, development is completed, and lifestyle patterns change. Planning seeks to ensure that complementary uses are located near each other, making more journeys multipurpose, and thereby reducing the number of journeys required overall.

#### Challenges

- 3.2 Creating a significant shift to sustainable modes of transport helps to ensure that Stevenage can accommodate the growth that it needs to deliver across the town in order to meet housing and economic need. Without planning for this shift towards more sustainable modes, development is likely to have an unacceptable impact on the existing transport network leading to congestion, both on roads, and on public transport, and parking pressures.
- 3.3 Growth, particularly when located at the edge of an urban settlement, has the potential to be less well connected than areas closer to the centre. It will be important to ensure that the new settlements are well connected to Stevenage's existing transport networks so that residents have adequate access to jobs and services.

#### Opportunities

- 3.4 The growth of Stevenage, as set out in the policies of the Local Plan, provides opportunities to ensure that active travel and sustainable modes of transport are integrated at the early stages of new development. The Council will encourage new settlements to become exemplars of how a more sustainable way of living can be achieved.
- 3.5 Enabling residents' continued excellent access to jobs and services is central to this strategy. Residents currently have access to London, Cambridge, and many other significant towns and cities by rail and bus, as well as to many others by road.
- 3.6 Gunnels Wood, Pin Green, the Lister Hospital, Old Town, and Stevenage Central are significant elements of the local economy. This strategy will seek to ensure that movements between them are as easy as possible, offering improved opportunities to make some or all of the trips by public or active transport modes.
- 3.7 The benefits of moving to sustainable and active modes of transport are numerous, from shared and individual health benefits, contributing to tackling climate change, to

freeing up capacity on roads, thereby creating quicker overall journey times. Further, by increasing the number of journeys made by sustainable modes of transport, behaviour and funding will shift towards supporting and maintaining their continued use.

- 3.8 Climate change is a pressing issue, and the Council is keen to encourage behaviour change to shift transport patterns away from the use of the private car. By doing this we will play our part in reducing the emission of carbon and other emissions into the atmosphere, benefitting global ecology, as well as local air quality.
- 3.9 Active transport has the potential to significantly benefit local resident's health. Even cycling or walking a short distance contributes to a healthy and enjoyable lifestyle, and will help to reduce health costs, and by reducing time taken off work, boost local productivity. Encouraging healthier ways of moving around will be directly in line with the Council's Healthy Stevenage Strategy.
- 3.10 Local Enterprise Partnership funding has the potential to help support the improvements needed to make Stevenage a major sub-regional centre, attracting more growth which will benefit local residents and strengthen Hertfordshire's economy.
- 3.11 The introduction of the Community Infrastructure Levy (CIL) will provide a new opportunity to secure revenue from new developments to help to deliver sustainable transport infrastructure. CIL operates through the collection of a flat rate for most new floorspace constructed, with the revenue required to be spent on local infrastructure projects.

## **Walking and Cycling**

- 3.12 Walking and cycling are together known as 'active travel' modes and are the most sustainable ways for people to move around. There are many benefits to increasing levels of active forms of travel including:
- Health - increased levels of physical activity (in line with the Council's Healthy Stevenage Strategy);
  - Social - enables people to interact with their local environments and communities, gives people more choice in how they travel;
  - Economic – increased footfall for retail uses, plus the indirect benefits of a healthier workforce;
  - Environment – reductions in car use and congestion, leading to lower emissions and better air quality.

- 3.13 Stevenage is a rare example of a town being planned with a dedicated cycling and pedestrian network, a legacy of the New Town principles. The network is world class, and due to the compact nature of the town, cycling is often the quickest way to get between places in Stevenage. However, there are challenges that need to be addressed.



Figure 2: Stevenage cycle network

- 3.14 Some of the routes suffer from maintenance issues, missing connections, and poor lighting and signage. There is also a perception that parts of the network are unsafe and susceptible to crime. These issues are most prevalent in relation to the underpasses, which form a key part of the network. Due to their segregation from the road network, the underpasses do not benefit from overlooking and, where signage is lacking, they can be disorientating for users. They are also often not well-lit and do not provide an attractive and appealing environment that people want to experience.
- 3.15 The walking and cycling networks across the town are not generally well used and trips that could be made by bike or on foot are often made by the private car. This makes investing in improvements to the network more difficult to justify, which has the potential to create a spiral of decline, unless investment and participation are both increased.
- 3.16 There is, at present, a lack of good quality and secure cycle parking in the town centre. Additionally, there are not always secure cycle parking spaces in people's homes and places of work. Without these facilities there is a fear that bikes will be damaged or stolen when parked, and this discourages cycle journeys. A lack of changing and showering facilities in workplaces also presents challenges to encouraging active travel as a method of travelling to work.
- 3.17 The Stevenage Central Framework identified a number of significant barriers to



movement around the town's central area, in particular the ring road, which currently offers no at grade crossings and separates the railway station from the shopping area. The bus station also presents a challenge in terms of its location, creating a barrier to movement from the Town Square towards the railway station and Danestrete.

- 3.18 There is a need to reprioritise local streets for walking and cycling, and make improvements to enable local destinations to be more easily accessed by foot and by bike. Additionally, work is needed to improve safety on the network by increasing activity in areas with a currently high perception of crime, notably underpasses. There is an opportunity to promote the bike as the fastest way around Stevenage through local projects which remind residents about the benefits and enjoyment that can come from cycling.
- 3.19 The fact that the town already contains extensive cycling and walking networks means that significant large-scale infrastructure is not required. As such, lower costs will be involved in making those improvements required to make the network more user-friendly. Smaller scale improvements such as lighting, signage, art installations, highlighting key routes, increasing and securing cycle parking, and promotional campaigns can be sufficient to have a real effect on the use of the network.
- 3.20 New settlements provide the opportunity to integrate active travel into the design and layout of new places and to successfully connect them to the existing network. Walking and cycling should be prioritised when considering access options and the provision of neighbourhood centres, which provide local services and facilities, will enable walking or cycling to become the obvious choice for everyday trips.
- 3.21 The regeneration of the town centre offers a unique opportunity to remove the barriers to walking and cycling that currently exist within the central area and to improve facilities, such as cycle parking, which are key to encouraging a change in travel behaviours to more active modes.
- 3.22 Stevenage has many large organisations that are committed to the town, and the Borough Council itself is a key employer. Businesses have the potential to make a significant contribution to meeting active travel objectives, and some already employ environmental officers and have comprehensive Workplace Travel Plans in place. Increased communication with employers will be crucial to encourage change by employees. Improving the links between the regenerated town centre and Stevenage's employment areas has the potential to improve satisfaction for the local workforce, as well as providing increased revenues for local town centre businesses. Much of Gunnels Wood employment area is less than a five minute bike ride to the

town centre.

## Local Streets

- 3.23 Residential streets are considerable local assets. They not only provide access to the wider world from people's homes, but spaces in which neighbourhood activities can take place, from organised street parties to chance interactions as people walk down the street.
- 3.24 At present, many of our residential areas are not providing people with an enjoyable environment to spend time in. Both car use and parking levels have vastly exceeded the capacity envisaged when the New Town was designed, creating capacity issues. Residential streets are often dominated by parked cars or traffic moving at high speeds, which is causing increasing concern for communities. Parked cars dominating residential areas means there is less space for walking and cycling, on-street social interaction, and local bus services to get through, making movement through these areas more difficult and less safe for other users.
- 3.25 As a co-operative council, Stevenage believes that local people should be at the heart of decision making. Opportunities exist to make use of local knowledge and views about what issues exist within their communities and what the solutions to these could be. Communities should be asked why they do not chose to make use of their local spaces currently, what would make them change their behaviour in the future, and what could improve their area. Engaging local residents and stakeholders in implementing projects to make multifunctional use of the local streets will create spaces that local communities feel safe in and are proud of.
- 3.26 The 'Liveable street' concept seeks to ensure that towns and cities are designed to be used by people and not dominated by cars. Through a reorientation of local streets to living, as well as for transport purposes, improvements to local environments will create more appealing routes for walking and cycling, and will increase the value of local streets to local residents by improving them as assets for living in, as well as for travelling through. This can lead to health benefits by increasing the number of people choosing to walk in their local areas, and social, cultural and economic benefits by increasing the number of interactions within local neighbourhoods.
- 3.27 The concept has been successful in many cities across Europe, but is also emerging increasingly in the UK, with Sustrans and Living Streets often leading projects to implement more innovative solutions to improving local connections. Community engagement is essential to ensuring any interventions are successful. Schemes can

include:

- Reducing or preventing through traffic on local roads
- Slowing down traffic, particularly around sensitive uses such as schools.
- Shared spaces and streets
- Prioritisation of pedestrians and cyclists
- Prioritisation of buses
- Ensuring parking does not dominate.

## Rail

- 3.28 Rail journeys are comparatively carbon efficient compared to the private car. Stevenage is less than half an hour from London by train and the tube network is accessible in 20 minutes. As an East Coast Main Line station, Stevenage also has excellent links to the north, with services to cities such as Leeds, York and Edinburgh. Stevenage station is a crucial asset for businesses in the local area, and a major gateway for visitors to Stevenage. A reliable, frequent service is required to ensure that residents are able to depend on the rail service for their trips to London and the wider area.
- 3.29 The recent timetable changes to the Great Northern line offer an even greater range of destinations to Stevenage residents, including direct connections to South London, Gatwick, and Brighton and important new links within the city, such as London Bridge and Farringdon. The introduction of the new timetable should be seen as a long term benefit to Stevenage, although it is recognised that the service needs to be reliable in order for local residents to depend on it for regular travel.
- 3.30 Stevenage railway station serves as a sub-regional hub in Hertfordshire, accepting national and regional intercity services, as well as local services, and serving as the terminal for services along the Hertford loop. However, east-west rail services are not available, making train travel difficult if you want to reach destinations such as Luton or Bishops Stortford. At present, as the Thameslink timetable is implemented, there is not forecast to be capacity for Hertford loop services to terminate on the four existing platforms, which will be required for intercity and semi-fast services. Funding has been agreed for the construction of a fifth platform dedicated to Hertford loop services.
- 3.31 There is currently congestion on trains and platforms at peak times, which limits the appeal of rail travel to users and creates safety concerns, particularly around the stairways. The station itself is also dated and does not provide a particularly positive experience for users or an attractive gateway for visitors arriving into the town.

There are issues around the size and quality of the waiting area and booking hall, and the small-scale nature of the retail offer makes it a relatively unattractive place to wait.

- 3.32 Connections between the railway station and other sustainable modes of transport, (the bus station and cycling links, particularly) require improvement. At present, there is a poor relationship between the bus station and the railway station, inadequate secure cycle parking at the station, and poor connections for cycling to and from the station from all directions, with some walking routes also creating safety concerns. This diminishes opportunities to encourage journeys to be continued by sustainable modes.
- 3.33 The regeneration of Stevenage Central creates significant opportunities to improve connections from the station to the town centre, and westwards towards Gunnels Wood. Opportunities exist to take a holistic approach to sustainable transport and ensuring intermodal connections are improved. Linked to the fifth platform and the recent timetable changes, with the introduction of Thameslink, these improvements should allow the full potential of the railway station to be realised and for Stevenage's excellent connections, particularly to London, to be utilised to their full potential in encouraging investment within the town.

## Bus

- 3.34 Stevenage has a comprehensive bus network which links the town centre with other parts of town, as well as to towns and villages across Hertfordshire, and Luton and Stansted airports. The bus network has a particularly important role in linking areas to the east and west of Stevenage, which the rail network does not cover.
- 3.35 The frequency of local buses is generally quite good, with services running around Stevenage every ten to fifteen minutes on most local routes. Frequencies to inter-urban destinations are less frequent (30 minutes to Luton, Hemel Hempstead or Letchworth, and up to once every three hours to Bishop's Stortford). Improving the reliability, frequency, and quality of services on these routes will be important in underpinning economic growth in Hertfordshire.
- 3.36 Buses offer clear benefits when compared to the private car; buses are generally greener than the private car on a per passenger basis, they occupy less road space, and provide a safe and accessible form of transport. They also offer the ability to work or relax whilst making a journey. As the car sector begins to transfer towards electric vehicles, there is potential for the electrification of bus services too, bringing even more benefits to this mode of transport.

- 3.37 However, buses have long suffered from being viewed as unfashionable forms of transport, generally providing a less convenient, comfortable, and flexible approach to travel than the private car. Following the capital outlay of buying a car, the bus is also often perceived to be more expensive per trip than making a private car journey.
- 3.38 The viability of bus services is a key issue affecting their future. Some services are subsidised, and cuts to subsidies have been threatening bus services, to the detriment of the town.
- 3.39 The regeneration of Stevenage Central offers a unique opportunity to provide an improved and relocated bus station within the central area, and to improve links between the bus and train station facilities. Opportunities also exist to improve bus connections between Gunnels Wood, Pin Green Industrial Estate, and Stevenage Central, potentially through the consideration of bus priority measures.
- 3.40 New technologies offer opportunities for buses to be more responsive to demand in the future, and are being tested in other areas. It will become easier for users and providers of bus services to understand when people want to travel. Similar to the way the private hire vehicle sector is moving towards an app-based model, local residents who can be specific about what bus journeys they need, should benefit from bus services being delivered that meet their needs. Opportunities to promote bus use, alongside more innovative ways of making them more cost-effective, will enable services to become more commercially viable.
- 3.41 Buses can also benefit from electric vehicle technologies that are becoming more commonplace. Opportunities exist to future-proof new infrastructure to ensure it takes into account the need for electric bus charging technology in the longer term.

## Road

- 3.42 Cars have become the mode of transport of choice for many people in the UK and throughout the world. They are comfortable, affordable, and provide a door-to-door connection. The road network is a vital asset for local businesses who rely on it operating efficiently to guarantee movements of products and materials.
- 3.43 However, this success has led to issues of congestion on parts of the road network. In the Stevenage area there is regularly congestion, on both the A1(M) and parts of the local road network, at peak times.

- 3.44 In recent years, awareness of the impacts on our climate, both globally in terms of climate change, and locally in the form of air quality, has increased. Approximately a quarter of the UK's carbon emissions come from transport uses. The true ecological footprint of owning a car is not solely down to the fuel burned, it also includes the materials and energy used to build the car, and these contribute to UK residents having some of the highest ecological footprints in the world.
- 3.45 Car parking is an issue, particularly on local residential streets, many of which were not designed to accommodate high levels of on-street parking. Parking problems can contribute to congestion and create a hostile environment for walking and cycling.
- 3.46 Whilst this strategy focuses on encouraging sustainable forms of transport, there is recognition that for particular trips the private vehicle will continue to be the most logical mode. Road journeys will remain an important part of the suite of transport modes that facilitate transport movements within and around Stevenage.
- 3.47 The upgrade of the A1(M) around Stevenage to a SMART motorway, with all lane running, provides an opportunity to reduce congestion along the town's strategic road links, thus freeing up some capacity for growth and change within the Borough. Whilst improvements are welcomed, there are concerns around safety and emergency vehicle access that come with these proposals, and questions around whether or not all-lane running is sufficient, or whether 3 full lanes are actually required.
- 3.48 Schemes such as car clubs, car sharing and car-pooling are re-shaping how we use the car, and our roads, in the future. Traditionally a private car spends a great deal of time parked, either at home, or at a place of work. With the advent of real-time information technology this may no longer need to be the case, and this could have significant impacts on the number of cars, amount of parking space, and how intensively roads are used within Stevenage.
- 3.49 The move to smart transportation also has significant implications for the car industry and our roads. The technology allowing cars to drive themselves (autonomous vehicles) is available and is growing. With it comes significant potential benefits for local users; cars will no longer need to be tethered to their operators, potentially changing forever the need for parking to be provided next to developments. Other identifiable benefits from this technology change will include the ability to be productive while on the move, as the car driver is freed from their driving responsibilities. Cars will be programmed to run more efficiently, both in terms of space used on the road, and in terms of the fuel they consume and emissions they emit. Safety will be improved as the element of human error is

removed.

- 3.50 It is already clear that smartphone apps are having an impact on how users access transport, with examples such as Uber disrupting the taxi industry around the world. This change is likely to increase in the coming years, potentially in ways we cannot yet foresee. What seems likely is that user's expectations about how transport provides for their needs will increase, and providers will need to meet that challenge.

## Electric Vehicles

- 3.51 Over the next 20 years, an increasing number of vehicles will run on electricity rather than fossil fuels. Electric vehicles (EV) for personal use are not limited to cars; electric bicycles are already in use by many, alongside other powered vehicles such as scooters and skateboards.

- 3.52 To enable the use of electric vehicles, specific infrastructure in the form of electric vehicle charging points is required. Whilst Stevenage has EV charging points within some of its public car parks already, the spaces with this technology are limited. In addition, existing residential areas are not likely to have these facilities in close proximity to people's homes and there are practical and legal obstacles to retrofitting these technologies that need to be carefully considered. 'Destination charging' – within neighbourhood centres and the town centre offers a more practical solution.

- 3.53 New developments, including the regeneration of Stevenage Central, provide the opportunity to integrate charging point technology into all new schemes from the outset. There are also opportunities to further promote the use of electric vehicles across the town, to make better use of its potential.



Figure 3: Electric vehicle, [www.eta.co.uk](http://www.eta.co.uk)

- 3.54 This is a rapidly changing field, and infrastructure which is state of the art today could prove to be redundant in five years. With this in mind there needs to be a flexible approach to new infrastructure.

## Air

- 3.55 Stevenage is in close proximity to London Luton Airport, and lies under the flight

path for arrivals. The proximity of the airport means that Stevenage benefits from being connected to many long-distance national and international destinations, at affordable prices, within convenient travel times of home. This is of particular benefit to local businesses who value the freight access to international markets, as well as the ability to network internationally. Local people also benefit from having access to jobs that come directly, and indirectly, from the airport and the connectivity it provides.

- 3.56 However, noise, environmental pollution, and the impacts of surface access to the site are concerns to local residents. These issues have the potential to be exacerbated in the future with the proposals for expansion of operations at the airport to increase passenger numbers significantly.
- 3.57 There are opportunities for residents and businesses to benefit from improved access to a growing Luton Airport, making new jobs more accessible and taking advantage of the improved transport links. Improved public transport links between London Luton Airport and Stevenage would help in sharing these economic benefits of airport expansion with the residents of Stevenage.



## 4 The Vision

- 4.1 Drawing on national, county and existing local policy, including emerging and proposed projects, the Transport Strategy will promote the following vision:

*A town where we prioritise sustainable transport, where residents and businesses are well connected with a range of opportunities, where all stakeholders work cooperatively across all neighbourhoods to create living streets that local people can enjoy. Stevenage has a proud history, and the creation of the New Town incorporated sustainable infrastructure in the form of dedicated cycle tracks, a network of local bus routes, streets and squares for residents to enjoy, and a mainline rail station. We will work together with partners to make the most sustainable use of the outstanding connectivity that has been so important to the success of the town.*

## 5 Strategic Objectives

5.1 The Strategy seeks to achieve four primary objectives:

### 1. Connectivity

**Improve connections between our residents to jobs and services, and business to markets.**

- A. Improve access to and from the town by bicycle and a wide range of public transport modes
- B. Improve connections within the town for walking, cycling and public transport modes
- C. Maintain, enhance, and improve Stevenage's roads, cycleways, and footpaths, including underpasses

### 2. Liveable Streets

**Restore neighbourhood streets to places that our community can enjoy and be proud of**

- A. Work co-operatively with residents to pilot approaches that enhance their streets
- B. Reduce the speed of traffic on local roads to improve safety
- C. Free up road space for other uses

### 3. Active and Healthy Travel

**Achieve a greater mode split for active travel**

- A. Increase cycling by ensuring it is the quickest, healthiest, and most enjoyable way to get around town
- B. Increase walking by making routes and local destinations more attractive and interactive by foot
- C. Create behavioural change to encourage active and healthy travel

### 4. Green Travel

**Reduce the carbon footprint of Stevenage's travel movements and improve air quality**

- A. Increase the use of more environmentally sustainable modes of transport
- B. Support provision of new town centre sustainable transport improvements
- C. Support and increase the use of electric vehicles, including e-bikes and buses
- D. Encourage car sharing and car-pooling as widely as possible

5.2 To achieve the strategic objectives, plans and projects will be delivered by a range of agencies and these will include infrastructure improvements, new developments and policies delivering desired outcomes. Through this strategy, SBC will seek to ensure that all stakeholders and partner organisations are clear on the Borough's vision to create integrated and sustainable transport outcomes.

## 6 Completed Plans and Projects

- 6.1 A number of plans and projects, generally started before the adoption of the SBLP and LTP4, have already been undertaken in Stevenage. These projects are already delivering useful outputs, embracing the principles of sustainable transport in Stevenage, and providing the foundations for future actions.

### Active Travel Strategy, HCC, Apr 2013



- 6.2 Hertfordshire's Active Travel Strategy sets out how the County Council and its partners will identify, deliver and promote interventions to increase the numbers of people walking and cycling in Hertfordshire. Schemes promoted through this strategy include the reallocation of road space, implementation of road user hierarchies, creating new pedestrian crossings, footway maintenance, applying 'designing out crime' principles, improving signage, delivering urban realm improvements, and assisting in personalised travel planning and promotion. The aim is to increase the proportion of journeys made by walking or cycling to improve individual health, quality of life, the environment and the economy.
- 6.3 The Active Travel Strategy is currently being revised in line with LTP4 and will include the Healthy Streets concept. It is due to be published in 2019.

### Stevenage Cycle Strategy Action Plan, SBC, Apr 2018



- 6.4 The Cycle Strategy Action Plan was prepared by the Borough Council to define behaviour change initiatives and infrastructure improvements that will be required over the Local Plan period (to 2031) to increase cycling within the Borough. The strategy is people-focussed and covers all stages of life from early childhood until retirement. The Cycle Strategy Action Plan aims to restore Stevenage's cycle network to its former status, improving, repairing and rebuilding it, where it has been eroded, and extending it to reach into the new development areas of the town.
- 6.5 To inform this plan, an audit of the existing cycle network was carried out, identifying and prioritising a set of potential infrastructure improvements, including upgrades of the Cycleway network, missing Cycleway Links, and

improvements to wayfinding.

- 6.6 A review of our existing cycle parking standards is recommended, which will eventually be incorporated into an update to the Parking Standards SPD (as discussed in para xxx). Initiatives to improve cycling to school, cycling to work and improving cycling within the town centre are also proposed.

### Rail transformation project, Network Rail



- 6.7 Network Rail is undertaking a modernisation of the UK's rail network, which includes the Great Northern services through Stevenage.
- 6.8 Thameslink services have been introduced to Stevenage, which offer direct services, through London, to Brighton and Gatwick Airport. There are an increased number of faster trains to Kings Cross, and trains now run through Farringdon, offering easy access to Crossrail services (which link directly to Heathrow Airport). Stevenage will continue to be a key stop on fast routes, with the growth of the town helping to cement its place within the network as a sub-regional hub.
- 6.9 These service improvements will work together with planned improvements to the station's appearance and connections (as discussed in para's xx and xx) to encourage the use of Stevenage station and rail services more generally.



Figure 4: Thameslink train, [railwaygazette.com](http://railwaygazette.com)

### Green Travel Plan 2013-2018, SBC, 2013



- 6.10 The Borough Council adopted a Green Travel Plan in 2013, which aims to reduce car use by encouraging staff and councillors to use alternative modes of transport when travelling to and from work, and when carrying out official duties.
- 6.11 As a large employer, the Borough Council is keen to minimise the negative impact that over-reliance on car travel can have on the environment. As the

majority of staff working at the Council do not live far from the office, there is considerable scope for an increase in the proportion of journeys that are made on foot or by bike.



Figure 5: SBC Green Travel Plan

6.12 The current Green Travel Plan included an objective to introduce pool cars and bikes for staff to make use of to carry out council business. Since the adoption of the plan, two electric pool bikes, four standard bikes and four electric pool cars have been made available. The cars are also available for use by local residents as part of an e-car club scheme.

6.13 The Green Travel Plan now requires review to consider what has been achieved so far, to update its objectives and to investigate what can be achieved in the future (as discussed further in para xxx).

### SmartGo Stevenage, SBC



6.14 SmartGo Stevenage is a part of a national scheme to help employers encourage low-carbon transport by providing offers on buses, trains, bikes, gyms and more. It was introduced in Stevenage in xxx, and has been successful in getting over 30 employers on board, representing over 15,000 employees, approximately 10% of whom are registered with SmartGo.

6.15 A steering group meets on a quarterly basis to enable members to discuss benefits, share experiences and to encourage more joint working between all parties.

### Bus Strategy 2011-2015, HCC, Jan 2015



6.16 The Bus Strategy sets out the County-wide approach to supporting bus services in Hertfordshire. It sets out the framework of strategic and detailed policies, the current situation and the challenges facing Hertfordshire specifically. This provides the basis for the development of the network and infrastructure, and in particular

the corridors on which action will be focussed to achieve greatest benefit.

- 6.17 The Strategy sets out detail on the required standards for facilities including bus stops and services, and determines which routes should receive subsidy to continue to run, and where improvements may be possible or use can be increased to help services run more efficiently. It also investigates opportunities to develop more innovative ways of attracting extra funding streams to help deliver current and future service provision.

### Stevenage Cycle Hub, SBC



- 6.18 The Stevenage Cycle Hub at Fairlands Valley Park was opened in October 2018. It is one of four cycle hubs located across the county and is operated by Watford Cycle Hub on behalf of SBC. It is open 6 days a week and provides a one-stop shop for cyclists. People can visit the hub to hire bikes, learn about new routes, join in with organised bike rides, for bicycle servicing and cycling lessons/courses. The aim is to get people on their bikes and more active.

- 6.19 The cycle hub provides the following services/facilities:

- **Service maintenance and repairs** – The Hub will serve as a place for people to get their bikes repaired, at a reasonable charge. Along with courses for people to learn how to maintain their own bikes.
- **Led rides** – The Hub's location, within Fairlands Valley Park, acts as a natural start or finish point for a bike ride. The Hub itself, along with partner organisations such as We Are Cycling UK – Stevenage Branch, HSBC UK British Cycling Breeze programme and Herts Disability Sport Foundation, will deliver a programme of led rides for beginners, families, through to more avid cyclists.
- **Learn to Ride programmes** - including courses specifically for adults, children and toddlers, women and road safety training.
- **Go Ride Club** - HSBC UK Go-Ride is British Cycling's development programme for young people. The programme provides a fun and safe way to introduce young riders to the world of cycle sport and provides a platform to improve bike handling skills. Through the Hub, a Go Ride club will be developed so there is a pathway for local young people with an interested in cycling to learn new skills, meet new people and maintain their health and wellbeing.



- **Inclusive Cycling** - Through a partnership with Herts Disability Sports Foundation, access to cycling for people with impairments and disabilities will be offered. Adapted bikes will be available for led sessions and groups rides including carers or family members.
- **Upcycling and bike sales** - The Cycling Hub has already started a partnership with Hertfordshire Constabulary via Stevenage Police Station where unclaimed stolen bikes will be upcycled ready to sell on as a fully serviced recondition bikes.
- **Bike Hire** – The Hub has a fleet of adult and junior bikes for hire. With excellent cycle networks, people are able to enjoy the different parks and sights scattered across the town.

### Healthier, Safer, Greener Journeys to School: Hertfordshire's Sustainable Modes of Travel Strategy (SMoTS), HCC, Aug 2018



- 6.20 The SMoTS sets out the vision of Hertfordshire County Council to increase opportunities for children and young people to travel to, from and between schools and colleges by sustainable modes. It provides a breakdown of existing school travel patterns and outlines the actions and processes that will be adopted to improve the viability of sustainable travel.
- 6.21 The Strategy seeks to reduce the significant transport pressures around local schools during peak times, including heavy parking levels and clashes between students and parents arriving by car, on foot, or by bike.
- 6.22 The aims of this strategy include reducing private car use for journeys to and from educational establishments; improving accessibility by other modes; improving road safety for children; improving child health through active travel and an improvement in air quality around schools; and improving the local environment by reducing traffic.

### Rights of Way Improvement Plan 2017/18 – 2027/28 (RoWIP), HCC, July 2017



- 6.23 The third edition of the RoWIP provides the context for the future management of and investment in the rights of way network and other access activities, to

meet people's needs and demands from 2017/18 to 2027/28. Local people were consulted to understand how the networks are used and the various issues that might be associated with them. Their responses highlighted a number of things that people were keen to see including; more circular routes, better information about the network and how to access it, dog mess, litter and vandalism to be addressed and routes free from obstructions such as busy roads to cross.

- 6.24 The Plan sets out recommendations for the future management of, and investment in, the rights of way network.

### Community Transport Service, SBC



- 6.25 The Borough Council provides a Community Transport Service aimed at vulnerable and older people within the town. The service has two vehicles and provides daily local lunch club journeys and weekly leisure trips to destinations outside of Stevenage.

### Verge and footway controls, SBC

- 6.26 The 2004 xxx Strategy committed SBC to seek to “introduce an effective mechanism that permits enforcement to be carried out to deal with parking on grassed areas and to use it to deal with general verge parking and parking on ornamental areas” and to ensure that “access for pedestrians is maintained”. On this basis, restrictions prohibiting parking on the verge or footway were introduced in Pin Green, St Nicholas and Martins Wood (2007), Bedwell (2010), Chells and Manor (2011), and Shephall and Bandle Hill (2013).
- 6.27 Consultations on similar controls in Roebuck and Longmeadow ended earlier this year, and are scheduled to be implemented in 2019.



## 7. Short Term Action Plan

- 6.1 Projects which will be delivered in the period 2019-2022 are set out in the Short Term Action Plan. Some projects identified are updates of the existing Plans identified in Chapter 6. These are required to ensure the Council's suite of Plans and Projects are in line with the greater emphasis on creating sustainable travel patterns identified in LTP4, the emerging SBLP, and this Strategy. Detailed schedules are provided for each project setting out key dates for achieving actions, identifying who is responsible for delivering the task, and where the money will come from, where known.
- 6.2 The short term action plan has been split into two parts, the first covering the first 12 months (2019-2020), which will generally include schemes that are already underway or have already been scoped and have funding allocated to them.

### Part 1: First 12 months (2019 – 2020)

#### Designation of Stevenage as a Sustainable Travel Town, SBC & HCC



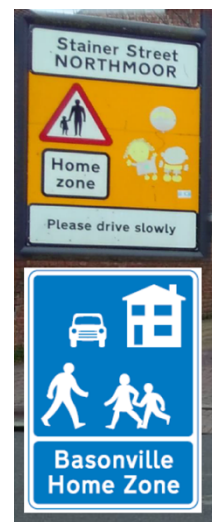
- 6.3 HCC's LTP4 sets out its intentions to designate a number of urban areas as Sustainable Travel Towns. Within these areas, comprehensive packages of schemes and behaviour change initiatives aimed at achieving a significant modal shift to non-car modes, demand management, and a reduction in single occupancy car use will be considered. Implementation is scalable with flexibility over timescales, level of mode shift targeted and package composition. Sustainable Travel Towns provide the potential for greater housing density and car free development, and could support the future delivery and development of local land use plans.
- 6.4 Stevenage will bid to become a designated Sustainable Travel Town. The detailed criteria for any settlement to be included in the Sustainable Travel Towns programme will be subject to further local discussion, to ensure that the town has the full support of key stakeholders and the wider community. For Stevenage, it is considered this Strategy goes some way towards demonstrating the Council's commitment towards sustainable travel and implementing change within the Borough.

Action	Deadline	Who?	Potential funding sources
Nomination of Stevenage as a Sustainable Travel Town	2019	SBC - Planning	No budget implications
Determination of applications against criteria	2019	HCC	
Adoption of Stevenage as a Sustainable Travel Town	2019	HCC	SBC – future departmental budgets Expected S106/CIL income HCC

### Liveable Streets Pilot Projects, SBC



- 6.5 The Council will identify a minimum of three ‘Liveable Streets’ projects in Stevenage. These will be pilots to help understand what types of projects and schemes people want and what will be successful in enhancing the local street environments in residential areas of Stevenage. Local communities will be at the heart of these projects. The Council will seek to bring communities together to help them re-imagine and re-design their streets and public spaces to make them more attractive, more enjoyable and safer places to live.



- 6.6 Schemes to tackle issues such as antisocial parking by cars and vans, and vehicle obstruction, to slow traffic down, and reduce or prevent through-traffic, can help to transform residential streets from those dominated by cars and traffic, to places that encourage walking and cycling and interaction between neighbours and communities. Physical improvements should be accompanied by promotional and educational activities to encourage behavioural change leading to more sustainable travel choices.



Figure 6: Oxford Liveable Streets

6.7 The Council will work with experts such as Living Streets and Sustrans, who have proven experience of what can be achieved.

Action	Deadline	Who?	Funding
Scope potential pilot projects	Dec 2018	SBC-Planning, Communities	Link to CNM programme and future budgets  Expected S106 / CIL income  Existing and future departmental budgets – Planning and Engineers
Select initial projects	Jan 2019	SBC-Planning, Communities	
Consultation with local community	Feb 2019	SBC-Planning, Communities	
Procure delivery body, as necessary	Mar 2019	SBC-Planning, Communities	
Commence physical work	Apr 2019	SBC-Planning, Communities, Engineers	
Complete all pilot projects	Feb 2021	SBC-Planning, Communities, Engineers	

## Bus station relocation, SBC/HCC



6.8 The relocation of the bus station is required to enable some of the earlier phases of the SG1 programme of works. Its relocation to a site in closer proximity to the railway station has the



Figure 7: Bus station design ideas

potential to significantly improve Stevenage Central as a sub-regional transport hub. In addition to improved bus-train connections, there will be improved cycle and pedestrian links into the regenerated town centre, as a result of a reconfigured Lytton Way.

- 6.9 In considering the design of a new bus station, steps will be taken to ensure it is future proofed to take into account likely technological changes, for example, the introduction of electric buses and likely future capacity requirements.

Action	Deadline	Who?	Potential funding sources
Consultation on design and location of site	Dec 2018	SBC - Regen	Funding agreed in principle by LEP Board in 2016
Consultation on finalised designs	Jan 2019	SBC - Regen, Planning, HCC	
Submit planning application	Feb 2019	SBC - Regen, Planning HCC	
Procurement of construction contractor	Mar 2019	SBC - Regen	
Work to start	Apr 2020	SBC - Regen	
Completion	2021	SBC - Regen	

### SBC Workplace Travel Plan, SBC



- 6.10 The Council is a significant source of local trips in Stevenage, and needs to lead the way in promoting sustainable transport modes. An update to the Green Travel Plan will be undertaken, in line with HCC's travel plan guidance, to take into account changes in circumstances and technologies since the last iteration was adopted.

- 6.11 It will include additional measures to get more staff walking and cycling to work,

as well as ensuring that, wherever possible, services are carried out by sustainable modes of transport. A refreshed and updated Travel Plan will help to encourage a healthier workforce, thereby driving better value for local taxpayers, as well as helping to improve Stevenage's environment, and decreasing congestion.

- 6.12 The Council is already taking a leadership role by having a small fleet of electric vehicles for staff operations (which are also available for the public to hire). The update to the Green Travel Plan will set out how the Council can go further in promoting the use of the electric vehicles to staff. The new Travel Plan will also consider implementing different types of bikes (i.e. cargo bikes, trikes, adapted bikes) and incentivising bike use (publicising the fact that mileage can still be claimed if staff use their own bikes).

Action	Deadline	Who?	Potential funding sources
Draft Workplace Travel Plan	Jan 2019	SBC-Engineers	Existing and future SBC Engineers budget
Consultation	Feb 2019	SBC-Engineers	
Adoption of Workplace Travel Plan	May 2019	SBC-Engineers	

### Local Cycling & Walking Infrastructure Plan, SBC & HCC



- 6.13 In September 2017, the Borough Council and HCC jointly won a bid for DfT support to produce Local Cycling and Walking Implementation Plans (LCWIPs). The programme makes available technical expertise to local authorities wishing to develop their local cycling and walking networks.
- 6.14 LCWIPs are identified in the Government's Cycling and Walking Investment Strategy as a tool to identify strategic cycling and walking improvements at the local level. They seek to identify a costed and prioritised set of improvements and extensions to the cycle network. Work is currently underway to produce these plans for Stevenage.
- 6.15 The LCWIPs will use exiting tools and evidence to analyse trip origins and destinations to identify the key walking and cycling routes within the town. These

will then be analysed using the LCWIP methodology, which seeks to essentially put an economic benefit value on the interventions that are being considered.

- 6.16 This method of prioritisation for schemes, aligns with the DfT methodology for allocating funding for sustainable transport projects, and should enable the Council to attract external funding more easily in the future.

Action	Deadline	Who?	Potential funding sources
Identify key routes	Sep 2018	SBC – Planning, HCC	Existing and future Planning Policy budget
Assessment of routes	Oct 2018		
Identify, cost and score the impact of potential improvements	Nov 2018		
Completion	Dec 2018		

### Cycle Hire Scheme, SBC/HCC



- 6.17 Cycle hire schemes are now a common sight in many cities around the world. There is an aspiration to introduce a cycle hire scheme into Stevenage, which would mean that not owning a bike is no longer a barrier to cycling.

- 6.18 Locating bikes in close proximity to the improved bus and rail facilities will establish a seamless intermodal network between locations around the town centre and employment areas, and will help visitors to the centre or railway station to continue their journey by bike. It will also enable local residents to make quick ad-hoc journeys around the town whenever it suits them.

- 6.19 The Council has begun discussions with potential providers for implementation by mid-2019.

Action	Deadline	Who?	Potential funding sources
Agree scope of initial cycle hire scheme with preferred operator	Dec 2018	SBC-planning	Cost neutral

Implement first stage of the cycle hire scheme in town centre/ rail station	Mar 2019		
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### Parking Standards SPD, SBC



- 6.20 In line with the recommendations of the Cycle Strategy Action Plan, the Council will be updating the Parking Standards SPD to ensure that aspirational levels of cycle parking are provided by new developments in Stevenage. The SPD will also provide an update to the types of cycle parking provision that should be required, including private, secure cycle parking for residents and workers, as well as easily accessible, but still high quality cycle parking spaces for shorter-term visitors to new destinations.
- 6.21 An updated SPD will set out the levels of vehicle parking expected in all new developments. This will aim to encourage users of sites to use more sustainable modes of transport, whilst still ensuring appropriate provision exists to avoid parking problems occurring. It will have strong links to the implementation of Liveable Streets concepts in new developments.
- 6.22 The new Parking standards SPD will also require new development to be able to accommodate electric vehicles. This will enable local residents and visitors to the town to more easily transition to using electric cars in the future. A minimum standard for EV points, for both residential and commercial uses, will be included within the revised SPD.

Action	Deadline	Who?	Potential funding sources
Draft Parking Standards SPD for consultation	Early 2019	SBC – Planning	Future Planning Policy budget
Public consultation	Mid 2019		
Amend and adopt final Parking Standards SPD	End 2019		



## New developments, SBC & HCC



6.23 All new development schemes will be required to accord with the transport hierarchy set out in LTP4, which places greater emphasis on active travel than less sustainable transport modes. Developers will be challenged, through the pre-application process, to come up with innovative solutions to access and parking to ensure sustainable development takes priority and that local streets are designed for use by all and not dominated by cars.

6.24 The Council will require walking and cycling provision to be prioritised in all developments and high quality links both to and from existing networks, and within the scheme, will be required. The Liveable Streets concepts discussed in para xx of this strategy will be considered best practice, and developers will be encouraged to follow this approach to design in developing their schemes. Discussions will be held to ensure streets will be developed to an adoptable public highway standard, rather than being left as private streets, which can create difficulties in terms of maintenance.

6.25 New developments should also be designed to enable easy access to and from the site by bus. Buses should be prioritised over private car use and this may include upgrades of bus stops, road adjustments (e.g. bus lanes, gates or signalling priorities), or in larger developments, such as growth areas and urban extensions, rerouting or extending existing routes, or the creation of additional services. These will be secured through the completion of Transport Assessments and Statements, and Travel Plans secured alongside new planning approvals.

Action	Deadline	Who?	Potential funding sources
Ensure new developments deliver on the requirements of the Local Plan and Local Transport Plan regarding sustainable travel objectives	ongoing	SBC – Planning, HCC	Future Planning budget – application fees

## Intalink Bus Strategy, HCC



6.26 This pan-Hertfordshire partnership seeks to promote an integrated, high quality,



well-publicised passenger transport network, with consistent ticketing across the county. It seeks to establish a consistent website and branding approach to buses in Hertfordshire which will create greater assurance and simplicity for users.

6.27 In the context of the recently adopted Local Transport Plan 4, which places stronger emphasis on prioritising sustainable journeys above those made by private car, and new powers enabled by the Bus Services Act (2017), HCC is looking to strengthen its partnership working arrangements with local bus operators through the Intalink Quality Partnership.

6.28 The intention is to use Enhanced Partnership powers to establish a statutory partnership, replacing the existing voluntary arrangements, to deliver actions against the following five objectives:

- Prioritising bus services in traffic
- Improving the image of buses
- Upgrading bus infrastructure
- Closer integration of the bus network
- Smarter use of data and information

6.29 The revised partnership arrangements will oblige bus operators to meet progressive standards of reliability, punctuality and vehicle specification. In return the county council will deliver schemes to unlock traffic bottlenecks which impact on bus operation and promote bus priority measures, as well as a range of hard and soft measures to promote and develop the de-regulated bus market.

Action	Deadline	Who?	Potential funding sources
Draft new Intalink Bus Strategy	Feb 2019	HCC	HCC resources
Consultation on the Draft Intalink Bus Strategy	Aug 2019		
Implement the new Intalink Bus Strategy	End 2019		

#### Bus user enhancement, Arriva

6.30 Stevenage bus station provides real time information to passengers at the station and through a smartphone app. However, Arriva have committed to a number of steps to improve the bus user experience in Stevenage.

- 6.31 Arriva's entire fleet of buses will be replaced with new vehicles on a rolling basis in the near future. Whilst there are no plans to make these electric at present, due to the number of miles covered per day, it will be considered for the future. Contactless payments are being trialled in other areas, with Arriva committed to the introduction of contactless payments on their buses by mid-2019.

Action	Deadline	Who?	Potential funding sources
Replacement of bus fleet	End 2019	Arriva	Arriva funding allocation
Introduction of contactless payment on all Arriva buses	End March 2019		

### Removal of mopeds from Stevenage cycleways, HCC

- 6.32 When the Stevenage cycle network was first created the mopeds of the time, which were much lower powered than now, were permitted to use them. This was seen as safer than mopeds using the dual carriageways, in particular. More powerful modern scooters continue to use the cycleway network, which because of changes to vehicle types is not strictly lawful, but cannot be prevented given the wording of the tertiary legislation for the cycleways. Mopeds using the cycleways are reported to be intimidating and deter their use both by cyclists and by pedestrians.

- 6.33 HCC are working to bring the tertiary legislation up to date, in order to remove mopeds from the cycleways. This depends on both the making of appropriate Orders, and replacement or renewal of signage at entry points that will both clearly exclude mopeds and improve the profile of the cycleways (HCC are in the process of undertaking surveys to determine what is needed). Media engagement will be required to help publicise the change and encourage mopeds to comply; enforcement will then be down to the Police.

Action	Deadline	Who?	Potential funding sources
Scope of work to be considered and agreed	End 2019	HCC	Future HCC budgets SBC – future Engineers budget
Update of legislation and signage	End 2020	HCC	Future HCC budgets SBC – future Engineers

			budget
Media campaign	End 2020	HCC, SBC	Future HCC budgets SBC – future Engineers budget

## **Part 2: Following 2 years (2020 – 2022)**

### **5th platform at Stevenage station, Network Rail**



6.34 Construction of a dedicated platform for services around the Hertford Loop, which terminate at Stevenage, is essential to ensuring accessibility between north London, East Herts and Stevenage is improved in the future. At present these services depart from Platform 4, which also accommodates an increasing number of stopping mainline services. The new train timetables, with faster mainline trains, mean there is no room in the schedule for trains to branch off to Hertford. This problem will only be solved when a fifth platform is built at Stevenage railway station to accommodate these services.

Action	Deadline	Who?	Potential funding sources
Agree Design of 5 <sup>th</sup> Platform	March 2019	Network Rail, SBC - Regen	Existing Network Rail transformation budget
Commence construction	2019	Network Rail	
Completion	2021	Network Rail	

### **Railway Station improvements, Network Rail, SBC**



6.35 In addition to adding a fifth platform and improving connections to the station, improvements to the station to enhance the user experience will include better cover for those waiting for trains, an improved range of services for passengers, and an improved footbridge to the town centre. Together, the improvements to

the bus and rail stations will play an important role in the regeneration of Stevenage Central.

Action	Deadline	Who?	Potential funding sources
Consider scope of improvements	End 2019	SBC-Planning, Regen, Network Rail, HCC	SBC – Future Regen budgets
Consult on project details, and likely disruption	Feb 2020	SBC-Planning, Regen, Network Rail, HCC	LEP Board funding agreed in principle in 2016
Commence improvements	2021	Network Rail	DfT funding opportunities
Completion	2022	Network Rail	Future Network Rail and Rail operator funding

### Extend contactless payment to Stevenage, DfT, Rail Operator



6.36 Approximately 12% of Stevenage’s residents travel to work in London, with most of them doing so by rail. Ensuring that Stevenage is covered by London’s contactless/Oyster card functionality will help to ensure that their journeys are as frictionless as possible. It will also help local businesses to attract workers from London as they will not need to buy separate tickets. Stevenage station already has the infrastructure to handle contactless ticketing, but at present the TfL pricing structure doesn’t extend to Stevenage.

6.37 The Department for Transport, in conjunction with the train operator, would be responsible for implementing a change such as this. However, SBC, and particularly SBC Councillors, can also be involved in pushing this agenda via a lobbying role. The current rail franchise ends in September, and the renewal process will provide the opportunity for lobbying for Oyster if it is not in place by then.

Action	Deadline	Who?	Potential funding sources
Lobbying	End 2019	SBC – Members	None required
Introduce contactless	End 2021	DfT, Rail operator	Future DfT/Rail operator budgets

## Stevenage Gateway – Improve intermodal connections at Stevenage Station, SBC/HCC



6.38 At present Stevenage station lacks good quality connections from the rail station into the town centre and surrounding residential and employment areas. The relocation of the bus station to create improved links between bus and rail will be an important change, but opportunities to reconfigure Lytton Way and redevelop the leisure park will create improved pedestrian and cycle-friendly environments, which will better serve as gateways for rail users into the jobs and services Stevenage has to offer.

6.39 The addition of a bike hire offer at the station will further benefit rail users who wish to complete their journey by bike, without having to carry their own vehicle on the train. A cycle hub, including secure cycle parking and other facilities will be provided at the station to ensure those cycling from near and far are able to confidently and easily switch between modes.

6.40 The Council, in partnership with relevant stakeholders, will consider the preparation of a planning document for the Stevenage Gateway area.

Action	Deadline	Who?	Potential funding sources
Agree scope of planning document	End 2019	SBC – Planning	Future SBC departmental budgets
Draft plan	End 2019		
Consultation on draft plan	End 2020		
Finalise plan	End 2022		

## A1(M) Smart Motorway, Highways England



6.41 The A1(M) is a route of strategic importance linking London and the South-East

with the East Midlands, Yorkshire and the North-East. The A1(M) between Junction 5 and 9 is in the top ten busiest sections of the entire London to Leeds (East) route with existing capacity problems. The implementation of a SMART Motorway on this section of the A1(M), to include the use of the hard shoulder to enable “all lane running”, will increase capacity on this part of the network. The scheme aims to reduce congestion and delays, improve journey time reliability, maintain a high standard of safety, and support economic growth and job creation. It will also create opportunities within Stevenage by moving through traffic back onto the strategic road network, thus freeing up capacity on local roads.

- 6.42 This project is already funded via the Roads Investment Strategy funding stream, and work is scheduled to begin in 2020. Further lobbying is likely to be required to push for full widening to deal with safety and congestion concerns.

Action	Deadline	Who?	Potential funding sources
Design stage	2019	Highways England	Highways England – already funded through Roads Investment Strategy funding stream
Work to begin	2020	Highways England	
Work to be completed	TBC	Highways England	

### Parking Strategy, SBC



- 6.43 An update to the 2004 Parking Strategy will be produced, setting out how public parking will be managed across Stevenage. This will be a key tool in managing overall demand for the private car in Stevenage and should tie in with the other projects set out in this strategy to seek outcomes that reduce the dominance of on-street car parking in Stevenage, thereby creating space for liveable streets. It should also consider the implementation of EV charging points and whether there are other ways to future proof the infrastructure.
- 6.44 Car sharing, car-pooling, and car clubs are methods which promote the use of the car as a communal vehicle rather than a private vehicle. Incentives to encourage this should be considered, for example, designated car parking spaces at places of work for those who are car sharing.

Action	Deadline	Who?	Potential funding sources
Scope of work for Transport Strategy	End 2019	SBC – Engineers	SBC Engineers future departmental budgets
Draft prepared	July 2020		
Consultation	Nov 2020		
Adoption	March 2021		

### Stevenage Travel Choice Business endorsement, SBC



6.45 Employers can have a significant role to play in encouraging their employees to consider behaviour change. Introducing a Stevenage Borough Council endorsement in the form of a logo/stamp of approval for employers who actively promote sustainable and active travel, could encourage businesses to get involved in meeting our objectives. The endorsement would be given to businesses who implement a set number of the included initiatives.

6.46 This could include initiatives such as:

- Offering incentives to encourage active travel
- Rail and bus discount cards
- Reducing on-site parking provision
- Promotion of car sharing and car clubs
- Improved cycle parking and facilities
- Implementing home working opportunities
- Introducing electric vehicle charging points

6.47 This has strong links to the SmartGo scheme (discussed under para xx), which many employers in Stevenage already sign up to, with the potential to use this existing communication network to promote such a scheme.

Action	Deadline	Who?	Potential funding sources
Liaise with SmartGo Stevenage consultants and	Jan 2020	SBC – Planning,	Costs

business network – understand links and scope of employers involved		Engineers	would largely be staff time.
Scope of scheme – initiatives to be put forward, practical arrangements. Identify examples from elsewhere.	Mar 2020	SBC - Planning	
Design of logo/stamp	Apr 2020	SBC - Communications, Planning	
Promotional activities	Apr 2020	SBC – Communications, Planning	
Expand to more businesses	May 2020	SBC – Planning, Communications	

### Cycle training and education, SBC



6.48 The Stevenage Cycle Strategy Action Plan recommends training and education as a way to encourage increased cycling across the town, to ensure that residents feel confident, and are capable of accessing the cycle network. This can include on-bike training to familiarise people with cycling, maintenance courses, and more specific initiatives such as education on cycle locks to help reduce theft.

6.49 Engagement with schools and workplaces will be key in enabling this. Cycle training in schools, particularly, can help make an important step change in terms of travel behaviour early on. HCC already lead on the bikeability programme within some primary schools, which is part subsidised by DFT. Work should be undertaken to encourage the programme to be taken up in all schools. Stevenage Cycle Hub also has the ability to offer bike ability courses to children that fall outside of the school offer.

Action	Deadline	Who?	Potential funding sources
Create/extend “offer” to schools, and advertise	Sep 2020	SBC – Planning, HCC	Will require external bids for funding
Advertise potential offer to	Sep 2020		



schools			
Phased implementation	Mar 2021		
Fully operational	Sep 2021		

## London Luton Airport expansion



6.50 Luton Airport has recently set out plans to increase its capacity again from 18 million passengers per annum to 36-38 million. Whilst the positive impacts of airport growth must be recognised, there are significant noise impacts from planes taking off and landing at Luton airport on the residents of Stevenage. The Borough Council will continue to lobby LLA to minimise the impacts of this growth on its residents, and seek the best outcomes for local residents.

6.51 Additionally, the Council is keen to see the economic benefits of the growth of the airport being shared with those it impacts, including the residents of Stevenage. Key to this, will be ensuring better links are provided between London Luton Airport and Stevenage for people to access the airport using public transport. Responses to the public consultation on airport expansion will be made, to ensure noise and surface access implications are fully considered.

Action	Deadline	Who?	Potential funding sources
Initial (non-statutory) consultation	Aug 2018	SBC – Planning	None
Formal consultation period – may require commissioning of noise consultant (by Herts authorities) to assess proposals relating to noise	Mid 2019	SBC – Planning HCC	Future SBC departmental budgets
Engagement and feedback	Late 2019	SBC – Planning, HCC, LLA	
Submission of DCO application and Examination	Late 2020	LLA	
Decision made by SoS for Transport	Early	LLA, SoS	

	2021		
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## 8. Medium Term Action Plan

- 6.2 The Stevenage Local Plan and HCC Local Transport Plan both have timeframes running until 2031 and the following projects and plans will be implemented during the period 2022-2031. These projects are generally not yet funded, but through being identified in this strategy, will become priority projects that the Council will seek to secure funding from a wide range of sources to ensure delivery.

### Promote Stevenage as a destination for innovation in sustainable transport, SBC



- 6.3 Stevenage's unique and extensive infrastructure network offers an ideal location, within which the testing of new transport technologies could take place. Driverless car technology is advancing quickly, with cars currently being tested across the world. New ideas will need to be tested in a safe environment and Stevenage provides an ideal opportunity to promote itself as a location that encourages this type of innovation. With many high-tech companies already located within the town, businesses should be encouraged to get involved in these schemes and to make use of the town's infrastructure.

Action	Deadline	Who?	Potential funding sources
Consult with local businesses	Apr 2022	HCC	Unknown
Advertise Stevenage as a potential destination for trial projects more widely	Apr 2022	SBC – Planning	
Consult on any potential trial projects	Jun 2022		
Implement trial projects	Dec 2022		

### Stevenage Outer Orbital Path (STOOP) Improvements



- 6.4 Stevenage has a community-identified orbital walking route (STOOP), which uses established rights of way to establish an informal, circular route around the town. This provides a great leisure facility for residents and the route is generally well

maintained and signed.

- 6.5 The Council will work with communities and surrounding authorities to promote this route to residents and visitors and ensure routes to and from the STOOP are well maintained and accessible to all.
- 6.6 There is some further potential to investigate opportunities to improve and expand the existing Rights of Way network across the town, and to investigate whether some pony tracks should be upgraded to bridleways so that they could be used for cycling as well.

Action	Deadline	Who?	Potential funding sources
Consult with STOOP to discover potential improvements	June 2022	HCC, SBC – Planning, North Herts, East Herts	Future S106 / CIL income
Consult on potential improvements with general public	Sept 2022		
Implement potential improvements	Jan 2023		

### Underpass improvements, SBC/HCC



- 6.7 At present the underpasses which link Stevenage's segregated walking and cycling networks suffer from a perception of antisocial behaviour and crime. They form a crucial part of the transport network, and their increased use will over time help to improve their status. Many of the projects listed above will contribute to the improvement of the underpasses in Stevenage. However, it may also be appropriate to consider some specific exemplar projects to demonstrate what could be achieved with more innovative design solutions. Links



Figure 8: Stevenage cultural strategy

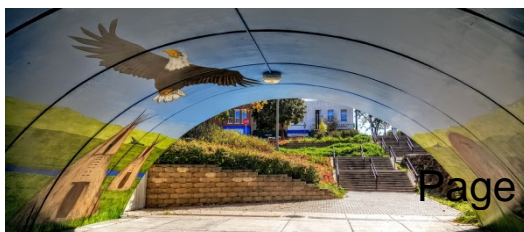


Figure 9: Holmes Street Tunnel, Shakopee (right). Wandsworth underpass improvement project (left)

with the Council's Stevenage Re-Imagined: A Ten-Year Arts and Heritage (Cultural) Strategy should be made, as improvements have the potential to look back to Stevenage's heritage, particularly around public art and architecture, for inspiration.

Action	Deadline	Who?	Potential funding sources
Create report setting out the issues and challenges of Stevenage's underpasses	Mar 2022	HCC, SBC – Planning, Regen, Engineers, Communities	Future Regen budgets
Consultation on the suite of potential improvements that could be made to them	Apr 2022		External bids i.e. to Arts Council
Identify pilot improvements	Aug 2022		Potential future CIL/ S106 monies
Implement pilot improvements	Sep 2022		Potential bid to the LEP in the future
Roll out upgrades across the network	Sep 2024		

### Park and Ride schemes, HCC



- 6.8 There may be an opportunity to establish a network of park and rides, to intercept private vehicle trips between Hitchin, Letchworth and Stevenage, to maximise the public transport trips made into these centres. Demand would need to be tested with local bus operators and significant bus priority measures would be required to incentivise the use of such a service, alongside a potential reduction of parking availability within the town centre.
- 6.9 A park and ride scheme has the potential to provide cheaper parking for visitors, and reduce congestion in the town centre. Electric buses should be used to maximise carbon efficiency. Route must be quick and comfortable to provide an attractive alternative for car users.

Action	Deadline	Who?	Potential funding sources
Identify potential Park & Ride locations in/ around Stevenage		HCC, SBC – Planning	HCC budgets Future S106/CIL income
Consultation on the new facilities and range of destinations			
Implement the Park & Ride scheme			

### Bus priority measures, HCC, SBC



6.10 Bus priority measures, to ensure buses are not held up in traffic congestion, can be key to improving the punctuality of buses, which is a priority for bus users. Making travel times quicker and more reliable by bus than by private car can make a significant impact in terms of encouraging their use. Stevenage does not currently have many dedicated bus lanes, or junctions where buses have priority over other road users (only one along Lytton Way, south-bound). There may be opportunities to make improvements to public transport efficiency in Stevenage, particularly along an enhanced North - South bus corridor, linking the town's employment uses and Stevenage Central.

6.11 Bus priority measures can include bus only links, signal prioritisation and bus lanes, and would need to be brought forward by HCC, as the Highway Authority, in partnership with the bus operators.

Action	Deadline	Who?	Potential funding sources
Consider outcomes of studies (Growth and Transport Plan and Intalink Bus Strategy particularly) that might recommend route options	2021	HCC, SBC – Planning, Regen	HCC future budgets Future S106/CIL income
Detailed design of priority measures on a sample scheme	2022		
Completion of works	2025		

### Promote Electric Vehicle use, SBC



6.12 Consideration will be given to the development of an electric vehicle (EV) policy for the Borough. Whilst the revised Parking Provision SPD will set standards for EV provision in new developments, there are often difficulties associated with retrofitting charging points into existing properties. Providing charging points within public parking areas at neighbourhood centres and the town centre (destination charging) can offer a more practical solution. The development of an EV policy will provide the opportunity for a solution for existing neighbourhoods to be fully considered.

6.13 At present, the Council offers four electric car club vehicles for public hire around the town. The Council will seek to expand and promote its offer to encourage its use. This will be complemented with an increased provision of rapid charging points around the town to enable users to keep moving.

Action	Deadline	Who?	Potential funding sources
Implementation of more charging points	From 2019 (ongoing)	HCC, SBC – Engineers	Future SBC departmental budgets
Consideration of the need for an EV policy document (further timescales will depend on outcome of initial scoping work)	2020		

### Electric bike hire scheme, HCC/SBC



6.14 Electric bikes allow a much greater range than traditional “push” bicycles. They do not offer the same health or environmental benefits, but will be a useful tool in getting some people onto bicycles who may not normally consider doing so. As such they have the potential to be a part of Stevenage’s transport ecosystem, and we envisage an electric bike hire program being be trialled at the upgraded Stevenage railway station.

Action	Deadline	Who?	Potential funding sources
Identify potential provider for the scheme	2022	SBC – Planning	Unknown
Ensure delivery of necessary infrastructure	2023		
Implement delivery of the electric bike hire scheme	2024		

### Route change proposals at Luton Airport



- 6.15 As part of the national airspace change programme, London Luton Airport (LLA) is required to update all of its departure procedures in a move towards improved satellite based technology. London Luton Airport (LLA) is using this opportunity to identify the most environmentally efficient way of managing airspace, with the main focus being on reducing the noise impact associated with aircraft operations. The proposed designs will look to replicate as closely as possible the routes being used today but they will also look at how they can move flights away from areas of population to reduce the noise in those communities.
- 6.16 Accordingly, LLA has scheduled a programme of works for improving and rerouting current departure routes using precision navigation technology called RNAV to enable aircraft to fly more precise routes. The departure route that flies over Stevenage is called '08 Match/Detling' and the engagement process on this route should be starting next year although completion is not expected for a number of years.

Action	Deadline	Who?	Potential funding sources
Trial new departure arrival routes	Confirm with LLA	LLA	London Luton Airport
Analyse implications of modified routes			
Update flight paths			



## London Luton Airport rail link



6.17 The Borough Council will work with neighbouring authorities and HCC to consider how access between the airport and Stevenage could be improved. Developer contributions to improve and enhance public transport to and from the airport will be sought. This might include more frequent bus services in the shorter term, and the consideration of a Stevenage to Luton Airport rail light link in the future.

6.18 It is envisaged that in the longer term, work could be undertaken in partnership with neighbouring local authorities and London Luton Airport (LLA), to investigate the potential for such a link in the future.

Action	Deadline	Who?	Potential funding sources
Respond to LLA consultations on airport expansion	End 2020	SBC – Planning, HCC	None
Consideration of Luton – Stevenage rail link	2031	LLA, SBC, NHDC, HCC, LBC	Unknown

## 9. Looking into the Future

- 6.1 Technological change in transport is moving at an ever increasing rate, and beyond the Local Plan period (post 2031), it is difficult to imagine potentially revolutionary changes in transport modes and functions. Whilst the National Transport Model predicts that car miles will continue to grow, certain academic research suggests that the average number of miles driven by car per person per year has reached a peak ('peak car'), and will remain static in the future or begin to decline.
- 6.2 With big investments being by many high tech players in the communications and transport industries particularly, it is nearly impossible to consider to the technologies that might need to be accommodated in the future.
- 6.3 Whilst it is not appropriate to attempt to prepare an Action Plan for post 2031, it is possible to suggest some longer term directions for transport policy which the Council might seek to maintain progress towards to achieve sustainable transport outcomes. Potential directions for policy may take account of a number of technological advances and institutional responses to issues such as major congestion, air pollution, climate change and so on.



### Electric and autonomous vehicles

- 6.4 With the continuation of the transfer of automotive power to electricity as opposed to fossil fuels, it is likely that public infrastructure provision for electric vehicles will need to make a step change in the future. Will all vehicles eventually become electric? All modes will be affected, including cars, public transport, commercial vehicles, bikes and pedestrian assistance such as skateboards and scooters.
- 6.5 Trials of autonomous vehicles are underway across the globe. Opportunities for major change will arise through the increased use of automated driver assistance, leading to completely driverless vehicles eventually becoming common place. This may permit more efficient use of existing infrastructure, especially road space. Fleets of driverless vehicles could enable considerable reductions in the numbers of cars in use, through car sharing opportunities and reduced congestion offering journey time efficiencies. However, it could also result in more users

taking to the roads, due to opportunities to make use of private cars opening up to those who currently don't drive (particularly the elderly and younger population).

### **Technological advances**

- 6.6 Another element in this changing scene relates to technological advances, which will enable many of the new developments to take place. The Borough Council and its partners will need to keep abreast of these innovations to make the best use of resources. Technologies such as 3D printing, the 'Internet of Things' and Blockchain advances, for example, may offer unforeseen opportunities to increase convenience, reduce resource use and improve environmental conditions.
- 6.7 Delivery companies are already investigating the use of drones and robots for homes deliveries, with the world's first commercial offering of autonomous package delivery on the ground recently being launched in Milton Keynes. These technologies are predicated to become more widespread.

### **Public transport advances**

- 6.8 As well as the technologies relating to vehicles themselves, public transport is set to change as customers become more able to tailor their requirements to the more responsive transport which will be available. Demand Responsive Transit, using portable apps like Citymapper, may not need timetables and be able to seek passengers and respond more directly to their needs.
- 6.9 New technologies could also enable public transport to become faster and more convenient than other modes. Superfast trains could become reality in the future. The previously tested Hyperloop uses a combination of technologies to enable passengers and/or freight to travel at velocities approaching the speed of sound.

### **A non-transport future?**

- 6.10 Improved communications technologies are already offering opportunities to reduce the need to travel altogether. Increasingly workplaces are making use of virtual communications such as Skype and videoconferencing in place of physical meetings, offering cost and time savings. This trend is expected to increase as technologies improve and progress. Reductions in peak hour travel may arise from more working from home and flexible working hours.

- 6.11 The emphasis for travel may well move away from work towards recreation and leisure activities which will have a major impact on the use of networks and modes.
- 6.12 Stevenage is particularly well placed to benefit from such innovation; both by virtue of its physical form as well as the presence of high end technology establishments which may be involved in research and development in new modes, propulsion fuels, guidance systems and so on. Future transport strategies will be concerned with a vastly different context in which Stevenage should aim to contribute to pioneering new solutions for as yet unknowable travel requirements.
- 6.13 All of these potential changes will have impacts on the way people and things connect and are moved around. As these technologies continue to develop, steps will need to be taken to ensure infrastructure is designed with future use in mind.

## 10. Implementation and Delivery

### Implementation

- 6.14 This is a strategy document, which contains the Council's aspirations to achieve an integrated, efficient transport network for Stevenage. Detailed estimates of costs, benefits, and time-scales for projects are presented in the Council's Infrastructure Delivery Plan (IDP).
- 6.15 There will be several sources of funding for the projects and plans included in this strategy and while some projects have identified funding, many are the subject to future budget decisions.
- 6.16 The Borough Council will seek to use its own resources to maximise the benefits that projects can deliver against the objectives of this Strategy including acting in partnership with other stakeholders.
- 6.17 The Council will use this strategy to negotiate with partners at HCC and elsewhere on budget prioritisation.
- 6.18 The Council is currently taking steps towards the adoption of a Community Infrastructure Levy (CIL) charging schedule which will secure a new funding stream for new infrastructure associated with new development. CIL is expected to be implemented in 2019, and will capture money from developments granted planning consent after this date.
- 6.19 Whilst the majority of CIL income can be used to deliver any infrastructure schemes across the town, 15% of CIL revenue is required to be spent within the area in which development takes place. This will potentially be allocated through the Community Neighbourhood Management (CNM) programme, as this identifies local improvements rather than those which are more strategic in scale.

### Delivery

- 6.20 As noted previously, the Borough Council is not the sole provider of local transport projects. Hertfordshire County Council is the Highway Authority, and has been involved in the preparation of this Strategy. The County Council, alongside other stakeholders such as Network Rail, public transport operators and Highways England, will be crucial to delivering on the objectives of this Strategy.
- 6.21 Parts of the growth areas on the edge of Stevenage lie in East Herts and North

Herts District Councils. Stevenage Borough Council is working closely with our cross-boundary neighbours to ensure that the extensions to Stevenage have sustainable transport connections that will serve both future new residents and also benefit existing Stevenage residents.

- 6.22 Network Rail has overall responsibility for ensuring that the rail network is maintained, while the operation of services is the responsibility of the local franchisee. The Council will work with both of these bodies to ensure the best possible services are delivered, and the council's aspirations for an enhanced network and station facility are delivered.
- 6.23 Highways England has responsibility for maintaining and improving the strategic road network. This consists of the A1(M) through Stevenage, but it is recognised that other changes to the network could impact on Stevenage.
- 6.24 Luton Airport Ltd owns and operates Luton Airport, and the Council will be making representations about how the impacts of expansion there will impact on Stevenage. The Council will aim to secure the most beneficial outcome for Stevenage in terms of noise and other environmental impacts, transport benefits, and economic growth benefits.

## **7 Monitoring and Review**

7.1 Monitoring is important to record what has been delivered and whether the aims of each strategy are being delivered, to inform what changes and new projects may be required in the future. It is intended that this document will be updated annually to take into account updates to projects. Informing any changes to this document will be a monitoring report containing an overview of what has changed in the previous 12 months. In addition to reporting on the progress of transport projects and strategies, the following existing Annual Monitoring Report (AMR) indicators will also be used:

1. To reduce the distance travelled to work
2. To increase the use of passenger transport
3. For 100% of residential completions to be within a 30 minute walk of key services
4. For all major applications to include a Travel Plan

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