



EXECUTIVE

Date: Wednesday, 10 July 2019

Time: 2.00pm

Location: Shimkent Room, Daneshill House, Danestrete

Contact: Ian Gourlay (01438) 242703

Members: Councillors: S Taylor OBE, CC (Chair), Mrs J Lloyd (Vice-Chair), L Briscoe, R Broom, J Gardner, R Henry, J Hollywell and J Thomas.

AGENDA

PART 1

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

2. MINUTES - 12 JUNE 2019

To approve as a correct record the Minutes of the meeting of the Executive held on 12 June 2019 for signature by the Chair.

Page Nos. 5 - 10

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 – 4 June 2019
Overview & Scrutiny Committee – 19 June 2019

Page Nos. 11 - 20

4. 4TH QUARTER REVENUE MONITORING REPORT 2018/19 - GENERAL FUND AND HOUSING REVENUE ACCOUNT

To consider the outturn Revenue positions on the General Fund and Housing Revenue Account 2018/19.

Page Nos. 21 - 38

5. 4TH QUARTER CAPITAL MONITORING REPORT 2018/19 - GENERAL FUND AND HOUSING REVENUE ACCOUNT

To consider the outturn Capital positions on the General Fund and Housing Revenue Account 2018/19.

Page Nos. 39 - 64

6. GAMBLING ACT 2005 - REVIEW OF STATEMENT OF PRINCIPLES

To consider the Council's draft Statement of Principles, as required under the Gambling Act 2005.

Page Nos. 65 - 126

7. COMMUNITY INFRASTRUCTURE LEVY (CIL)

To consider the key outcomes of the consultations on the Community Infrastructure Levy (CIL) and to seek approval to submit the Draft Charging Schedule (DCS) for independent examination.

Page Nos. 127 - 160

8. 2018/19 ANNUAL REPORT AND PERFORMANCE OVERVIEW

To consider the Council's draft Annual Report 201/19 and the Council's performance across a number of key themes and priorities during 2018/19.

Page Nos. 161 - 210

9. PROCUREMENT OF A PRINCIPAL CONTRACTOR AT SYMONDS GREEN

To seek delegated authority for the procurement of a principal contractor for the development site at 145 Scarborough Avenue, also known as the Symonds Green Scheme.

Page Nos. 211 - 216

10. URGENT PART I BUSINESS

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

11. EXCLUSION OF PRESS AND PUBLIC

To consider the following motions –

1. That under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as described in paragraphs 1 – 7 of Part 1 of Schedule 12A of the Act as amended by Local Government (Access to Information) (Variation) Order 2006.

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

12. PART II MINUTES - EXECUTIVE - 12 JUNE 2019

To approve as a correct record the Part II section of the Minutes of the meeting of the Executive held on 12 June 2019.

Page Nos 217 - 220

13. PROCUREMENT OF A PRINCIPAL CONTRACTOR AT NORTH ROAD

To seek delegated authority for the procurement of a principal contractor for the development site at 12 North Road, also known as the North Road Scheme.

Page Nos 221 - 230

14. PROCUREMENT APPROACH TO THE REGENERATION SCHEME AT KENILWORTH CLOSE

To seek approval to the procurement approach for the regeneration scheme at Kenilworth Close.

Pages 231 - 262

15. 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, 10 July 2019 – <http://www.stevenage.gov.uk/have-your-say/council-meetings/161153/>

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STEVENAGE BOROUGH COUNCIL

EXECUTIVE MINUTES

Date: Wednesday, 12 June 2019

Time: 2.00pm

Place: Shimkent Room, Daneshill House, Danestrete

Present: Councillors: Sharon Taylor OBE CC (Chair) (Chair), Mrs Joan Lloyd, Lloyd Briscoe, Rob Broom, John Gardner, Jackie Hollywell and Jeannette Thomas

Start / End Time: Start Time: 2.00pm
End Time: 3.55pm

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

Apologies for absence were received from Councillor Richard Henry.

There were no declarations of interest.

2 **MINUTES - 14 MAY 2019**

It was **RESOLVED** that the Minutes of the meeting of the Executive held on 14 May 2019 be approved as a correct record for signature by the Chair.

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

In relation to the Minutes of the Community Select Committee meeting held on 26 March 2019, the Members present at the meeting should include Councillor Jackie Hollywell, Portfolio Holder for Communities, Community Safety and Equalities.

In respect of the Minutes of the Community Select Committee meeting held on 1 April 2019, the Executive Leader asked for clarification regarding the numbers of rough sleepers reported in the Town as the figures referred to in the minutes did not appear to be correct. Officers agreed to look into the matter and advise Members and the Chair of the Select Committee of the correct information and a modification to the minutes to be made if appropriate.

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

Environment & Economy Select Committee – 28 February 2019

Environment & Economy Select Committee – 13 March 2019

Overview & Scrutiny Committee – 18 March 2019

Community Select Committee – 26 March 2019

Community Select Committee – 1 April 2019

Overview & Scrutiny Committee – 30 April 2019

4 **APPOINTMENT OF COMMITTEES OF THE EXECUTIVE**

The Executive considered a report recommending the establishment of Executive Committees and other bodies of the Executive with delegated powers and the appointment of members and chairs/lead members for each.

It was **RESOLVED**:

- (i) That the following Executive Bodies be established with the terms of reference as set out in Section 3 of the Report and membership as set out below:

Appeals, Grievances and Litigation Committee – Councillor Mrs J Lloyd (Chairman), Councillors John Gardner, Sharon Taylor and Jeannette Thomas;

Housing Development and Regeneration Committee – Councillor Sharon Taylor (Chair), Councillors Rob Broom, John Gardner, Mrs Joan Lloyd and Jeannette Thomas;

Stevenage and East Herts. Joint Executive Revenues and Benefits Shared Service Committee – Councillor Mrs Joan Lloyd (Chairman when appropriate), Councillors Lloyd Briscoe, Jeannette Thomas and Jackie Hollywell (substitute).

- (ii) That the terms of reference as set out in the report and membership of the Stevenage, North Herts, East Herts and Hertsmere Joint CCTV Committee as agreed by the Leader and set out below be noted:

Councillor Jackie Hollywell (SBC Lead), Councillors Mrs Joan Lloyd and Richard Henry.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

5 **DECENT HOMES REFURBISHMENT CONTRACT PROCUREMENT OPTIONS APPRAISAL (INVESTMENT)**

The Executive considered a report seeking approval to commence procurement of a Decent Homes Internal Works Contract as the current contract was due to end in December 2019.

Officers advised that consideration had been given to alternative approaches to packaging the works including whether more than one contractor should be engaged.

The following matters were discussed:

- The advantages and disadvantages of appointing a single contractor to

undertake the works. It was agreed that the appointment of more than one contractor would provide some mitigation for failure;

- Consideration of the potential to include external decent homes works into the contract;
- The importance of fitting carbon monoxide detectors as part of the refurbishment of Council stock;
- The possibility of bringing forward the insourcing of the contract to a period of less than 3 years and the approach to ensure the Repairs and Voids Team were adequately resourced to achieve this.

It was **RESOLVED:**

- (i) That approval be given for officers to procure a contract to conduct essential refurbishment work to various HRA properties as identified in the Asset Management Strategy.
- (ii) That contractors be appointed to undertake the works for reasons as set out in section 4.1 of this report.
- (iii) That the contract, including external decent homes works be offered to market at an estimated contract value of £3.5m per annum for a term of three years, with the option to extend the term by an additional three years.
- (iv) That where necessary the fitting of carbon monoxide detectors as part of the refurbishment works be included in the contracts;
- (v) That the price and quality aspects of the tender are evaluated based on a ratio of 40/60 (price/quality).
- (vi) That the procurement route is through a restricted process for reasons set out in section 4.4 of this report
- (vii) That the Strategic Director be given delegated authority to award and finalise the terms of the contract with the winning bidder(s) after officer evaluation of tenders received and having consulted the Portfolio Holder – Housing, Health and Older People.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

6 **HERTFORDSHIRE HOME IMPROVEMENT AGENCY - 12 MONTH REVIEW**

The Executive considered a report providing information on the first year operation of the Hertfordshire Home Improvement Agency (HHIA).

The following matters were raised:

- It was recognised that the performance of the contract with HHIA had been affected due to a number of reasons including dependency on temporary staff and variation in consistency and speed of delivery, however it was felt that the

Council should remain a member of the HHIA to give an opportunity for new arrangements to bed in;

- A recovery plan had been put in place with the aim of improving productivity;
- The potential for the Repairs and Voids Team to bid for HHIA work should also be considered;
- As significant changes had been put in place to improve effectiveness, a further report should be provided to the Executive Leader and Portfolio Holder in six months time to ensure progress was being made.

It was **RESOLVED**:

- i. That the performance of the HHIA over the last 12 months and the Recovery Plan now in place be noted.
- ii. That the Council's continued participation in the HHIA be endorsed.
- iii. That the Executive Member for Communities, Community Safety and Equalities be requested to raise the issues outlined above at the Health and Wellbeing Board;
- iv. That a further review report be brought to Executive in May 2020.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

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 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.

9 **STEVENAGE BUS INTERCHANGE**

The Executive considered a Part II report updating Members on the project to provide a new bus interchange for Stevenage and seeking approval of the process for constructing the facility ahead of the SG1 proposals.

It was **RESOLVED** that subject to a minor amendment to recommendation (ii), the

recommendations contained in the report be approved.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

10 **TOWN CENTRE REGENERATION - THE TOWN SQUARE AND NORTH BLOCK**

Executive considered a progress update on the Town Square North Block development and Town Square public realm proposals and seeking delegated authority to enter into contracts for construction/further design work.

It was **RESOLVED** that the recommendations contained in the report be approved.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

11 **URGENT PART II BUSINESS**

None.

CHAIR

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STEVENAGE BOROUGH COUNCIL

COMMUNITY SELECT COMMITTEE MINUTES

Date: Tuesday, 4 June 2019

Time: 6.00pm

Place: Shimkent Room, Daneshill House, Danestrete

Present: Councillors: Sarah Mead (Chair), Margaret Notley (Vice Chair), Adrian Brown, Teresa Callaghan, Alex Farquharson, John Mead, Claire Parris and Loraine Rossati

Start / End Time: Start Time: 6.00pm
End Time: 7.10pm

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

Apologies for lateness were received from Cllr A Brown.

There were no declarations of interest.

2 **MINUTES - 26 MARCH 2019**

It was **RESOLVED** that Minutes of the Community Select Committee meeting held on 26 March 2019 are approved as a correct record for signature by the Chair.

3 **MINUTES - 1 APRIL 2019**

It was **RESOLVED** that Minutes of the Community Select Committee meeting held on 1 April 2019 are approved as a correct record for signature by the Chair.

4 **TERMS OF REFERENCE**

It was **RESOLVED** that the Terms of Reference are noted.

5 **COMMUNITY SELECT COMMITTEE WORK PROGRAMME AND MEETING SCHEDULE 2019-20**

The Committee considered the Work Programme and meeting schedule for the Community Select Committee (CSC) for 2019-20. The Scrutiny Officer informed Members that the High/Medium/Low rating was a measure of the issue's importance on the CSC work schedule.

Sports and Leisure across the Town – The Committee agreed that this review should be pursued. Members indicated that the review should consider the following:

- Current sports and leisure offer in Stevenage
- Publicity on the SBC website and other platforms

- The health, sports and leisure link
- Stevenage Leisure Limited

The Assistant Director (Communities and Neighbourhoods) informed the Committee that the SLL contract was due for renewal in 2023. Preparations for contract negotiations would start at the beginning of the 2020/21 Municipal year. It was noted that there was likely to be a crossover of the CSC's review of Fairlands Valley sports and leisure offer including the sailing centre and the Environment and Economy review on parks in Stevenage.

Neighbourhood Wardens – Members noted that the review would provide clarity on the job description and working arrangements of Neighbourhood Wardens. It was agreed that the review would be particularly important in view of the proposed area-based working model. Following discussions, Members agreed that due to time and logistics constraints it would not be feasible to include community centres in the scope of this review.

Statutory Item – Crime & Disorder Committee – The Committee noted that this meeting gave Members the opportunity to receive updates on community safety issues.

Standing Item – Public Health – The Chair commended the support provided by the Hertfordshire County Council (HCC) Director of Public Health (Jim McManus) and the HCC Health Scrutiny Committee Member (Cllr Maureen McKay).

Monitoring of Previous Recommendations/Actions

Update on Cultural Strategy – Members were advised that the update would cover Stevenage Museum, Gordon Craig Theatre and a general update on the Cultural Strategy.

Policy Development – Portfolio Holder Advisory Group (PHAG) Meetings – It was confirmed that PHAG meetings on the Homelessness & Rough Sleepers Strategy and Older Persons Strategy would be held on 11 July 2019. The other PHAG topics were Damp & Condensation Policy and Aids and Adaptations Policy, Housing Service Charge Review, Rent Policy, Community Centre Review, Tenancy Strategy and Customer Strategy. Members were advised that they would be notified as soon as dates for these Portfolio Holder Advisory Group meetings were confirmed.

The Scrutiny Officer indicated to the Committee that any unscheduled potential review topics would be added to the Work Programme if suitable dates were available. Cllr T Callaghan took advice on a potential interest in the Portfolio Holder Advisory Group meeting on Homelessness and Rough Sleeper Strategy.

It was **RESOLVED**:

1. That the main review items, one off meetings, statutory and standing items, review revisits and policy development items on the 2019-20 Work Programme are noted

2. That the Meeting Schedule for 2019-20 is noted
3. That SBC officers and representatives of Stevenage Leisure Limited (SLL) prepare a submission for the Committee
4. That the objective of the update on Cultural Strategy be changed to “...Review, understand and comment on choice and style of live entertainment at the Gordon Craig Theatre”
5. That a copy of the last Damp and Mould Review be circulated to Members prior to the Damp & Condensation Policy and Aids and Adaptations Portfolio Holder Advisory Group meeting

6 **DRAFT SCOPING DOCUMENT - SPORTS & LEISURE ACROSS THE TOWN**

The Committee considered the Draft Scoping Document for the review on Sports and Leisure across Stevenage. The Chair reminded Members to keep in mind the focus of the review. The Committee noted that the proximity of the Gordon Craig Theatre to the Stevenage railway station could be used to attract visitors to the town’s sports and leisure events.

Focus of the review – Members identified the following items for consideration in the focus of the review:

- To check if the Council’s website can be updated to include links to public and private providers of sports and leisure facilities and services
- To get a better understanding of booking arrangements for events at the Gordon Craig Theatre
- To determine the split of Stevenage versus non-Stevenage clientele at Stevenage sports and leisure facilities and events
- To assess the affordability of Stevenage sports and leisure facilities and events
- To make a comparison of Stevenage sports and leisure against offers in other similar-sized local authorities
- To ensure that event organisers use a diverse range of publicity methods including the traditional leaflets and posters and also social media platforms

Timing issues – Members were informed that review dates, times and venues of review meetings were subject to change

Any other witnesses – The Assistant Director announced that Stevenage Youth Council had recently started debating topics that were on the agenda of some SBC Council committees. It was indicated that the Youth Council would provide feedback to the Committee after their debate on sports and leisure across Stevenage. Members suggested that the following be added to the list of external witnesses:

- Officers/Members from Luton Borough Council and/or Milton Keynes Council
- John O’Callaghan (Herts Sports Partnership Board Member) – provide insight on the County context

- Allan Prescott – Stevenage Leisure Limited (SLL)
- Any other member of the SLL Management team

Background Documents/Data – The Assistant Director (Communities and Neighbourhoods) indicated that attendance figures for events at the Gordon Craig Theatre would be included in the scheduled SLL presentation to the Committee. It was pointed out that membership details from sports and leisure providers and registers for events such as parkrun could be a source of information on the catchment area for sports and leisure clients if those providers were prepared to share anonymised data. It was noted that such information could be used subject to data protection limitations. Members requested the following background documents:

- Budgets for SBC sports and leisure facilities
- Subsidy per visit

It was **RESOLVED**:

1. That the Draft Scoping Document is noted
2. That the Assistant Director (Communities and Neighbourhoods) liaises with SLL management and the Scrutiny Officer regarding review interviews
3. That Members liaise with the Assistant Director (Communities and Neighbourhoods) regarding visits to Stevenage sports and leisure facilities
4. That Members provide to the Committee sports and leisure leaflets from other local authorities
5. That Members research topics as indicated below:
 - Affordability and barriers – Cllrs C Parris and L Rossati
 - Access – Cllr T Callaghan and S Mead
 - Local take up – Cllr S Mead
 - Websites and online sports and leisure advertisements – Cllr J Mead
 - Older Persons – Cllr M Notley
 - Any other topics/Reserves – Cllrs A Brown and A Farquharson

7 URGENT PART 1 BUSINESS

None.

8 EXCLUSION OF PUBLIC AND PRESS

Not required.

9 **URGENT PART II BUSINESS**

None.

CHAIR

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STEVENAGE BOROUGH COUNCIL
OVERVIEW AND SCRUTINY COMMITTEE
MINUTES

Date: Wednesday, 19 June 2019

Time: 6.00pm

Place: Shimkent Room, Daneshill House, Danestrete

Present: Councillors: Lin Martin-Haugh (Chair) (Chair), (Vice Chair), Sandra Barr, Jim Brown, Michael Downing, John Mead, Sarah Mead, Adam Mitchell CC, Robin Parker CC and Claire Parris

Start / End Start Time: 6.00pm
Time: End Time: 7.34pm

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors P Bibby, L Chester, M Gardner and A McGuinness.

Councillor M Downing declared a personal interest in item 10 as he was Chair of the Bus Users Group who had been consulted regarding the Stevenage Bus Interchange.

2. MINUTES - 16 MAY 2019

It was **RESOLVED** that minutes of the meeting of the Committee held on 16 May 2019 are approved as a correct record for signature by the Chair.

3. TERMS OF REFERENCE

It was **RESOLVED** that the Terms of Reference for the Committee are noted.

4. PART I DECISIONS OF THE EXECUTIVE

The Committee considered the decisions on the following matters arising from the Executive held on 12 June 2019.

Minutes of the Executive – 14 May 2019

Minutes of the Overview & Scrutiny and Select Committees

The Executive had sought clarification regarding the number of rough sleepers in the Town. It was requested that these details also be circulated to Members of the Overview & Scrutiny Committee.

Appointment of Committees of the Executive

Decent Homes Refurbishment Contract Procurement Options Appraisal (Investment)

The Project Manager (Housing & Investment) answered members' questions on the report considered by the Executive.

It was noted that fencing was not included as part of these contracts and at Members' request the Assistant Director (Finance & Estates) undertook to follow up the issues of delays with fencing repairs.

Hertfordshire Home improvement Agency (HHIA) – 12 Month Review

The Committee was concerned that, given the performance issues referred to in the report, the Executive's decision to endorse the continued participation in the HHIA had no caveats regarding outcomes from the recovery plan.

The Assistant Director (Finance & Estates) explained the issues that the HHIA had faced in its first year and it was anticipated that there would be improvement given the Action Plan that was now in place. She explained that the Leader and Executive Portfolio Holder would be receiving a further report in six months' time to ensure that progress was being made. The Committee was of the view that the Executive's decision to endorse the Council's continued participation in the HHIA should be subject to the report in December showing evidence of satisfactory improvement.

In response to Members' requests the Assistant Director (Finance & Estates) agreed to circulate information on the performance of those Hertfordshire districts who were not a member of the HHIA.

It was **RESOLVED** that the following decisions of the Executive are noted –

Minutes of the Executive – 14 May 2019

Minutes of the Overview & Scrutiny and Select Committees

Appointment of Committees of the Executive

Decent Homes Refurbishment Contract Procurement Options Appraisal (Investment)

Hertfordshire Home improvement Agency – 12 Month Review

5. WORK PROGRAMME 2019/20

The Committee received an update on its 2019/20 Workplan.

The Scrutiny Officer indicated that the Committee's work on Complaints and Feedback Handling was likely to need two meetings.

He further explained that the Committee's review of the Council's Scrutiny Function would be very much directed by the recent Government Guidance on Scrutiny. He was to attend a symposium at the Centre for Public Scrutiny the following day and would bring a paper to a future meeting on the Guidance.

Regarding the Portfolio Holder Advisory Group to be held on 23 July, individual Members expressed the view that the quoted workload for that meeting would be too

much. The Scrutiny Officer indicated that he would liaise with the Portfolio Holder.

It was **RESOLVED** that the Workplan is noted.

6. EXECUTIVE MEMBER RESPONSE TO REVIEW OF SBC SICKNESS MANAGEMENT

The Committee received the Executive Member's response to the review of the Council's sickness management.

Where the Executive Portfolio Holder had not agreed any of the recommendations of the Committee, in whole or part, the Senior Human Resources Manager explained the reasoning for this.

It was **RESOLVED** that the Executive Portfolio Holder's response to the Committee's review of the Council's sickness management is noted.

7. URGENT PART 1 DECISIONS AUTHORISED BY THE CHAIR OF OVERVIEW AND SCRUTINY COMMITTEE

None

8. URGENT PART I BUSINESS

None

9. 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 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.

10. PART II DECISIONS OF THE EXECUTIVE

The Committee considered the Part II decisions on the following matters arising from the Executive held on 12 June 2019.

Councillor M Downing declared a personal interest in item 10 as he was Chair of the Bus Users Group who had been consulted regarding the Stevenage Bus Interchange.

Stevenage Bus Interchange

Town Centre Regeneration – The Town Square and North Block

It was **RESOLVED** that the Part II decisions of the Executive held on 12 June 2019 are noted.

11. URGENT PART II BUSINESS

None.

CHAIR

Meeting: EXECUTIVE
Portfolio Area: Resources
Date: 10 JULY 2019



4th QUARTER MONITORING REPORT GENERAL FUND AND HOUSING REVENUE ACCOUNT

KEY DECISION

Author – Katia Cousins Ext No. 2430
Lead Officer – Clare Fletcher Ext No. 2933
Contact Officer – Clare Fletcher Ext No. 2933

1. PURPOSE

- 1.1 To update Members on the 2018/19 outturn positions for the General Fund and Housing Revenue Account (HRA) and to seek approval for revisions to 2019/20 revenue budgets, subject to completion of the 2018/19 audit of accounts.
- 1.2 To update Members on the Council's reserves and balances available to support revenue expenditure.

2. RECOMMENDATIONS

2.1 General Fund

- 2.1.1 That the 2018/19 actual net expenditure on the General Fund of £9,263,688 be noted, subject to the 2018/19 audit of the Statement of Accounts.
- 2.1.2 That new carry forward requests totalling £591,770 be approved for the General Fund (paragraph 4.3.1).
- 2.1.3 That the ongoing pressure from 2019/20 of £15,800 on the General Fund be approved.
- 2.1.4 That the 2019/20 one year only saving of £26,790 on the General Fund be approved.

2.2 Housing Revenue Account

- 2.2.1 That the 2018/19 actual in year deficit on the HRA of £2,812,606 be noted, subject to the 2018/19 audit of the Statement of Accounts.
- 2.2.2 That new carry forward requests totalling £35,740 be approved for the HRA (paragraph 4.7.7).

2.2.3 That the ongoing saving of £30,730 on the HRA be approved, this will contribute towards the Council's Financial Security objectives for 2019/20.

3. BACKGROUND

3.1 The Accounts and Audit Regulations which contain provisions on financial management, annual accounts and audit procedures were amended with effect from 1 April 2015. The main change to the regulations is now in force with the requirement to publish the Statement of Accounts before the 31 May and complete the external audit report by the end of July. This statutory change to the Statement of Accounts has been successfully implemented and the Statement of Accounts was published on 31 May 2019.

3.2 Within the amended regulations there is still no requirement for Member approval of the Statement of Accounts prior to the completion of the external audit and only the Responsible Financial Officer must certify the presentation of the pre audit annual accounts, no later than the 30 June 2019 for financial year end of 31 March 2019.

3.3 The Council's external auditors have notified the Council that they are unable to meet the end of July deadline for completing of the audit. Consequently the 2018/19 audited accounts will be presented and approved by Members (Audit and Statement of Accounts Committee) on 26 September. The financial figures for the General Fund and HRA contained within this report are subject to external audit and may change.

3.4 This report sets out the 2018/19 financial position but this may change on completion of the 2018/19 audit of accounts.

3.5 General Fund

3.5.1 The Council's original 2018/19 General Fund net revenue budget of £9,107,740 was approved at Council on 28 February 2018. Subsequently Members have approved net budget increases of £874,870 (including carry forwards totalling £743,100) giving a 2018/19 working budget of £9,982,610.

3.6 Housing Revenue Account (HRA)

3.6.1 The Council's HRA revenue budget of £2,756,630 (deficit) was approved at Council 30 January 2018. Subsequently Members have approved budget decreases of £338,260 giving a 2018/19 working budget of £3,094,890 (deficit).

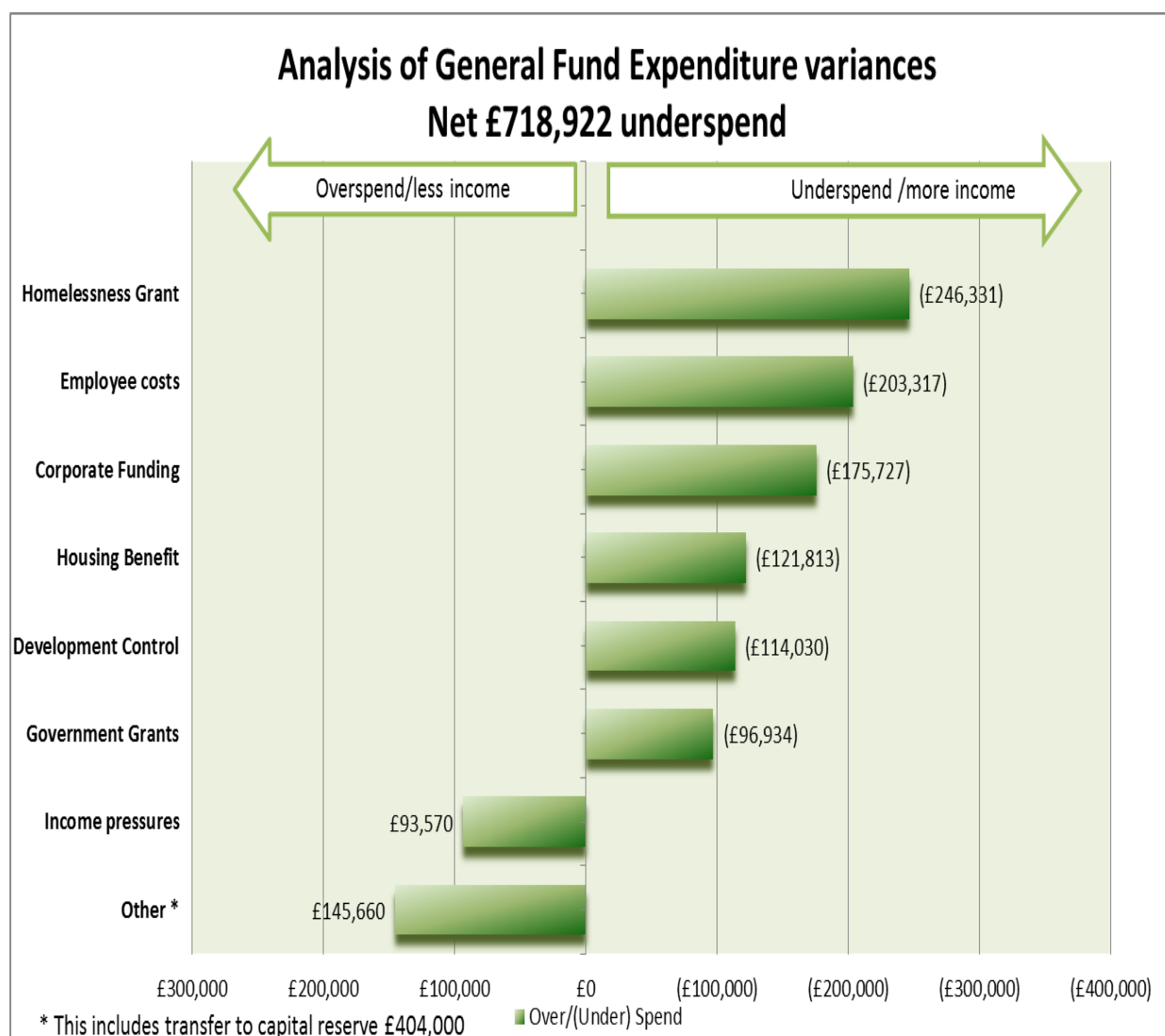
4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1 General Fund 2018/19 outturn

4.1.1 The 2018/19 outturn position on the General Fund was a net expenditure of £9,263,688. The overall reduction to the working budget before the transfer to the capital reserve was £1,122,922. The transfer to the capital reserve was £404,000 resulting in a net underspend of £718,922. However, included within this underspend figure are carry forward requests of £591,770 (see paragraph 4.3.1).

4.2 General Fund Underspends

The underlying underspend has been analysed by category and is shown in the following chart.



4.2.1 Homelessness Grants – underspend £246,331. The Council received homelessness support grant in 2018/19 of £290,221. These funds were applied in year to provide caseworker and coordination resources in order to tackle homelessness cases and provide interventions to prevent people from becoming homeless. This is the second year of grant funding in an anticipated three year programme and officers are requesting to carry forward £246,770 to fund the current programme of work over this and future years.

4.2.2 Employee Costs – underspend £203,317. The underspend on employee costs includes carry forward requests of £243,600, due to the timing of time limited and grant funded posts. The remaining underspend (before the pension lump sum pressure of £75,908) of £35,625 is a result of Business Units decisions to wait to fill some vacant posts until Business Unit Reviews have been completed. The

pension lump sum pressure of £75,908 is due to a switch in amount between the General Fund and the HRA and there is no overall impact to the Council.

4.2.3 Corporate Funding – underspend £175,727. These funds were to facilitate pump priming for Business Units during 2018/19. The unused balance has been returned to general balances.

4.2.4 Housing benefit – net underspend of £121,813. The underspend comprises of two main elements:

- The reduction in the debt provision of £21,799
- The remainder of £101,014 represents 0.3% of the 2018/19 DWP Grant of £30,587,583. 2018/19 saw reducing caseloads with an overall reduction of 410 cases from the start of the year (as seen in the table below). Whilst caseloads came down the level of post has increased and the overall complexity of cases has also increased.

HRA Rent Rebates - Caseload 2018/19												
	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
Rent Rebates	4096	4095	4089	4087	4078	4066	4041	4007	3895	3846	3796	3686
Monthly movement		(1)	(6)	(2)	(9)	(12)	(25)	(34)	(112)	(49)	(50)	(110)
Cumulative movement		(1)	(7)	(9)	(18)	(30)	(55)	(89)	(201)	(250)	(300)	(410)

4.2.5 Development Control – increased income £114,030. This relates to demand led Planning income and is in two areas

- Planning fees £68,628
- Pre application advice £45,405

As part of the Financial Security reviews currently under way for the 2020/21 budget setting process, officers will project achievable demand led income in this area.

4.2.6 Government Grants – increased income £96,934. This is grant income some of which was received late in the financial year or unused Grant Funding, and includes:

- Park Improvements Grant £18,910 of which £13,770 has been requested to carry forward
- Brownfields Grant - £12,793 of which £3,690 has been requested to carry forward
- Parliamentary Elections – additional income £47,747 is the remaining claimable expenditure from the Elections Claims Unit in respect of the UK Parliamentary Election held on 8 June 2017.

4.2.7 Income Pressures – less income £93,570. There are two income pressures included within this category:

- Investment Property Income - £46,960. The original budget for 2018/19 had a target of £200,000 net revenue contribution to Financial Security from the rent associated with Investment Properties. This was reduced to £75,000 (Executive 14th March in the Quarter 3 Revenue Monitoring Report). Currently Essex House is the only investment property owned by the Council and at Quarter 3 there was an assumption that another property could be purchased before the end of the financial year but this did not materialise. Officers are still actively pursuing commercial properties to invest in.

- Recovered Legal Fees - £46,610. Income from recovery of Council Tax court action was lower than forecast. The total amount received from summons costs for 2018/19 was £272,140 this is £46,200 lower than the earlier 3 years average. This is because fewer Liability Orders were issued (Liability Orders Issued - 2018/19 3,575 / 2017/18 3,841/ 2016/17 4,790). The reason why there are fewer orders is a result of a proactive approach to encouraging customers to pay on arrangement, including a new online Arrangement Manager Module. The Shared Revenues and Benefits Service will be promoting payment by direct debit during 2019/20 and officers will monitor this in conjunction with the potential to reduce the debt provision.

4.2.8 Non Domestic Rate (NDR)

There was an NDR net pressure £4,025 as shown in the following table.

NDR element	2018/19 £	2020/21 £
Levy	42,146	
Repayable to the Collection Fund		25,314
Additional S31 grant	(38,121)	
Total	4,025	25,314

The NDR variances have arisen due to timing differences for levy (recognised in 2018/19), and reduction of NDR income (recognised in 2020/21) following the final 2018/19 NDR outturn figures.

The NDR gross yield was £3,435,302 lower than the estimate mainly due to prior year adjustments and with reliefs have increased £577,006 (see following table). However, the actual NDR net income for 2018/19 was only £63,284 lower than estimated. The impact on Stevenage will be to repay £25,314. The additional **levy payment of £42,146** is paid in 2018/19, however due to the complexities of the business rate scheme the loss of £25,314 will not be repaid to the Collection Fund until 2020/21.

Following the announcement of new retail relief take up has been successful and more reliefs have been granted than estimated. SBC is reimbursed for these reliefs through the **S31 grant (£38,121)**.

	OR Estimate £	Rev Estimate January 2018	Actual £	Variance to Original Budget £
Gross Yield	(52,567,628)	(49,653,038)	(49,132,326)	3,435,302
Reliefs Mandatory/discretionary	5,080,817	5,458,711	5,657,823	577,006
Other S31 reliefs	51,659	47,031	52,224	565
Bad Debt	800,000	100,000	(195,937)	(995,937)
Cost of Collection	107,068	107,068	107,068	0
Appeals	2,820,000	232,144	(133,652)	(2,953,652)
Total NDR Net Surplus before distribution	(43,708,084)	(43,708,084)	(43,644,800)	63,284
SBC Share	(17,483,234)	(17,483,234)	(17,457,920)	25,314
Tariff (17/18 impact)	14,944,085	14,944,085	14,944,085	0
SBC Retained Share (19/20 impact)	(2,539,149)	(2,539,149)	(2,513,835)	25,314
S31 Grants (in the General Fund)	(686,220)	(686,220)	(724,341)	(38,121)
Baseline	2,474,490	2,474,490	2,474,490	0
Gains	(750,879)	(750,879)	(763,476)	(12,597)
Ley	303,713	303,713	345,859	42,146
SBC Retained Share	(2,921,656)	(2,921,656)	(2,892,317)	29,339

4.2.9 Other £145,660

- The bad debt provision has reduced by £73,529 is primarily due to a proactive approach being taken on debtor arrears.
- Members have approved an annual contribution from under spends of up to £500,000 to the General Fund Capital Reserve. Based on the 2018/19 underspend after carry forward requests, a contribution of £404,000 has been made to the Capital Reserve.
- Provisions no longer required have been returned to General Fund balances £116,572
- An adjustment required to the NDR Tariff is an underspend of £102,224. This was budgeted for in Core Resources, below the line but was accounted for in the net actual expenditure 2018/19.
- Other small variances, net pressure £33,985

4.3 General Fund carry-forward requests

4.3.1 Carry forward request of £591,770, and detailed in the table below, were identified at year end to fund projects that are due for completion in 2019/20.

Service Area	Reason for Carry Forward Request	Carry Forward to 2019/20
		£
Funding for temporary posts		
Children's Services	To fund interim safeguarding structure	12,170
Community Services	To fund a post to assist with the review of Community buildings	11,350
Community Safety	To help fund the No More Project and Domestic Abuse to March 2020	64,760
SDS	To fund the following posts - Digital Systems, Project Officer and assist with the Interim Logistic and Commercial Manager	99,430
Garages	To fund Garage Disposal Surveyor post	35,000
HR	To the Interim HR structure in 2019/20.	20,890
		243,600
Grant Funding		
Street Scene	Park Improvement Grant received late March 2019 to be used in 2019/20	13,770
Planning	Brownfield Register Grant to be used in 2019/20	3,690
Housing Options	Flexible Housing Support Grant - unused	246,770
		264,230
Other		
HR	To fund new Health and Safety software	11,630
Apprentices	To fund the final tranche of New Homes Bonus funded apprentices.	22,390
Customer Service Centre (CSC)	To provide a partial refurbishment of the CSC and to provide a workforce management system.	27,300
Digital Transformation	To fund membership of a new Business Portal to provide support, news and attract new investment for small and new businesses.	5,780
Business Improvement	To develop InPhase the Councils performance management tool.	16,840
		83,940
TOTAL (General Fund Carry Forward Requests)		591,770

4.4 2018/19 – General Fund Out-turn Position and Core resources

4.4.1 The 2018/19 net spend required a **contribution from balances of £671,056**. The impact of the 2018/19 outturn position versus budget is summarised as follows:

GENERAL FUND RESERVES:	2018/19 Original Budget £	2018/19 Working Budget £	2018/19 Actual £	Variance to Working £
General Fund Balance 1 April	(5,465,117)	(5,465,117)	(5,465,117)	0
Net Budget (incl S31 Grant & NDR levy)	9,107,740	9,982,610	9,263,688	(718,922)
Council Tax	(5,532,344)	(5,532,344)	(5,532,344)	0
Retained Business Rates	(2,235,436)	(2,539,149)	(2,539,149)	0
Government Support	(351,230)	(351,230)	(351,230)	0
Transfers to/from collection fund	(169,909)	(169,909)	(169,909)	
Total Core resources	(8,288,919)	(8,592,632)	(8,592,632)	0
Net Contribution from/ (to) balances	818,821	1,389,978	671,056	(718,922)
General Fund Balance 31 March	(4,646,296)	(4,075,139)	(4,794,061)	(718,922)

4.4.2 Core resources are based on estimates and remain unchanged for the year. Any projected changes in council tax and NDR are adjusted for in future years' accounts. However any levy due on the NDR surplus in year is accounted for in the actual year and is shown in the net cost of services.

4.4.3 **Collection Fund - Council Tax:** In setting the 2018/19 budget an estimate is made on expected income from council tax on forecasted property growth in Stevenage. The tax base is converted to Band D equivalents In setting the 2019/20 budget an SBC surplus of £55,621, for 2018/19, was estimated, the actual surplus was £50,062, a reduction of £5,559 that will be repaid in 2020/21. (**NDR** variances are explained in para 4.2.8)

4.5 General Fund 2019/20 Budget

4.5.1 The impact on the 2019/20 General Fund budget of the savings, pressures and carry forwards identified at year end is summarised in the table below and will be incorporated in the General Fund Medium Term Financial Strategy (MTFS) update reported to September 2019 Executive.

GENERAL FUND NET BUDGET:	2019/20 Budget £
Original Budget	8,802,520
Quarter 3 approved net changes	118,420
Quarter 3 carry forwards requests	80,000
Approved 2019/20 budget to date	9,000,940
Quarter 4 ongoing net changes	15,800
Quarter 4 in year change	(26,790)
Quarter 4 carry forwards requests	591,770
General Fund Working Budget	9,581,720

- 4.5.2 The net ongoing pressure on the General Fund £15,800 consist of:
- Income from third party organisations has slowly ceased due to licence restrictions of 25,000 tonnes per annum and the changes made for our waste to go through the Transfer Station instead of tipping in Watford £49,000 (reduction in income)

This is offset by:

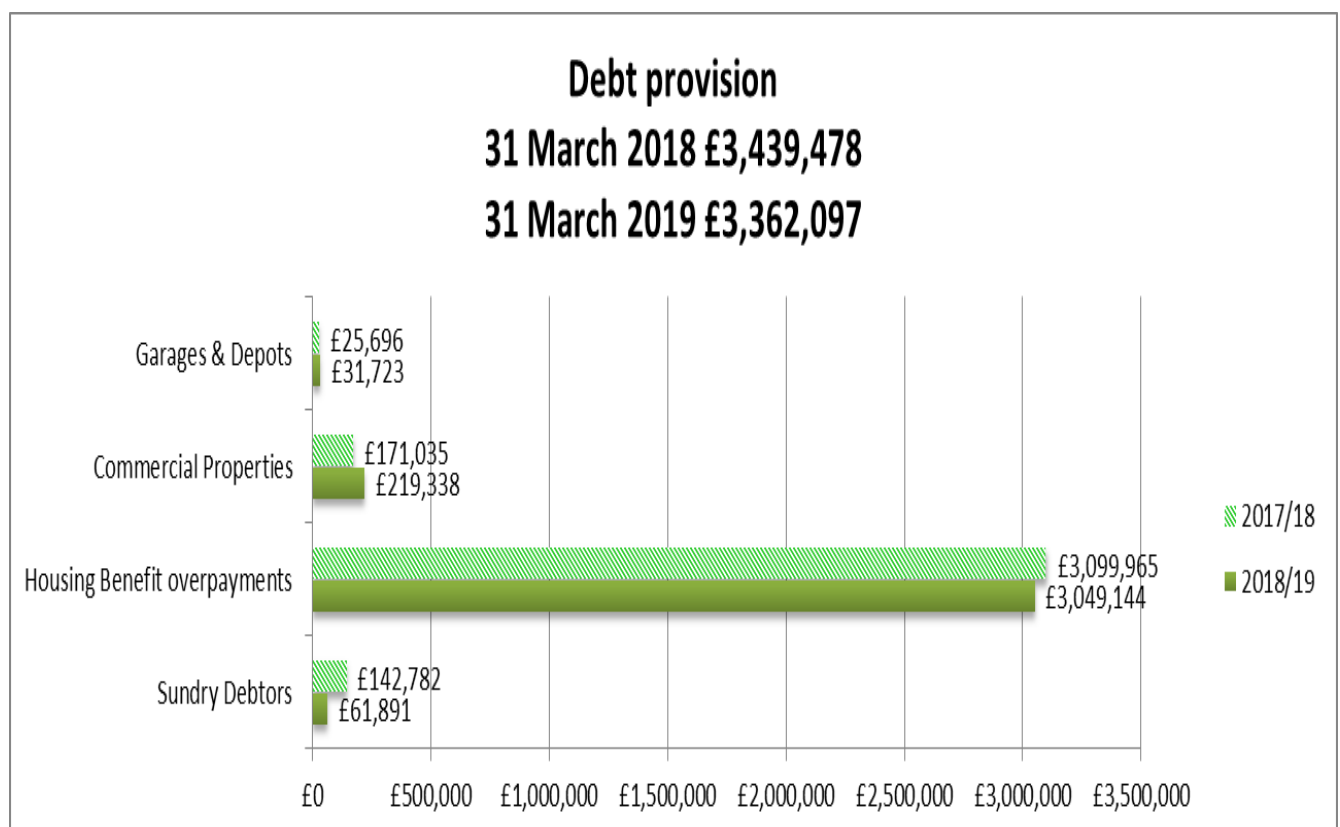
- Increase in cemetery income £9,000 saving
- Housing General Fund grants to voluntary organisations £15,000 saving
- Bank charge costs £5,000 saving
- Subscriptions £3,200 saving
- Training £1,000 saving

4.5.3 The one year only additional income from Commercial Property rent reviews £26,790 saving. As part of the Financial Security reviews currently under way for the 2020/21 budget setting process, officers will project achievable Commercial Property income.

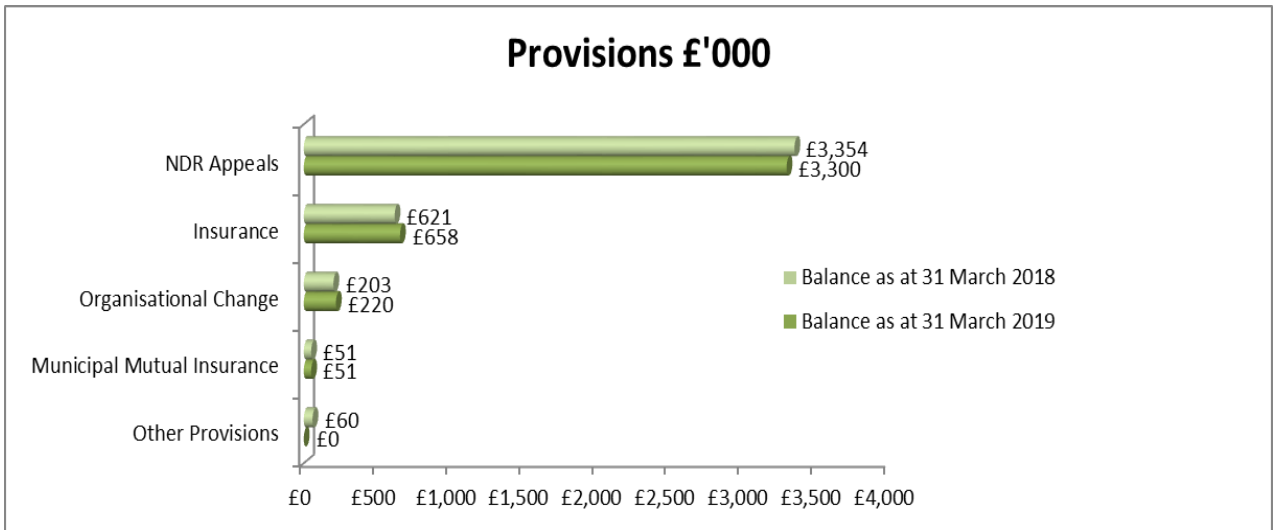
4.6 Balance Sheet 31 March 2019 year end Position

4.6.1 The Council's General Fund and HRA balance sheet is reviewed quarterly and reported annually in the Council's Statement of Accounts in its entirety. The following accounting adjustments were made to the balance sheet as at 31 March 2019.

4.6.2 **Bad Debt Provision** – The bad debt provision for the Council's debtors (excluding Council Tax and NDR) as at 31 March 2019 is £3,343,265. The specific bad debt provision for housing benefit overpayments accounts for most of this provision (91%), as detailed in the following chart.

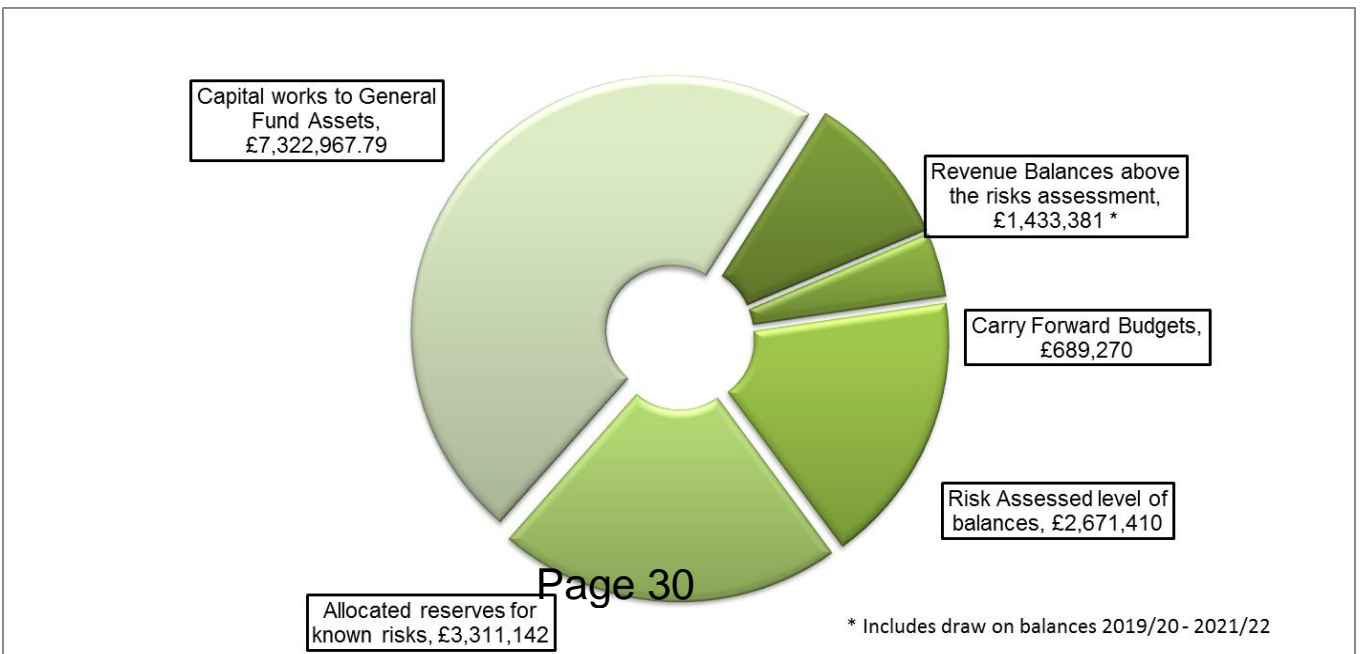


4.6.3 **Provisions** - As at the 31 March 2019 the Council's total provisions (funded from the General Fund and HRA) were £4.228Million and these are shown in the chart below.

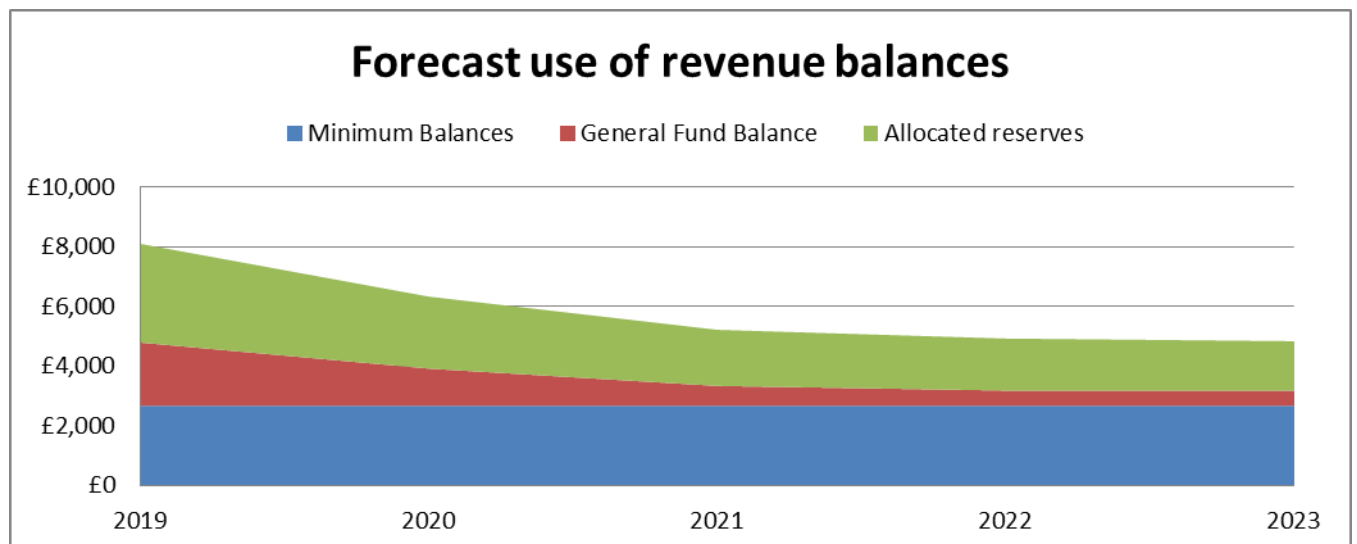


- NDR Appeals (SBC share only)** – This provision is to fund any successful business rate appeals approved by the Valuation Office Agency (VOA). If an appeal is successful the Council business rates. The total provision for NDR appeals as at 31 March 2019 is £8.2Million, which SBC holds for the Council, HCC and the government.
- Organisation Change-** This provision represents an assumption of costs associated as part of business unit reviews. Costs are due to be paid in 2019/20 as a result of consultation started in 2018/19. Actual costs were lower (due to redeployment and staff leavers) than estimated and £3,000 has been returned to balances.

4.6.4 **Usable reserves – General Fund** As at the 31 March 2019 the General Fund had **useable reserves of £15.428Million**, (£8.105Million for revenue purposes and £7,323Million for capital spend). The revenue balances include the year end General Fund balance of £4,794,061, and includes £689,270 of approved carry forward requests due to be spent in 2019/20 and £3.1Million ring fenced for regeneration projects. The following pie chart details the General Fund usable reserves.



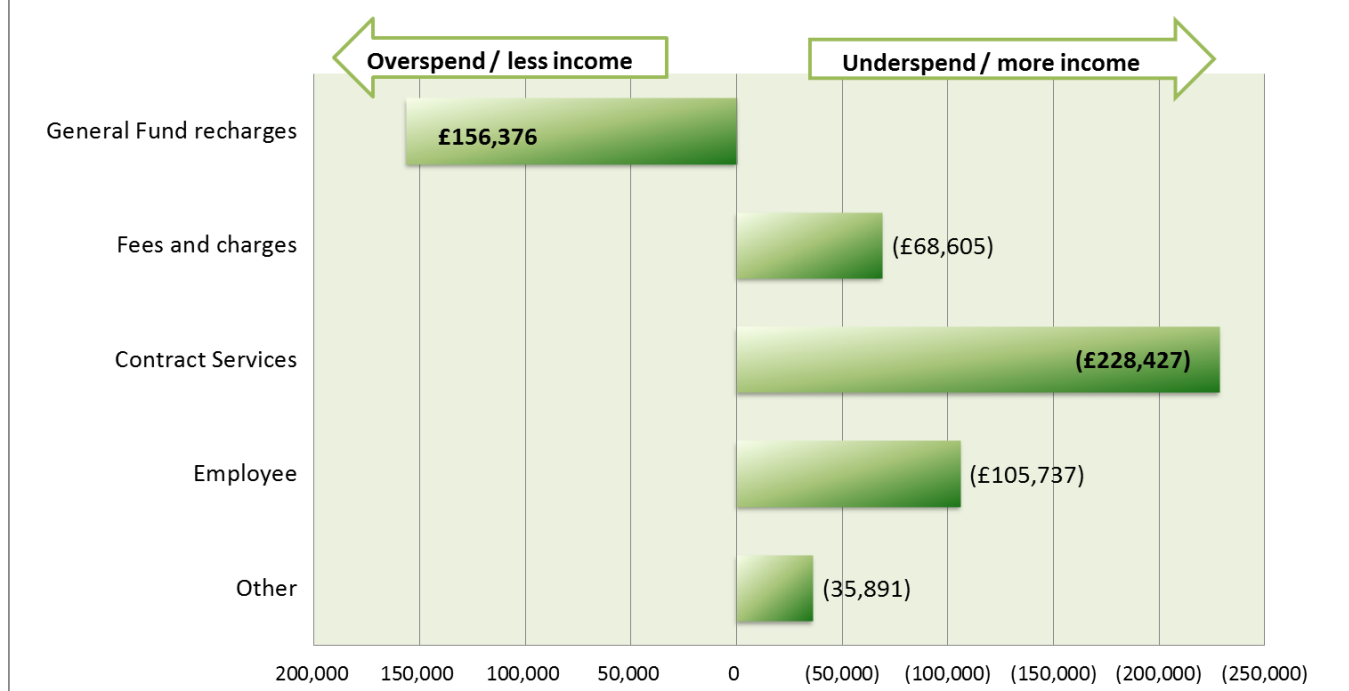
- 4.6.5 The Medium Term Financial Strategy (MTFS) identifies that there is a need to draw down on balances in the next few years and does not anticipate a contribution to balances until 2022/23. This is with a requirement to find ongoing Financial Security options.
- 4.6.6 The General Fund also has reserves it can use to fund works to assets such as buildings and plant (capital). This money cannot be spent on running services and the majority of the cash resources have been allocated to specific capital projects. As at 31 March 2019 the General Fund had capital resources of £7,322,968 all of which is estimated to be spent by 2020/21.
- 4.6.7 **Allocated Reserves** - Some balances are 'ring fenced' and have been set aside for specific purposes. The total value of (revenue) allocated reserves available for the Council to spend as at 31 March 2019 is **£3,311,142**, (31 March 2018, £2,849,582). Reserve balances have increased by £1,055,560, however the majority of the allocated reserves have already been allocated to regeneration projects and new build projects.
- 4.6.8 The General Fund also has a specific reserve for capital projects funded from unbudgeted underspends at year end (£594,000). The capital reserve is used to finance part the General Fund capital programme.
- 4.6.9 Below is the current projection showing how reserve balances will reduce as they are spent over the next four years:



4.7 Housing Revenue Account (HRA)

- 4.7.1 The 2018/19 outturn position on the HRA was an in year deficit of £2,812,606, a £282,284 decrease from the budgeted deficit of £3,094,890 shown in the current working budget. The main variances to the working budget are highlighted below.

Analysis of HRA variances - Net £282,284 underspend



4.7.2 **General Fund Recharges – overspend £156,376.** The recharges to the HRA from the General Fund have been subject to recalculation due to organisational restructures. Staff have moved between the funds the budgets and recharges have had to be adjusted throughout the year and the final position has led to a negative variance of £156,376. The largest variance of £104,986 relates to charges from the Property and Design team and is a result of more joint working on HRA projects during the year, as this area now falls under the Housing and Investment management team. The remaining balance of the overspend is made up of several positive and negative movements as the final recharges were recalculated to reflect the new staff structures.

4.7.3 **Fees and Charges – more income £68,605.** The majority of fees and charges were in line with the working budget. However, the Housing Development Team generated an additional £47,000 of fees for project work with Housing Associations. The variance occurred as this income stream is difficult to forecast due to the timing of scheme completions. There was also an additional £7,800 of income relating to RTB sales. This is an amount allowed per property sold to offset the administration costs of running the service and is dependent on the number of sales in the year. The rest of the difference was made up from several smaller variances to the budget.

4.7.4 **Contract Services – underspend £228,427.** This category covers the majority of the revenue maintenance costs of repairing properties and the largest underspends relate to these budgets.

- Responsive repairs were £132,175 less than budgeted, but this was on an annual budget of £2Million and is demand led.

- Rechargeable repairs were also lower than budgeted by £50,087 and relates directly to activity.
- Void repairs were also £64,765 lower than the budget due to the number of properties that became void in the year and the type of work needed to re-let them.
- The budget for fire alarm testing was higher than the working budget by £17,741 and this related to higher levels of activity and minor repairs in this area ahead of the Government's review on fire safety.

4.7.5 **Employee Costs – underspend £105,737.** The underspend on employee costs was due to vacant posts in the HRA over the expected vacancy allowance. Some of the vacancies related to staff structure reviews, where posts were left vacant pending the outcome of the process. The remaining vacancies were due to timing differences on recruitment between staff leaving and new recruits joining the Council.

4.7.6 **Other variances – net underspend £35,891.** There was a net total underspend of £35,891 on other small variances across the HRA account.

4.7.7 As part of Quarter 4 monitoring carry forwards of £35,740 were identified and listed below.

Service Area	Reason for Carry Forward Request	Carry Forward to 2019/20
Housing Revenue Account		£
Housing Development	Specialist consultants for the Kenilworth redevelopment required in 2019/20, due to the timing of the project	40,000
Housing Transformation Project	A reduction in the earlier request to reflect the outturn position and to complete the 3 year project	(2,260)
Flat Block Infestation	A one off budget of £50,000 was agreed to tackle infestation in one of the flat blocks. There are still outstanding items to be met on this budget head	10,000
Electrical Works Contract	A reduction in the Quarter 3 carry forward request to reflect work carried out in 2018/19	(37,000)
New Mortgage and Loan System	Project delayed due to contract negotiations. Due to be complete in 2019/20	25,000
TOTAL		35,740

4.7.8 In addition ongoing efficiency savings of £30,730 have been identified and will contribute towards the savings target required in the HRA business plan.

4.8 2018/19 – HRA Out-turn Position

4.8.1 The 2018/19 outturn position on the HRA included in this report and its impact on reserves are summarised in the table below.

HRA RESERVES	2018/19 Original Budget £	2018/19 Working Budget £	2018/19 Actual £	Variance to Working £
HRA Balance 1 April	(24,114,664)	(24,114,664)	(24,114,664)	
In Year (Surplus) / Deficit	2,756,630	3,094,890	2,812,606	(282,284)
HRA Balance 31 March	(21,358,034)	(21,019,774)	(21,302,058)	(282,284)

4.8.2 The impact on the 2019/20 HRA budget is shown in the table below:

HRA NET BUDGET:	2019/20 Budget £
Original Budget	9,076,320
Quarter 3 approved net changes	17,000
Quarter 3 carry forwards requests	507,470
Approved 2019/20 budget to date	9,600,790
Quarter 4 ongoing net changes	(30,730)
Quarter 4 carry forwards requests (para 4.7.7)	35,740
HRA Working Budget	9,605,800

4.8.3 These changes will be incorporated into the updated HRA Business Plan to be presented to the September Executive.

4.8.4 The ongoing net changes £30,730 saving consist of:

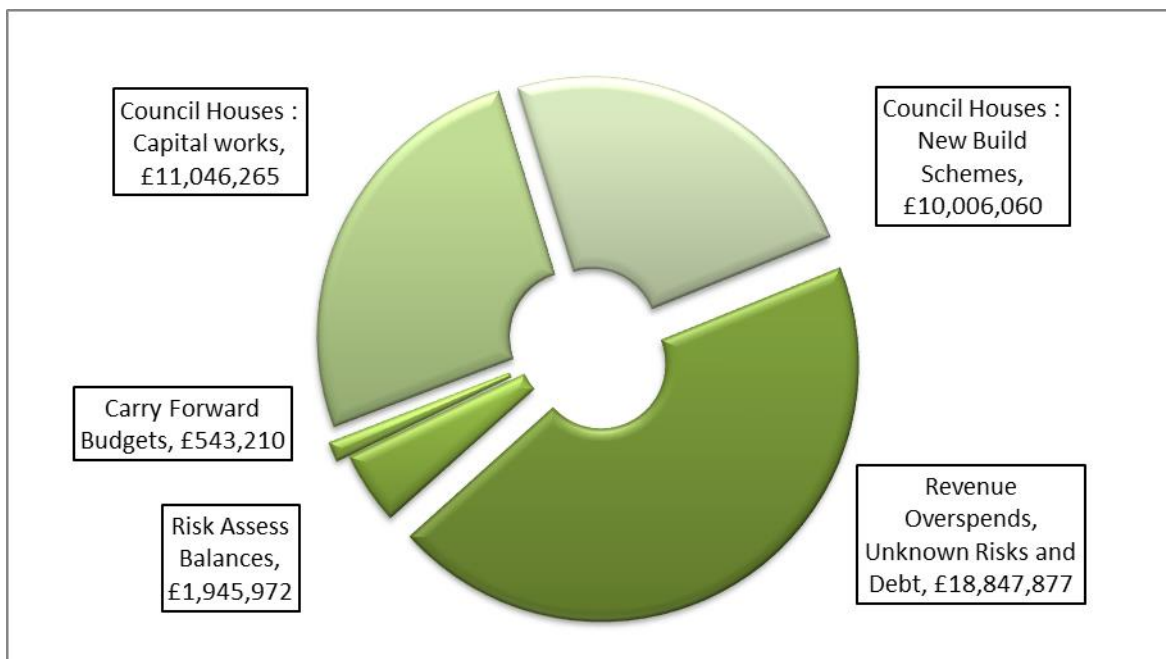
- Subscriptions £12,020 saving
- Repairs and Voids mobile telephones £7,010 saving
- Relocation incentives £5,000 saving
- Redecoration voucher savings £6,000

4.9 Usable reserves – Housing Revenue Account

4.9.1 The Reserves which can be used to support the Housing Revenue Account (HRA) total £42,354,384 of which £10,006,060 is restricted to fund the provision of new social housing and £11,046,265 is restricted to capital investment in the stock and repayment of debt. The reserves earmarked for new housing provision come from the proceeds of house sales under the Right to Buy scheme and must have 70% match funding from the Council and be spent within three years. If unspent, the receipt must be returned to government, with an interest penalty calculated at 4% above the Bank of England base rate.

4.9.2 The level of HRA balances/revenue reserves risk assessed for 2019/20 is £1,945,972 - with the remainder available to cover future debt repayments and unforeseen risks including carry forward requests of £543,210.

4.9.3 Usable HRA balances are shown in the following pie chart:



4.10 Investments and Loans

4.10.1 Council's actual **investments** as at year end were **£54.1Million**, £5.5Million lower than the forecast of £59.6Million. The Council's investment portfolio is detailed in appendix A.

4.10.2 The cash balances held by the Council relate to the provisions held (including those held for the collection funds), capital receipts (for which some have restrictions over their use and may have to be returned), and timing issues between when the council receives the money and when it is to be paid out.

4.10.3 As at the 31 March 2019 the Council had loans of £205.483Million all loans are with the Public Works Loan Board (PWLB). £0.263Million of General Fund borrowing and £1.241Million of HRA borrowing was repaid in year. The Council identified the need for short term prudential borrowing of £155K to fund the 2018/19 General Fund capital programme and £1,810K to fund the 2018/19 HRA capital programme. The 2018/19 borrowing requirement has yet to be taken externally and is currently covered by internal borrowing.

5. IMPLICATIONS

5.1 Financial Implications

5.1.1 This report is financial in nature and consequently financial implications are included above.

5.2 Legal Implications

None identified at this time.

5.3 Risk Implications

5.3.1 A risk based assessment of General Fund balances is undertaken and reported to Council as part of the General Fund Budget setting process. The required level of

2019/20 General Fund balances were calculated at a minimum level of balances of £2,671,410 should be maintained, whilst the uncertainty around further Government funding remains high. This report forecasts General Fund balances in excess of this and these projections have been included in the Council's updated Medium Term Financial Strategy to be reported to Members at the September 2019 Executive.

5.3.2 The HRA balances are higher than the minimum level of balances required for the year (£1,945,972). In addition balances will be needed to repay the HRA loans (as at 31 March 2019, the HRA had loans of £203Million) of which most related to a one off payment to the Government as a result of the self-financing settlement on the 28 March 2012.

5.4 **Policy Implications**

The budget framework represents a development of a policy led budgeting approach across Council services and the overall Medium Term Financial Strategy.

5.5 **Equalities and Diversity Implications**

This report is of a technical nature reflecting the actual spend for the year for the General Fund and HRA. The identified ongoing budget changes reported have arisen through efficiencies and do not change any existing equalities and diversity policies, nor will they impact on any groups covered by statutory equalities duties.

BACKGROUND DOCUMENTS

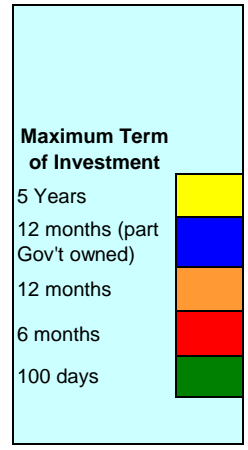
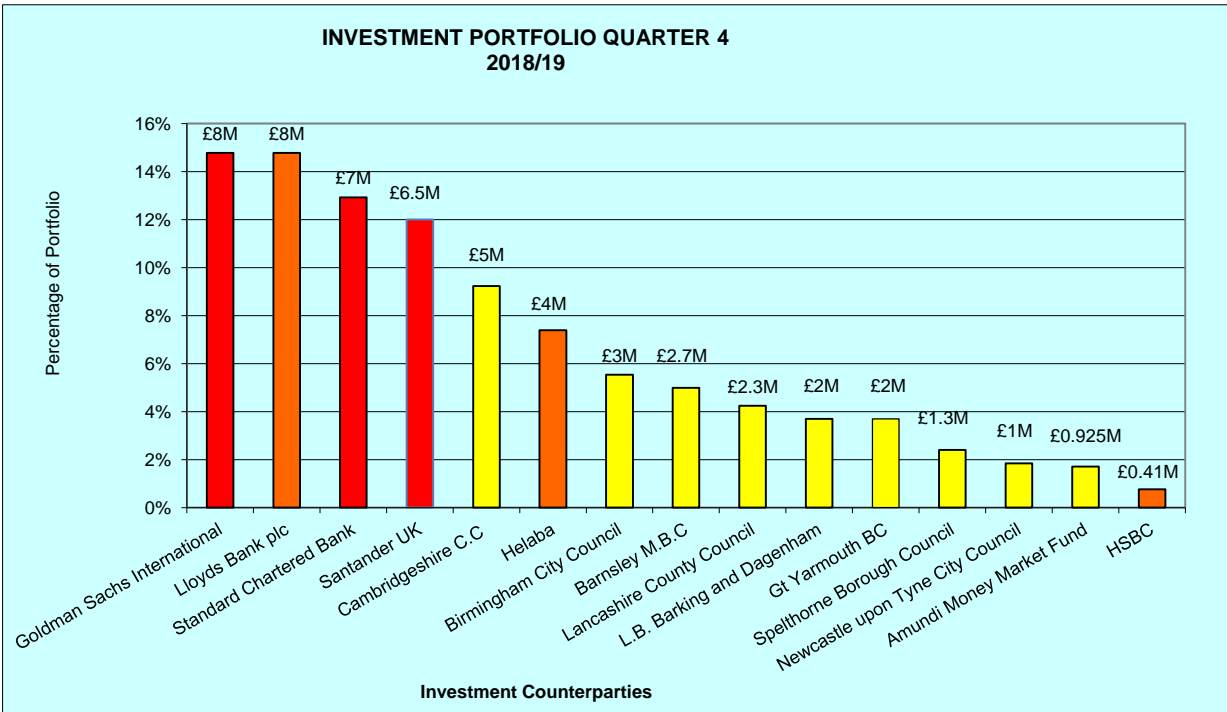
- BD1 - 3rd Quarterly monitoring report General Fund and Housing Revenue Account
- BD2 – 2019/20 Council Tax and General Fund Budget

APPENDICES

- Appendix A - Investment and Loans Portfolio

Average interest rate - 2017/18 **0.58%**
 Average interest rate - 2018/19 **0.86%**
 Bank of England Bank Rate **0.75%**

<u>Borrower</u>	<u>Nation</u>	<u>Sovereign Rating (Fitch)</u>	<u>Amount £'s</u>	<u>From</u>	<u>To</u>	<u>Rate %</u>
Money Market Funds (Instant Access)						
Amundi	UK	AA	925,000			0.73
95 Day Notice						
Standard Chartered Bank	UK	AA	7,000,000			1.01
Fixed Term Deposit						
HSBC	UK	AA	410,000	29-Mar-19	01-Apr-19	0.60
Birmingham City Council	UK	AA	3,000,000	24-Apr-17	24-Apr-19	0.80
Goldman Sachs International	UK	AA	5,000,000	17-Dec-18	17-Jun-19	1.05
Santander UK	UK	AA	3,500,000	20-Dec-18	20-Jun-19	1.00
Spelthorne Borough Council	UK	AA	1,300,000	22-Jun-17	21-Jun-19	0.70
Santander UK	UK	AA	3,000,000	02-Jan-19	02-Jul-19	1.00
Goldman Sachs International	UK	AA	3,000,000	17-Jan-19	17-Jul-19	1.09
Helaba	GER	AAA	4,000,000	14-Aug-18	13-Aug-19	0.97
Cambridgeshire County Council	UK	AA	5,000,000	11-Sep-18	10-Sep-19	1.05
Lloyds Bank plc	UK	AA	5,000,000	23-Nov-18	22-Nov-19	1.10
Lloyds Bank plc	UK	AA	3,000,000	23-Jan-19	22-Jan-20	1.10
Newcastle upon Tyne City Council	UK	AA	1,000,000	03-Apr-17	03-Apr-20	1.00
London Borough of Barking and Dagenham	UK	AA	2,000,000	09-Jan-17	09-Apr-20	0.98
Lancashire County Council	UK	AA	2,300,000	06-Sep-18	07-Sep-20	1.20
Great Yarmouth Borough Council	UK	AA	2,000,000	16-May-18	17-May-21	1.45
Barnsley Metropolitan Borough Council	UK	AA	2,700,000	15-Sep-17	15-Sep-21	0.98
			54,135,000			



LOAN PORTFOLIO QUARTER 4 (31st March 2019)

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	04/03/10	04/03/35	25 years
PWLB	Fixed Rate/Maturity	4.28	1,800,000	25/05/10	25/05/35	25 years
PWLB	Fixed Rate/Maturity	4.24	963,000	17/08/10	17/08/35	25 years
PWLB	Fixed Rate/Maturity	4.65	3,000,000	25/03/10	25/09/35	25 1/2 years
			<u>7,763,000</u>			

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	28/03/12	28/03/26	14 years
PWLB	Fixed Rate/Maturity	3.01	8,000,000	28/03/12	28/03/27	15 years
PWLB	Fixed Rate/Maturity	3.08	8,700,000	28/03/12	28/03/28	16 years
PWLB	Fixed Rate/Maturity	3.15	9,600,000	28/03/12	28/03/29	17 years
PWLB	Fixed Rate/Maturity	3.21	10,600,000	28/03/12	28/03/30	18 years
PWLB	Fixed Rate/Maturity	3.26	11,000,000	28/03/12	28/03/31	19 years
PWLB	Fixed Rate/Maturity	3.30	16,000,000	28/03/12	28/03/32	20 years
PWLB	Fixed Rate/Maturity	3.34	17,500,000	28/03/12	28/03/33	21 years
PWLB	Fixed Rate/Maturity	3.37	17,600,000	28/03/12	28/03/34	22 years
PWLB	Fixed Rate/Maturity	3.40	17,300,000	28/03/12	28/03/35	23 years
PWLB	Fixed Rate/Maturity	3.42	15,300,000	28/03/12	28/03/36	24 years
PWLB	Fixed Rate/Maturity	3.44	21,000,000	28/03/12	28/03/37	25 years
PWLB	Fixed Rate/Maturity	3.46	18,200,000	28/03/12	28/03/38	26 years
PWLB	Fixed Rate/Maturity	3.47	19,611,000	28/03/12	28/03/39	27 years
PWLB	Fixed Rate/Maturity	3.48	4,000,000	28/03/12	28/03/40	28 years
			<u>194,911,000</u>			

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	1,052,632	19/08/13	19/02/22	9 1/2 years
PWLB	Fixed Rate	2.29	1,755,950	19/03/18	19/03/28	10 years
			<u>2,808,582</u>			

Total Borrowing

205,482,582

Meeting: EXECUTIVE

Agenda Item:

Portfolio Area: Resources

Date: 11 JULY 2019



2018/19 CAPITAL EXPENDITURE OUTTURN KEY DECISION

Author – Belinda White Ext 2752
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1. PURPOSE

- 1.1 To update Members on the outturn position on the 2018/19 capital programme including the resources used to fund the capital expenditure.
- 1.2 To update Members on the Council's Capital Strategy and any changes to the 2019/20 and future year's capital programme.
- 1.3 To update Members on the actual 2018/19 Minimum Revenue Provision (MRP) and the MRP for 2019/20.
- 1.4 To update Members on the resources available to fund the Capital Strategy.
- 1.5 To approve any additions to the disposal programme.

2. RECOMMENDATIONS

- 2.1 That the 2018/19 General Fund capital expenditure outturn of £8,057,387 be noted, (subject to the completion of the 2018/19 external audit of accounts).
- 2.2 That the 2018/19 HRA capital expenditure outturn of £22,365,948 be noted (subject to the completion of the 2018/19 external audit of accounts).
- 2.3 That the funding applied to the 2018/19 General Fund capital programme be approved as summarised in paragraph 4.2.4.
- 2.4 That the funding applied to the 2018/19 HRA capital programme be approved as summarised in paragraph 4.5.1.

- 2.5 That the 2019/20 General Fund capital programme net changes of £934,040 reduction be approved comprising of £3,252,450 slippage from 2018/19 (as detailed in para 4.3.8), £4,905,630 re-profiled into 2020/21, £60,610 minor budget changes reduction and £779,750 funding for additional expenditure (as detailed in Appendix A to this report).
- 2.6 That the 2019/20 HRA capital programme net changes of £15,084,628 comprising £736,700 slippage from 2018/19 and £15,821,328 re-profiled into 2020/21 be approved as summarised in paragraph 4.6.1 and detailed in Appendix B to this report.
- 2.7 That the urgent schemes requiring funding detailed in paragraph 4.3.3 be approved.
- 2.8 That Executive recommend to Council the approval of budget of £591,600 for to Registered Provider grants as per paragraph 4.3.4.

3. BACKGROUND

- 3.1 The 2018/19 capital programme was last approved by Members at the March Executive as part of the 3rd quarter monitoring report. At March Executive the 2018/19 revised General Fund capital programme was projected to be £11,614,750 and the 2018/19 revised HRA capital programme was projected to be £22,616,760 a total of £34,231,510.
- 3.2 The Accounts and Audit Regulations as amended on 1 April 2015 include a requirement to publish the Statement of Accounts before the 31 May and complete the external audit report by the end of July. The Council's external auditors have notified the Council that they are unable to meet the end of July deadline for completing of the audit. Consequently the 2018/19 audited accounts will be presented and approved by Members (Audit and Statement of Accounts Committee) on 26 September. The financial figures for the General Fund and HRA contained within this report are subject to external audit and may change.

4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1 2018/19 GENERAL FUND CAPITAL PROGRAMME

- 4.1.1 The actual outturn for General Fund capital expenditure was £3,557,363 lower than that estimated in the March 2019 Executive. The main reasons for this being:
- Acquisition of a property as part of SG1 land assembly was due to complete in March but is now expected to complete in the summer of 2019 and is the main element of the Regeneration slippage of £2.8Million.
 - The major fleet replacement programme for the Stevenage Direct Services (SDS) teams continues. Some vehicles have been procured at lower price than budgeted resulting in a saving of £123K, the remaining budget of £116.5K is requested to be slipped for vehicle deliveries in 2019/20 (total SDS slippage is £201,600).
 - Housing & Investment (General Fund assets) underspent by £126K, most of which was on two projects – Works to Cavendish Offices in preparation of the

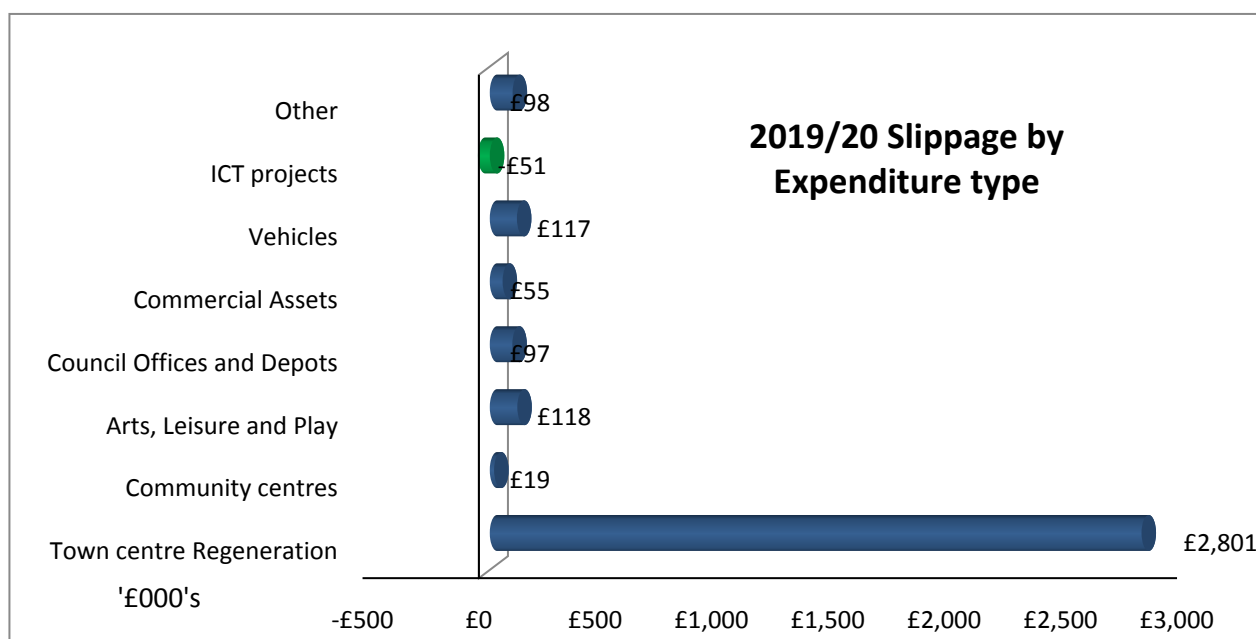
relocation of the CCTV control room and works to the fascia of Town Chambers in the town centre. Both these projects have progressed in the 1st quarter of 2019/20.

- Other variances totalling £390k form the balance of the remaining underspend.

4.1.2 A number of ICT projects have been progressed ahead of schedule and budget identified for 2019/20 has been brought forward to cover the £51K overspend in 2018/19. The net slippage on General Fund capital projects was £3,252,450. Slippage by Business Unit is summarised in the table below and in more detail in Appendix A to this report.

General Fund - Schemes	Q3 Revised Budget	2018-19 Actuals	(Under) / Overspend	Slippage to 2019-20
Stevenage Direct Services	2,296,160	1,982,847	(313,313)	201,600
Housing Development	1,095,790	1,076,003	(19,787)	0
Finance and Estates	83,360	53,320	(30,040)	17,200
Corporate projects, Customer Service & Technology	292,730	344,386	51,656	(51,670)
Housing and Investment (General Fund Assets)	642,600	516,327	(126,273)	143,620
Regeneration	6,113,410	3,312,776	(2,800,634)	2,800,630
Communities and Neighbourhoods	193,220	113,344	(79,876)	62,130
Planning and Regulatory	877,480	658,383	(219,097)	78,940
Deferred Works	20,000	0	(20,000)	0
TOTAL	11,614,750	8,057,386	(3,557,364)	3,252,450

4.1.3 The General Fund slippage can further be summarised by spend type in the following chart. Out of total expenditure, slipped into 2019/20, 93% relates to Town Centre regeneration (as detailed in para 4.1.1).



4.2 2018/19 GENERAL FUND CAPITAL RESOURCES

4.2.1 The actual General Fund capital receipts realised in 2018/19 were £696,175 compared to budgeted receipts of £576,800 an increase of £119,375, mainly due to additional small land sales. The projected receipts for 2019/20 are anticipated to be £90,572 lower than in the last reported figures. This is mainly due to one garage site being under review.

4.2.2 The Council has a statutory requirement to make a General Fund Minimum Revenue Provision (MRP) to reflect the cost of borrowing over the life of the assets funded through borrowing. The Council's MRP policy is approved with the Treasury Management strategy in February and is applicable regardless of whether physical borrowing has taken place. The MRP charge to the General Fund calculated for 2018/19 was £661,090, below the forecast of £736,090 due to the borrowing identified for the property portfolio. This was not taken as no suitable sites were identified for purchase. The MRP can be broken down as follows:

- £335,000 related to regeneration assets
- £35,000 to investment properties
- £291,090 to general borrowing (2011/12-2013/14)

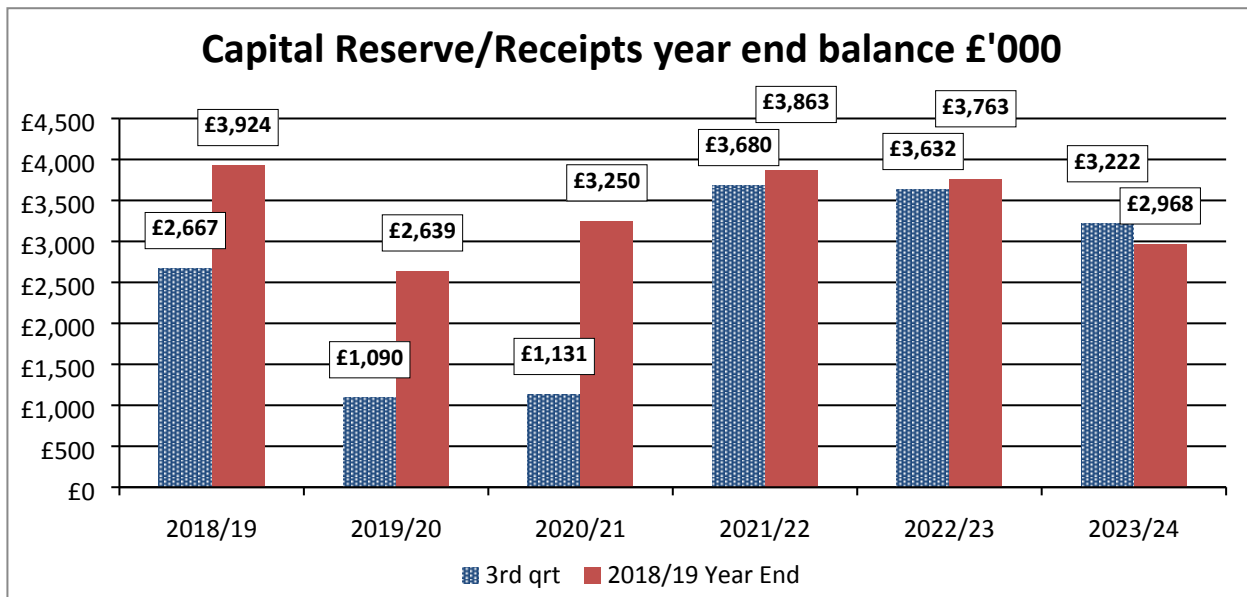
4.2.3 The capital programme also uses grants and contributions from Government and third parties such as developers in the form of S106 agreements. Most of this income is linked to specific projects and cannot support an unrelated scheme in the capital programme. The current capital strategy contains S106 monies that have been earmarked to support current and future capital schemes.

4.2.4 The resources used and available to fund future capital expenditure are summarised in the following table:

General Fund Resources	Brought forward	Received in Year £	Used in Year £	Available to Fund Future Year Expenditure £
Usable Capital Receipts	(5,319,964)	(696,175)	2,685,667	(3,330,472)
Usable Capital Receipts ring fenced for Regeneration	0	(1,726,306)	0	(1,726,306)
Usable Capital receipts - GF LA share allocation	0	(357,496)	357,066	(430)
One for One Receipts- contribution from HRA		(714,932)	714,932	
Section 106 Receipts	(607,678)	(110,332)	34,889	(683,121)
Grant and Other Contributions General Fund	(1,730,482)	(3,038,541)	3,097,264	(1,671,759)
Capital reserve	0	(998,000)	404,000	(594,000)
RCCO		(608,451)	608,451	0
Short term Prudential borrowing		(155,118)	155,118	0
Total	(7,658,124)	(8,405,350)	8,057,387	(8,006,088)

Numbers in brackets () =available funds/funds received in year, Positive numbers = spent in year

4.2.5 At the end of 2019/20 available capital resources were projected to be £1Million, subject to land receipts being received as forecast. Since 3rd quarter projected available resources to fund the capital programme has been updated as shown in the chart below.



4.2.6 Due to slippage of regeneration schemes and the need to comply with the LEP's spending deadlines, LEP funding is being used first with the use of SBC resources rephrased to later years. There remains a funding risk to the General Fund programme and Officers advise schemes remain on hold pending the capital receipt being received.

4.3 GENERAL FUND CAPITAL EXPENDITURE 2019/20

4.3.1 Members approved the 2019/20 General Fund capital programme totalling £35,232,640 at the March Executive. This report identifies a net decrease in the budget of £934,040 to £34,298,600 following a timing review of delivery of schemes as detailed in Appendix A.

4.3.2 **Slippage** - The 2019/20 programme has decreased by £934,040 (net) mainly due to the slippage from 2018/19 of £3,252,450 (See table under 4.1.2 and chart under 4.1.3), and further slippage from 2019/20 to future years. £3.0m of the slippage into 2020/21 is on the Kenilworth Housing Development, and £1.8m on Town Centre Regeneration. The Kenilworth scheme is now ready to be procured and a separate report is presented to this Executive detailing the delivery timetable and procurement of the scheme.

4.3.3 The 2019/20 capital programme included a number of schemes that were put on hold until suitable funding was identified. These schemes and any emerging urgent need are monitored and considered by the Assets and Capital board. This review has identified two new schemes that officers now recommend for inclusion in the 2019/20 programme:

New capital schemes in 2019/20, funded from the deferred works budget and revenue contributions and third party contributions are proposed as detailed below:

1. Refurbishment of the **ramp from the town centre to the Leisure Centre** and the **ramp from Argyle Way to the station** (£20,000 Leisure Centre and £25,000 railway station). This is needed and outside the budget process because the defect to the surfaces became apparent after the 2019/20 budget process. The proposal is to rectify these defects during the summer season. Works will include both resurfacing with a resin bound aggregate and repainting of the railings. These works can be funded from the Insurance Reserve (£45,000).
2. Recent issues with the **lift at Stevenage Leisure Centre** identified that the lift is coming to the end of its useful life and will need to be replaced and has had a number of breakdowns. An estimated price for replacement has been received, plus there will be a further cost while the lift is out of use for up to 12 weeks. A budget of £111K in 2019/20 has been included in this capital update and is recommended for approval.

4.3.4 Officers are recommending an increase in **grants to registered housing providers** (£591,600) in 2019/20. This expenditure is fully funded from one for one right to buy receipts. Due to the re-phasing of eligible 1-4-1 expenditure (see paragraph 4.6.2) there is a risk that eligible expenditure will not be incurred in time resulting in the return of 1-4-1 receipts. By increasing grants to registered providers this risk is mitigated as well as gaining nomination rights. This is above the limit (£250,000) delegated to Executive and a recommendation to Council to approve this budget is required.

4.3.5 **Update on schemes that were put on hold until suitable funding was identified.**

1. **Shephalbury Park** £50,000 for health and safety related works to footway and road surfaces. Following a condition survey of parks and open spaces officers have identified works at Shephalbury Park that are high priority and require immediate attention. Recommend funding 50% from Insurance Reserve and 50% from third party contributions (S106 monies).
2. **Springfield House Wall.** Since the early initial inspection when it was considered necessary to carry out essential repair works on the wall, and a budget of £20K was allocated in 2018/19 for these works, a full survey has been undertaken. The survey has identified significant issues and the wall needs to be rebuilt. Total costs are £52,150 to complete the works, increasing the approved budget by a further £32K. Assets & Capital Board are investigating other options but in the event the cost cannot be reduced the budget increase is recommended to allow the works to be completed.

4.3.6 **New capital schemes** currently not included in the strategy and pending further investigation. An issue has been identified at Stevenage Leisure Centre as part of a recent stock condition survey:

1. Members were advised in the 3rd Quarter capital report that pipework at the Stevenage Arts and Leisure Centre may need to be replaced. Consultants were appointed and have advised that the whole building needs to be surveyed (estimated cost of £50K) and a specification produced for the replacement of all pipework. This is now not required and a phased plan of replacement is feasible. The cost of phase one urgent works are estimated at £70k for 2019/20. In terms of phasing the programme of works, this will

deal with any risk areas over up to five years. The next capital strategy will update Members with the budget requirement and outcome of the review.

4.3.7 **Boiler Update.** The following boilers have been repaired / replaced and are now fully operational:

The Oval
 Springfield House
 Shephall (boiler failed earlier than anticipated and scheme brought forward)
 Timebridge
 Bedwell (repairs)
 St Nicholas (repairs)
 There are further works to boilers planned in the current capital strategy.

4.3.8 The changes to the 2019/20 budget are summarised by service areas in the table below:

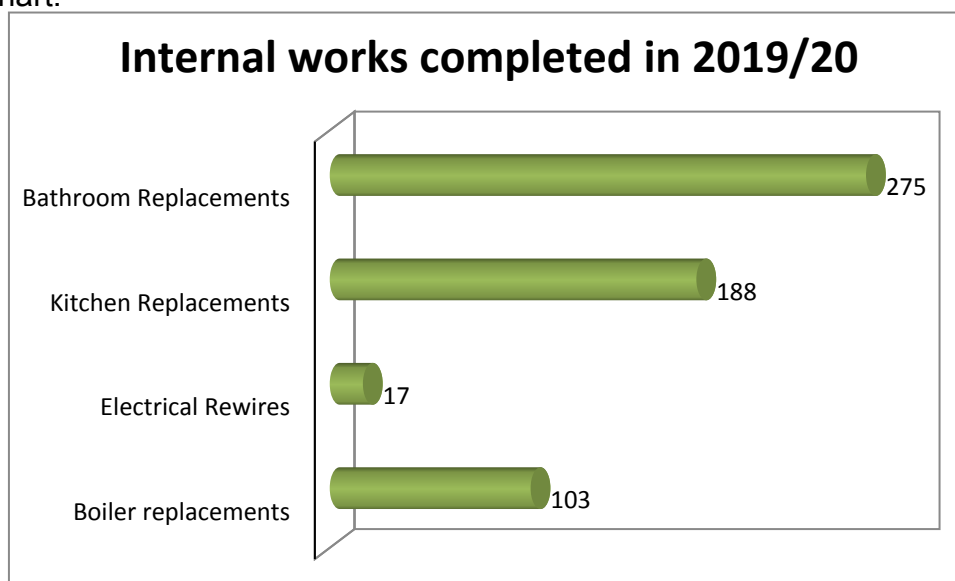
General Fund - Schemes budget changes and impact on 2019/20	Q3 Approved working budget	Spend re-profiled from 2018/19	New Funding recommended by Asset & Capital Board	Other net 2019/20 Budget changes	Spend re-profiled to/from future years	Total 19/20 Budget
Stevenage Direct Services	4,364,690	201,600		(57,000)		4,509,290
Housing Development	3,895,330	0	591,600		(3,004,740)	1,482,190
Finance and Estates	13,786,170	17,200				13,803,370
Corporate projects, Customer Service & Technology	1,003,510	(51,670)			(170,300)	781,540
Housing and Investment (General Fund Assets)	394,550	143,620	32,150	(8,910)	45,000	606,410
Regeneration	11,086,270	2,800,630			(1,775,590)	12,111,310
Communities and Neighbourhoods	112,000	62,130	111,000			285,130
Planning and Regulatory	560,520	78,940	45,000	5,300		689,760
Deferred Works	29,600					29,600
TOTAL GENERAL FUND IMPACTS 2019/20	35,232,640	3,252,450	779,750	(60,610)	(4,905,630)	34,298,600

4.4 HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME

4.4.1 The actual outturn for 2018/19 HRA capital spend was £250,812 lower than that estimated in the 3rd Quarter report. The main reason for this is lower spend on the existing housing stock, offset by Housing development schemes progressing ahead of schedule. The following table identifies the areas of underspend, overspend and slippage.

Housing Revenue Account	Q3 Approved Budget	Actuals 2018/19	(Underspend)/overspend	Slippage to 2019-20
	£	£	£	£
Major Works	14,589,680	13,784,198	(805,482)	805,480
New Build and Housing acquisitions	6,914,130	7,383,136	469,006	0
Special Projects & Equipment	784,570	732,365	(52,205)	53,940
IT Including Digital Agenda	328,380	466,249	137,869	(122,720)
TOTAL	22,616,760	22,365,948	(250,812)	736,700

4.4.2 In 2018/19 the **major works programme** has delivered 95 roof replacements, 381 window replacements, 374 door replacements and 131 insulation improvements such as external wall insulation, cavity wall insulation and loft insulation. Further capital improvement works were carried out internally to properties as shown in the following chart:



4.4.3 The number of properties where works have been carried out to bring the property up to the decent homes standard (the standard by which each element i.e. kitchen, bathroom, electrics, windows, roof etc. whose condition is measured) in 2018/19 was 702 which brought down the non-decent properties number to 1,971 against the target of 1,976.

4.4.4 **New build and acquisitions programme:** In 2018/19 schemes at Ditchmore Lane and March Hare/Gresley Way have continued on site. Enabling work has been commissioned on Kenilworth redevelopment and the acquisitions programme was redesigned to deliver more family sized accommodation that has the capacity to meet the needs of those requiring adapted properties.

4.4.5 The overspend on the **ICT budget** predominantly relates to works on the Northgate system originally planned for 2019/20 but which have been brought forward (£123K budget).

4.5 HOUSING REVENUE ACCOUNT CAPITAL RESOURCES

4.5.1 The capital resources available to support the future capital programme (as at 31 March 2019) is £21.052Million. The resources are summarised in the following table:

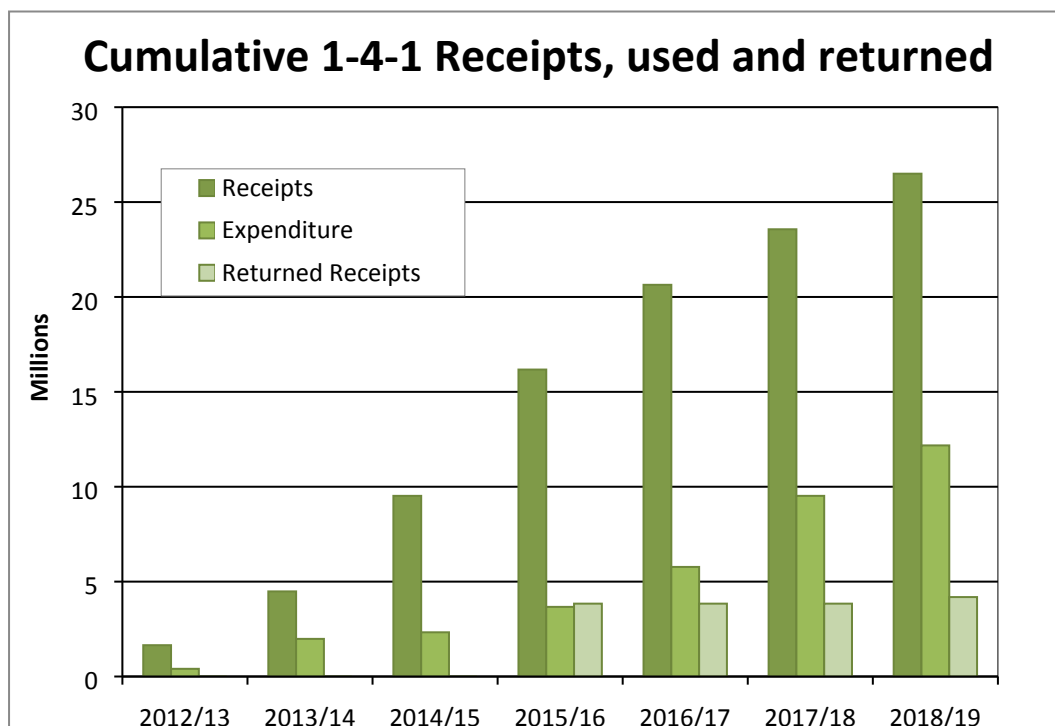
Housing Revenue Account Resources	Brought Forward	Received in Year	Used in Year	Available to Fund Future Year Expenditure
	£	£	£	£
Major Repairs Reserve (Depreciation)	(9,264,380)	(12,779,598)	11,124,186	(10,919,793)
Usable Capital Receipts	0	(822,528)	696,056	(126,472)
One for One Receipts for HRA, General Fund and 141 repayment	(10,101,670)	(2,929,737)	3,025,347	(10,006,060)
S20 and Other contributions	0	(677)	677	0
Revenue contributions	0	(6,770,206)	6,770,206	(0)
Borrowing	0	(1,810,558)	1,810,558	0
TOTAL	(19,366,050)	(25,113,305)	23,427,030	(21,052,326)

Numbers in brackets () =available funds/funds received in year, Positive numbers = spent in year

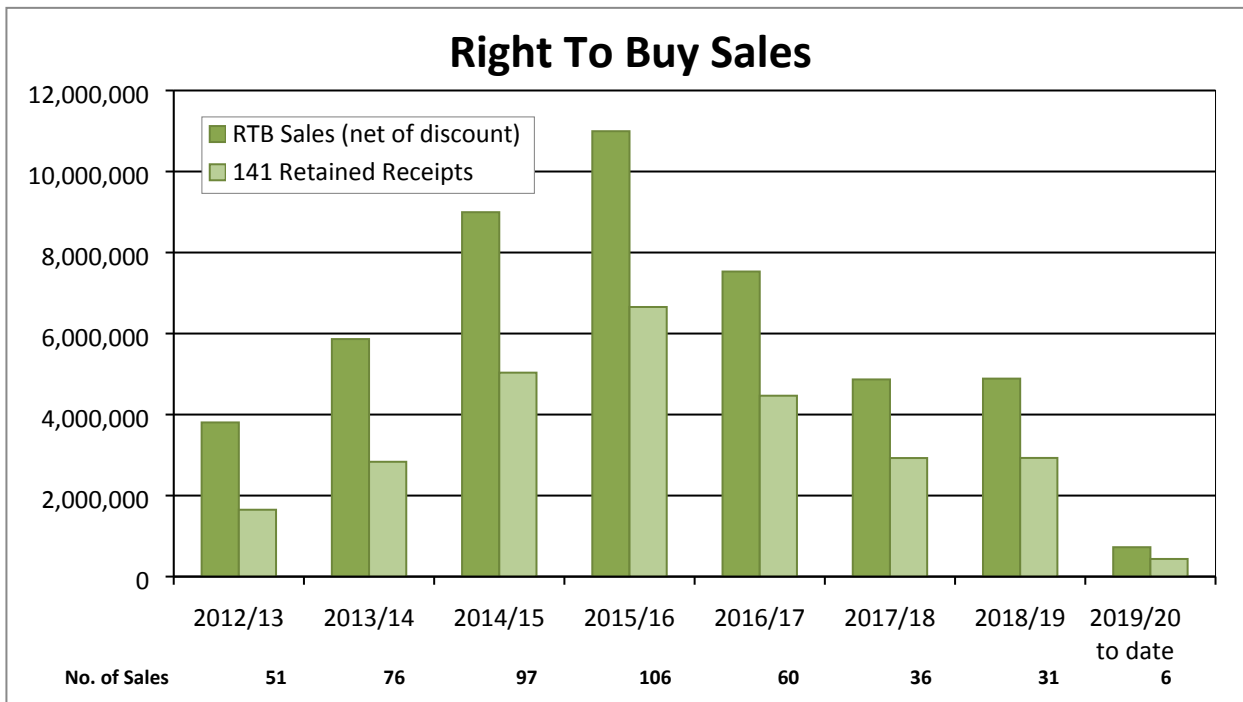
4.5.2 There were 32 homes sold under Right to Buy (RTB) during 2018/19, one being exempt from pooling (a property built under the housing development programme). The resulting 2018/19 HRA net capital receipt was £4.109Million, and the allocation of this receipt including the pooling payment to the government is shown in the table below.

Housing Revenue Account - 2018/19 Right to buy sales		
	£	£
Sale Proceeds 32 sales		4,909,722
RTB discounts repaid in year (subject to pooling)		104,191
Total Gross proceeds		5,013,913
less admin fee		(40,300)
Less pooling payment to Government		(864,541)
Net proceeds		4,109,072
Net proceeds allocated as follows:		
Local Authority share	357,497	
1 for 1 receipts	2,929,048	
One New Build property sold (exempt from pooling)	126,471	
Debt receipts	696,056	
		4,109,072

- 4.5.3 The HRA RTB receipts used in year to finance the capital works and grant aid registered housing providers was £2.679Million leaving a balance of £10Million of 1-4-1 receipt available to fund 30% of future new build schemes such as Kenilworth. Debt receipt in year totalled £696K, all of which was used in financing elements of the HRA 2018/19 capital programme.
- 4.5.4 There is a three year deadline to spend the receipts and in 2018/19 £346K was returned. Despite consultation on relaxing the rules, no further announcements have been made by government. Due to the lead times for these new build schemes which include finding suitable residential development sites, grant of planning permission, procurement and build, achieving the three year deadline has become more challenging. Officers have reviewed the projected spend and the opportunities to support local social housing providers in return for nomination rights so that one for one receipts can be utilised wherever possible. The chart below shows the actual cumulative one for one receipt received, used and already returned receipts to the government.



- 4.5.5 Following the reprofiling of 1-4-1 eligible housing projects there was a possibility that 1-4-1 receipts would need to be returned in 2019/20. To mitigate this risk officers are working with local housing partners with a view to grant aid schemes in return for nomination rights and the General Fund capital programme has been increased by £591,600 to reflect this. If there is any slippage there may still be a risk.
- 4.5.6 Right to buy sales have fallen from the peak of 106 sales in 2015/16 to 31 sales in 2018/19 as shown in the chart below (six further RTB sales have been completed as at 19th June this year).



4.6 HOUSING REVENUE ACCOUNT CAPITAL EXPENDITURE 2019/20

4.6.1 Members approved the 2019/20 Housing Revenue Account capital programme totalling £48,827,618 at the March Executive. This report identifies a net decrease in the budget by £15,084,628 to £33,724,990. The changes to the 2019/20 budget are summarised in the table below:

Housing Revenue Account - Scheme budget changes and impact on 2019/20	Q3 Approved working budget	Spend re-profiled from 2018/19	Other net 2019/20 Budget changes	Spend re-profiled to future years	Total 19/20 Budget
Major Works	20,248,610	805,480	78,940		21,133,030
New Build and Housing acquisitions	27,188,698	0		(15,475,008)	11,713,690
Special Projects & Equipment	180,000	53,940	(78,940)		155,000
IT Including Digital Agenda	1,210,310	(122,720)		(346,320)	741,270
TOTAL HOUSING REVENUE ACCOUNT IMPACTS 2019/20	48,827,618	736,700	0	(15,821,328)	33,742,990

4.6.2 As mentioned in paragraph 4.4.4 the Kenilworth redevelopment scheme is progressing and procurement options will be presented to this Executive. The budget profile has been revised with a large part of the delivery expected in 2020/21. This scheme is part funded by ring fenced 1-4-1 receipts (para 4.5.3 and 4.5.4) and any slippage on spend may exceed the three year deadline and require a return of these receipts. To mitigate this risk Officers have identified grant opportunities to registered

housing providers in 2019/20 and this has been included in the General Fund capital update to this Executive (para 4.3.4).

4.7 Property Appropriations between General Fund and HRA

- 4.7.1 Assets may be transferred between General Fund and Housing Revenue Account when they are no longer required for the purpose for which they were previously held, in order to allow the most appropriate use of these assets. For example a former underused General Fund asset could be redeveloped for new HRA properties. However in doing so no capital receipt is gained for the Council. The value of the land swap is recognised in the capital financing requirement (CFR) for each fund (ie the level of indebtedness of each fund), while overall the Council's CFR remains unchanged.
- 4.7.2 An appropriation from the General Fund to the HRA results in;
- i) an increase in the HRA's CFR (before the lifting of the debt cap this would have reduced the headroom of available borrowing)
 - ii) a decrease in the General Fund's CFR
 - iii) the loss of a capital receipt and/or rental for the asset transferred to the HRA.
- 4.7.3 Appropriation between the funds needs Member approval. No such approvals are sought in this report, however there is a recommendation to do so in the reports on the Kenilworth and North Road schemes presented to this Executive.
- 4.7.4 Update on previously approved appropriations. The Executive previously agreed appropriations in 2017 between the General Fund and the HRA:
- | | |
|-----------------|----------|
| 29 Shephall Way | £247,500 |
| Symonds Green | £444,553 |
- The Shephall Way appropriation took place in 2017/18, and the respective CFRs were updated accordingly. The Symonds Green scheme is progressing and this appropriation will take place in 2019/20.

5. IMPLICATIONS

5.1 Financial Implications

- 5.1.1 This report is financial in nature and consequently financial implications are included in the above.

5.2 Legal Implications

- 5.2.1 None identified at this time.

5.3 Policy Implications

- 5.3.1 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 Capital Strategy.

5.4 Equality and Diversity Implications

5.4.1 This report is of a technical nature reflecting the projected spend for the General Fund and HRA capital programme.

5.5 Risk Implications

5.5.1 The significant risks associated with the capital strategy are largely inherent within this report.

5.5.2 If the HRA procurement of contracts is delayed it could lead to works not being completed to the current profile.

5.5.3 A significant risk exists that works deferred due to lack of funding become urgent in year, requiring completion on grounds of health and safety. A reasonable assessment has been made in the prioritisation process to try to keep this risk to a minimum, and these schemes are monitored by Assets and Capital Board.

5.5.4 There is a risk in achieving the level of qualifying HRA spend to fully utilise retained one for one receipts. Should qualifying schemes slip or new schemes fail to be developed the three year deadline for spending these receipts will not be met and will have to be returned to the Government plus interest (base rate plus 4%). Should the new schemes and/or purchases slip or fail to be delivered there is a risk that one for one receipts will have to be returned and interest payments made.

5.5.5 There are risks around achieving the level of disposals budgeted for. The estimated dates of receipts very much rely on a series of steps being successful at estimated dates. The level of receipts for the General Fund is a significant source of funding for its capital programme. The Council manages this risk by reviewing and updating the Strategy quarterly, including resources where a sale is likely to complete. This will enable action to be taken where a receipt looks doubtful.

BACKGROUND DOCUMENTS BD1 - Capital Strategy Update January 2019 (Executive)
BD2 - Capital Strategy February 2019 (Council)
BD3 - Capital Strategy March 2019 (Executive)

APPENDIX A - General Fund Capital Programme
B - HRA Capital Programme

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APPENDIX A - GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2018/2019			2019/2020				On Hold	2020/2021	2021/2022	2022/2023	2023/2024
		Q3 Working Budget £	Actuals 2018-19 £	(Under) Overspend £	Slippage £	Q3 Working Budget £	Q4 Revised Budget £	Var Q3 v Q4 £		Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £
	General Fund - Schemes												
	Stevenage Direct Services	2,296,160	1,982,847	(313,313)	201,600	4,364,690	4,509,290	144,600		2,676,400	2,650,900	2,505,000	1,228,000
	Housing Development	1,095,790	1,076,003	(19,787)		3,895,330	1,482,190	(2,413,140)		4,708,530	190,460		85,580
	Finance and Estates	83,360	53,320	(30,040)	17,200	13,786,170	13,803,370	17,200		241,100	15,000	76,020	10,000
	Corporate Projects, Customer Services & Technol	292,730	344,386	51,656	(51,670)	1,003,510	781,540	(221,970)		112,620	51,930	300,000	600,000
	Housing and Investment	642,600	516,327	(126,273)	143,620	394,550	606,410	211,860		825,000	30,000	35,000	
	Regeneration	6,113,410	3,312,776	(2,800,634)	2,800,630	11,086,270	12,111,310	1,025,040		4,575,590	3,579,000	1,295,000	26,768,000
	Communities and Neighbourhoods	193,220	113,344	(79,876)	62,130	112,000	285,130	173,130		20,000	40,000	170,000	20,000
	Planning and Regulatory	877,480	658,383	(219,097)	78,940	560,520	689,760	129,240		325,000	325,000	325,000	295,000
	Deferred Works Reserve	20,000		(20,000)		29,600	29,600			154,000	56,000	15,000	2,000
	Total Schemes with Growth Added	11,614,750	8,057,387	(3,557,363)	3,252,450	35,232,640	34,298,600	(934,040)		13,638,240	6,938,290	4,721,020	29,008,580
	Schemes included above on hold pending receipts					448,500	580,310			828,000	238,000	378,000	173,000
	General Fund -Resources												
	Capital Receipts	3,823,880	2,685,667	(1,138,213)		4,615,474	4,234,252			2,477,626	3,317,894	1,693,055	27,913,300
	New Build 1-4-1 Receipts - Additional Funding from	728,170	714,932	(13,238)			591,600						
	Unpooled Receipts	12,500		(12,500)									
	Grants	257,800	146,161	(111,639)		814,420	125,869			900,000			
	S106's		34,889	34,889		45,000	69,995			10,000	10,000		
	LEP	4,875,000	2,951,103	(1,923,897)	1,923,897	9,525,000	10,666,450			4,207,440	263,150		
	RCCO	191,750	26,611	(165,140)		4,000	119,000			4,000	4,000	4,000	
	Regeneration Asset Reserve	356,770	193,341	(163,429)			163,429						
	Capital Reserve (BG916 Revenue Savings)	403,797	404,000	203		1,067,139	1,264,000			720,000	720,000	720,000	720,000
	Capital Reserve (BG903 Housing Receipts)	268,176	357,066	88,890		449,527	479,527			364,244	367,886	371,565	375,280
	New Homes Bonus	499,787	388,499	(111,288)	111,288	322,520	433,808			312,000	362,500	230,000	
	Prudential Borrowing Approved	42,000		(42,000)		15,308,650	15,350,650			834,400	1,702,400	1,702,400	
	Housing GF development short term borrowing- at	155,120	155,118	(2)		1,928,912							
	Housing GF development Ringfenced receipt from private sale					1,152,000	800,020			3,808,530	190,460		
	Total Resources (General Fund)	11,614,750	8,057,387	(3,557,363)	2,035,185	35,232,642	34,298,600			13,638,240	6,938,290	4,721,020	29,008,580
	General Funds Receipts												
	Unallocated B/fwd	(5,319,964)	(5,319,964)			(2,072,884)	(3,330,472)			(2,238,510)	(2,499,555)	(2,763,041)	(2,313,185)
	In Year Receipts	(576,800)	(696,175)			(4,188,000)	(4,097,428)			(6,547,200)	(3,771,840)	(1,243,200)	(26,768,000)
	Used in Year	3,823,880	2,685,667			4,615,474	4,234,252			2,477,626	3,317,894	1,693,055	27,913,300
	Ring Fenced Receipts Used to Repay Short Term Borrowing					1,152,000	955,138			3,808,530	190,460		
	General Fund Receipts Unallocated C/fwd	(2,072,884)	(3,330,472)			(493,410)	(2,238,510)			(2,499,555)	(2,763,041)	(2,313,185)	(1,167,886)
	Capital Reserve Resource												
	Unallocated B/fwd					(594,203)	(594,000)			(400,000)	(750,000)	(1,100,000)	(1,450,000)
	In Year Resource	(1,355,066)	(1,355,066)			(1,430,637)	(1,430,637)			(1,434,244)	(1,437,886)	(1,441,565)	(1,445,280)
	Used in Year	760,863	761,066			1,427,776	1,624,637			1,084,244	1,087,886	1,091,565	1,095,280
	Capital Reserve Unallocated C/fwd	(594,203)	(594,000)			(597,064)	(400,000)			(750,000)	(1,100,000)	(1,450,000)	(1,800,000)

APPENDIX A - GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2018/2019			2019/2020				On Hold	2020/2021	2021/2022	2022/2023	2023/2024
		Q3 Working Budget £	Actuals 2018-19 £	(Under) Overspend £	Slippage £	Q3 Working Budget £	Q4 Revised Budget £	Var Q3 v Q4 £		Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £
	Stevenage Direct Services												
	Parks & Open Spaces												
KC218	Hertford Road Play Area (S106 Funded)					25,000	25,000						
KE911	Play Area Improvement Programme	286,260	230,923	(55,337)	55,340	137,000	192,340	55,340		243,000	283,500	220,000	
KE097	Litter bins	68,640	40,607	(28,033)		125,000	125,000			73,000	83,000	10,000	
KE329	Play Areas Fixed Play	17,000	16,185	(815)	810	20,000	20,810	810		10,000	10,000		
KE494	Green Space Access Infrastructure						50,000	50,000					
KE494	Green Space Access Infrastructure					95,000	45,000	(50,000)	*	148,000	153,000	128,000	128,000
	Other												
KG002	Garages	262,000	247,712	(14,288)	14,290	2,839,600	2,853,890	14,290		1,957,400	1,952,400	1,952,400	375,000
KE487	Cavendish Depot - Road Markings and Barriers	12,750		(12,750)	12,750		12,750	12,750					
KE495	Cavendish Depot - Renovation/Yard Drainage					100,000	100,000		*				
KE496	Refurbishment of Weston Rd Cemetery Office					6,500	6,500		*				
KS263	Waste and Recycling System	1,910		(1,910)	1,910	78,090	80,000	1,910					
	Vehicles, Plant, Equipment												
KE349	Waste Receptacles	30,000	69,876	39,876		15,000	15,000		*	15,000			
KE497	Trade Waste Containers					20,000	20,000		*	20,000	20,000	20,000	20,000
Various	Vehicle/Plant replacement Programme -	1,617,600	1,377,544	(240,056)	116,500	903,500	963,000	59,500		210,000	149,000	174,600	705,000
	Total Stevenage Direct Services	2,296,160	1,982,847	(313,313)	201,600	4,364,690	4,509,290	144,600		2,676,400	2,650,900	2,505,000	1,228,000
	Housing Development												
KG030	Grants To Registered Providers	728,170	714,932	(13,238)			591,600	591,600					
KE328	Archer Road Neighbourhood Centre 2014 (General)	12,500	5,953	(6,547)									
KG032	Building Conversion into New Homes - Ditchmore	355,120	355,118	(2)		524,880	560,000	35,120		314,880			
KG034	Kenilworth - Retail					547,800	93,900	(453,900)		1,506,800	190,460		
KG035	Kenilworth - Community Centre					733,200	90,570	(642,630)		728,210			85,580
KG036	Kenilworth - Malvern Close					1,739,450	146,120	(1,593,330)		2,158,640			
KG034/35/36	Housing Development Scheme (Joint GF/HRA)					3,020,450	330,590	(2,689,860)		4,393,650	190,460		85,580
KG033	Private Sales Schemes - Wedgwood Way					350,000		(350,000)					
	Total Housing Development (including grants to providers)	1,095,790	1,076,003	(19,787)		3,895,330	1,482,190	(2,413,140)		4,708,530	190,460		85,580
	Finance & Estates												
KG025	Garage Site Assembly	50,000	35,101	(14,899)		130,000	130,000						
KR912	Investment Property					13,244,050	13,244,050						
KR914	IDOX Property Management Software	21,180	3,980	(17,200)	17,200		17,200	17,200					
KR915	Energy Performance Surveys and Proposed Building Works					15,000	15,000			15,000	15,000	15,000	
KR915	Energy Performance Surveys and Proposed Building Works												10,000
KR916	Commercial Properties Refurbishment (MRC Programme)					387,120	387,120			226,100		61,020	
KR147	Commercial Properties - Asbestos Removal					10,000	10,000						
KR148	15 The Hyde - Reroofing	12,180	14,239	2,059									
	Total Finance & Estates	83,360	53,320	(30,040)	17,200	13,786,170	13,803,370	17,200		241,100	15,000	76,020	10,000

APPENDIX A - GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2018/2019			2019/2020				On Hold	2020/2021	2021/2022	2022/2023	2023/2024
		Q3 Working Budget £	Actuals 2018-19 £	(Under) Overspend £	Slippage £	Q3 Working Budget £	Q4 Revised Budget £	Var Q3 v Q4 £		Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £
	Corporate Projects, Customer Services & Technology												
	IT General												
KS251	Harmonising Infrastructure Technology (for shared	21,780	22,383	603	(600)	10,460		(10,460)					
KS268	Infrastructure Investment	155,000	195,766	40,766	(40,770)	295,450	486,420	190,970		87,100	50,250	300,000	300,000
KS276	Next Generation Telephony					100,000		(100,000)					
KS268	Infrastructure Investment					221,100		(221,100)					300,000
	Total IT General	176,780	218,149	41,369	(41,370)	627,010	486,420	(140,590)		87,100	50,250	300,000	600,000
	Employer of Choice (EOC)												
KS260	Replacement HR & Payroll System	14,630	18,848	4,218	(4,220)	8,890	4,670	(4,220)					
KS269	New Intranet	50,000	59,979	9,979	(9,980)	24,150	14,170	(9,980)					
	Total EOC	64,630	78,827	14,197	(14,200)	33,040	18,840	(14,200)					
	Connected to Our Customer (CTOC)												
KS270	Online Customer Account (formerly Capita Advantage Digital)	4,000	5,077	1,077	(1,080)	96,000		(96,000)					
KS271	Corporate Website - Redesign	20,620	17,507	(3,113)	3,110	78,380	106,510	28,130		8,020	680		
KS256	Uniform Implementation	11,830	11,825	(5)									
KS272	Electronic SMB Reports System	5,700	5,695	(5)									
KS273	Call Recording	1,000	1,344	344	(340)	45,000		(45,000)					
KS264	Civica Icon Payments (Car Park Season Ticket	270		(270)	270	9,730		(9,730)					
KS274	New CRM Technology	1,090	1,629	539	(540)	97,910	169,770	71,860		17,500	1,000		
KS275	Future Online Development of Civica Icon	3,560	4,333	773	(770)	16,440		(16,440)					
	Total CTOC	48,070	47,410	(660)	650	343,460	276,280	(67,180)		25,520	1,680		
	Housing All Under One Roof Programme												
KS262	On-Line Housing Application Form	3,250		(3,250)	3,250								
	Total Corporate Projects, Customer Services & Technology	292,730	344,386	51,656	(51,670)	1,003,510	781,540	(221,970)		112,620	51,930	300,000	600,000

APPENDIX A - GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2018/2019			2019/2020				On Hold	2020/2021	2021/2022	2022/2023	2023/2024
		Q3 Working Budget £	Actuals 2018-19 £	(Under) Overspend £	Slippage £	Q3 Working Budget £	Q4 Revised Budget £	Var Q3 v Q4 £		Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £
	Housing and Investment												
KG024	Asbestos Surveyor for Garages (one year contract)	17,810	4,453	(13,357)		8,910	(8,910)						
	Play Centres												
KC910	Pin Green - New Storage Heaters	5,450	7,061	1,611									
KC911	Pin green - Replace External lighting	7,000	5,998	(1,002)									
KC912	Pin Green - Replace Hall Lighting	7,000	8,871	1,871									
KC914	Pin Green - Recover Flat Roof					35,000	35,000						
KC913	Bandley Hill - Replace External Door Sets	10,600	10,036	(564)									
TBA	Bandley Hill - Replace Fenestration									30,000			
KC915	Bandley Hill - Replace Hall Floor Covering					25,000	25,000						
	St Nicholas - Replacement Doors									10,000			
	Community Centres												
KE902	Community Centres General	3,200		(3,200)	3,200	28,800	32,000	3,200					
TBA	St Nicholas - Replacement Windows & Doors										30,000		
KE471	St Nicholas - Boiler and Hot Water Installation Upgrade	18,740	26,702	7,962	(7,960)	23,260	15,300	(7,960)					
KE515	St Nicholas Annexe - External Decorations					20,000	20,000		*				
	New Growth								*				
	Bedwell - External Cedar Cladding Works									5,000			
	Bedwell - Boiler Upgrade									100,000			
KE492	Shephall - Boiler Replacement	17,000	18,274	1,274									
KE447	Oval - Re-roofing		1,060	1,060									
KE472	The Oval - Replace Radiators					8,000	8,000						
KE499	The Oval - Replace Windows					15,000	15,000						
KE473	Springfield House - Works to External Envelope.	15,000	15,692	692									
KE484	Springfield House - Boiler upgrade	58,000	99,122	41,122									
KE488	Springfield House - Boundary Wall	20,000		(20,000)	20,000		52,150	52,150					
KE474	Timebridge - Boiler and Hot Water replacement (3/5th of Cost to SBC)	20,700	37,035	16,335									
Growth Growth	Timebridge - Resurface Felt Flat Roofs									60,000			
	Symonds Green - Replacement Windows & Doors									25,000			
	Park Pavilions												
KE907	Park Pavilions General	3,220		(3,220)	3,220	5,780	9,000	3,220					
KE475	Chells - Decommission Shower & Provide Hot Water To Changing Rooms	2,500	3,620	1,120	(1,120)	22,500	21,380	(1,120)					
KE476	Shephalbury Bowls - Reroofing	26,500	29,897	3,397									
KE477	Ridlins - Upgrade Heating and Ventilating Equipment	11,000	10,097	(903)									
KE500	Ridlins - M&E Refurbishment of AHU Plant & Controls					25,000	25,000						
KE478	St Nicholas - Electric Heating Replacement	8,840	8,442	(398)									
KE479	Canterbury Way - Demolition	1,200		(1,200)	1,200	10,800	12,000	1,200					
KE493	King George V - Electrical Mains Intake & Supply Head	2,000		(2,000)		18,000	18,000						

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		Q3 Working Budget £	Actuals 2018-19 £	(Under) Overspend £	Slippage £	Q3 Working Budget £	Q4 Revised Budget £	Var Q3 v Q4 £		Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £
	Housing and Investment (cont'd)												
	Other												
Growth	Ridlins running track refurbishment								*			35,000	
	Depots												
KE903	Depots												
KE480	Cavendish Rd - Office Alterations	50,000	5,068	(44,932)	44,930		44,930	44,930					
KE501	CavendishRd - Re-roofing (Ascertain Level of Works Required)					15,000	15,000						
KE501	CavendishRd - Re-roofing (on hold 2020/21 spend)								*	500,000			
	Museum												
KE489	Museum Store Roof Replacement	25,000	22,611	(2,390)									
	Cemeteries												
KE904	Cemetery Buildings	1,500		(1,500)	1,500	13,500	15,000	1,500					
KE481	Weston Road - Replace / Upgrade Electric Space Heating.	8,630	10,993	2,363									
KE482	Weston road - External Joinery Decorations	10,000	8,678	(1,322)									
	Council Offices												
KR900	Council Offices	23,710	4,333	(19,377)	19,380		19,380	19,380					
KR139	Swingate House - Reroofing												
KR141	Corporate Buildings - Essential Health & Safety El	5,000	5,727	727	(730)	20,000	19,270	(730)					
KR142	Corporate and Commercial Buildings - Condition survey	30,000	8,707	(21,293)	5,000		5,000	5,000					
KR149	Daneshill House - Test & Risk Assessment Remedial Works					15,000	15,000		*				
	Operational Buildings												
KE448	Indoor Market Essential Health & Safety Works	20,000	33,223	13,223									
KE449	Indoor Market - Fire Alarm Replacement	50,000	55,747	5,747									
KE450	Indoor Market Toilet Refurbishment	21,000	22,222	1,222									
KE503	Indoor Market - New Hot Air Curtains					20,000	20,000		*				
TBA	Indoor Market - New LED & Lighting								*	65,000			
	Town Centre												
KR136	Preparation Works to Units 1,4,5 of the former QD					57,500	57,500						
KR137	Works to 29 Town Square												
KR138	Town Square Assets - Condition Survey	52,000	17,126	(34,874)	10,000		10,000	10,000					
KE033	Town Centre Toilets - Reroofing / Remedial Works	2,000	0	(2,000)									
KE504	Station Ramp					7,500	7,500						
KE504	Station Ramp (on hold 2020/21 spend)						45,000	45,000	*	30,000			
KR143	Town Chambers - Reroofing, Guttering, Pipe replacement, Safe roof access												
KR144	Town Chambers - Essential Works to Existing Wi		2,896	2,896									
KR145	Town Chambers / Square - External Facade Struc	88,000	29,742	(58,258)	45,000		45,000	45,000					
KR146	Town Chambers - Landlords Electrical Inspection		2,896	2,896									
	Total Housing and Investment	642,600	516,327	(126,273)	143,620	394,550	606,410	211,860		825,000	30,000	35,000	

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Cost Centre	Scheme	2018/2019			2019/2020				On Hold	2020/2021	2021/2022	2022/2023	2023/2024
		Q3 Working Budget £	Actuals 2018-19 £	(Under) Overspend £	Slippage £	Q3 Working Budget £	Q4 Revised Budget £	Var Q3 v Q4 £		Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £
Regeneration													
KE384	Town Centre Improvements Phase 2 incl	235,410	157,532	(77,878)	69,270		69,270	69,270					
KE340	Town Centre Regeneration		14,002	14,002									
KE438	Public Realm Improvements to Market Place	503,000	497,603	(5,397)									
KE439	Town Square Improvements (GD1)	258,000	408,584	150,584	(150,580)	287,000	2,036,420	1,749,420		1,200,000	2,400,000		
KE439	Town Square Improvements	400,000		(400,000)	400,000								
TBA	Town Square Improvements (units 3 to 29)												
KE454	Town Centre Regeneration Programme (GD1)	4,100,000	1,437,516	(2,662,484)	2,662,480	1,400,000	4,062,480	2,662,480					
KE505	Town Centre Regeneration - Land Assembly (GD1)					100,000	100,000						
KE466	Bus Interchange (GD3)	242,000	140,681	(101,319)	101,320	4,674,270	3,000,000	(1,674,270)		3,375,590			
KE467	CCTV Relocation (GD1)	355,000	656,858	301,858	(301,860)	645,000	1,743,140	1,098,140					
KE467	CCTV Relocation (GD1)					1,400,000		(1,400,000)					
KE469	Leisure Centre (GD1)	20,000		(20,000)	20,000	1,480,000		(1,480,000)					
KE506	Public Sector Hub					1,100,000	1,100,000				1,179,000	1,295,000	26,768,000
	Total Regeneration	6,113,410	3,312,776	(2,800,634)	2,800,630	11,086,270	12,111,310	1,025,040		4,575,590	3,579,000	1,295,000	26,768,000
Community & Neighbourhoods													
KC900	Arts and Leisure Centre - Improvements	29,330	32,384	3,054									
KC900	Arts and Leisure Centre - Lift Replacement						111,000	111,000	*			150,000	
KC901	Stevenage Swimming Centre	13,930		(13,930)					*				
KC202	Fairlands Valley Park - Aqua	7,000		(7,000)	7,000	24,000	31,000	7,000	*				
KC226	Fairlands Valley Park - Boathouse Roof Replacem	12,000	12,193	193									
KC228	Stevenage Golf Centre - Boiler Replacement	20,000	14,682	(5,318)	5,320		5,320	5,320	*				
KC224	Leisure Stock Condition	30,000	10,185	(19,815)	19,810		19,810	19,810	*		20,000		
KC221	St Nicholas Play Centre Equipment	19,200	19,143	(57)									
KC225	Bandley Hill Play Centre - Treehouse	30,000		(30,000)	30,000		30,000	30,000	*				
KC229	Bandley Hill Play Centre - Fencing Replacement					23,000	23,000		*				
KC230	Pin Green Play Centre Equipment					35,000	35,000						
KE452	Mobile CCTV Cameras	19,760	19,757	(3)									
KE224	CCTV - Replacement Cameras	12,000	5,000	(7,000)		20,000	20,000		*	20,000	20,000	20,000	
KE224	CCTV - Replacement Cameras								*				20,000
KE507	Cycleways Installations (contribution to £100k Arts Council grant bid)					10,000	10,000		*				
	Total Community & Neighbourhoods	193,220	113,344	(79,876)	62,130	112,000	285,130	173,130		20,000	40,000	170,000	20,000
Planning & Regulatory													
KE119	Off Street Car Parks (Multi Storey Car Parks)	389,640	405,024	15,384	(15,380)	180,000	164,620	(15,380)		225,000	225,000	225,000	220,000
KE508	Multi-storey Car Park - New Entrances/Resurfacing					15,000	15,000		*	25,000	25,000	25,000	25,000
KE900	Off Street Car Parks (Surface Car Parks)	31,910	15,370	(16,540)									
KE122	MSCP's Lighting Improvements					100,000	100,000		*				
KE516	Town Centre Ramps Improvements						45,000	45,000					
KE486	CCTV Cameras (en route to MSCP)	10,000		(10,000)									
KE201	Hard standings	73,810	73,557	(253)		50,000	50,000			50,000	50,000	50,000	
KE201	Hard standings												50,000
KE100	Residential Parking	18,610		(18,610)	18,610	100,000	123,910	23,910					

APPENDIX A - GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2018/2019			2019/2020				On Hold	2020/2021	2021/2022	2022/2023	2023/2024
		Q3 Working Budget £	Actuals 2018-19 £	(Under) Overspend £	Slippage £	Q3 Working Budget £	Q4 Revised Budget £	Var Q3 v Q4 £		Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £
	Planning & Regulatory (cont.)												
KE100	Residential Parking					30,000	30,000		*				
KE470	Electric Car Charging Points	480		(480)	480	14,520	15,000	480					
KE217	Parking Restrictions	20,700		(20,700)	20,700	25,000	45,700	20,700		25,000	25,000	25,000	
KE217	Parking Restrictions					24,000	24,000		*				
KE509	Onstreet Contactless pay					10,000	10,000		*				
KE441	Parking Enforcement - Phased replacement pay & display machines	22,000	18,271	(3,729)									
KE442	Parking Enforcement - Burymead Permit Parking Area Implementation	10,000		(10,000)									
KE443	Parking Enforcement - Old Town Permit Parking Area Implementation					12,000	12,000						
KE444	Coreys Mill Lane - Additional Parking Capacity	24,530		(24,530)	24,530		24,530	24,530					
KG010	House Renovation/Improvement Grants	18,000		(18,000)									
KG011	Disabled Facilities Grants	257,800	146,161	(111,639)	30,000		30,000	30,000					
	Total Planning & Regulatory	877,480	658,383	(219,097)	78,940	560,520	689,760	129,240		325,000	325,000	325,000	295,000
KR911	Deferred Works Reserve	20,000		(20,000)		29,600	29,600			154,000	56,000	15,000	2,000

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Cost Centre	Scheme	2018/2019			2019/2020				2020/2021	2021/2022	2022/2023	2023/2024
		Working Budget Q3 £	Actuals 2018-19 £	(Under) /Overspend £	Slippage £	Working Budget Q3 £	Q4 Revised Budget £	Variance Working v Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £	Q3 Revised Budget £
	SUMMARY											
	Capital Programme Excluding New Build	14,589,680	13,784,198	(805,482)	805,480	20,248,610	21,133,030	(884,420)	19,071,510	18,908,690	15,785,058	14,116,760
	New Build (Housing Development)	6,914,130	7,383,136	469,006		27,188,698	11,713,690	15,475,008	32,697,030	19,017,573	16,055,686	16,537,343
	Special Projects & Equipment	784,570	732,365	(52,205)	53,940	180,000	155,000	25,000				
	IT Including Digital Agenda	328,380	466,249	137,869	(122,720)	1,210,310	741,270	469,040	64,530	26,100	156,980	306,980
	TOTAL HRA CAPITAL PROGRAMME	22,616,760	22,365,948	(250,812)	736,700	48,827,618	33,742,990	15,084,628	51,833,070	37,952,363	31,997,724	30,961,083
	HRA USE OF RESOURCES											
	MRR (Self Financing Depreciation)	12,837,195	11,124,186	(1,713,009)		22,955,898	12,242,902	10,712,996	23,436,574	12,936,122	13,484,862	13,972,630
	Revenue Contribution to Capital	5,849,123	6,770,206	921,083		13,946,930	13,946,930		11,717,539	10,202,458	8,665,150	7,545,000
	Unpooled Receipts (BH902)											
	New Build Receipts (BH901)	1,709,966	1,964,183	254,217		4,825,017	2,977,885	1,847,132	6,885,151	4,139,313	3,095,324	4,074,693
	Debt Provision Receipts (BH903)	410,596	696,056	285,460		855,393	855,393		892,010	928,576	965,007	
	Section 20 Contribution (BH905)		41	41		797,752	719,797	77,955	1,681,862	2,039,624	1,798,942	1,152,414
	Land Receipts					400,000	400,000				919,473	1,183,821
	S106		719	719					417,264			
	London Housing Consortium Rebate											
	Buy Back Allowance											
	Borrowing	1,809,880	1,810,558	678		5,046,628	2,600,083	2,446,545	6,802,670	7,706,270	3,068,966	3,032,525
	TOTAL HRA RESOURCES FOR CAPITAL	22,616,760	22,365,948	(250,812)		48,827,618	33,742,990	15,084,628	51,833,070	37,952,363	31,997,724	30,961,083
											(0)	(0)
	Major Repair Reserve Bought Forward (BH930)	(9,264,380)	(9,264,380)			(12,028,306)	(10,919,793)		(10,833,341)	0	(69,393)	(38,157)
	Depreciation (increasing MRR)	(11,792,195)	(12,779,598)			(12,156,450)	(12,156,450)		(12,603,233)	(13,005,515)	(13,453,626)	(13,934,473)
	MRR Used (decreasing MRR)	9,028,270	11,124,186			22,955,898	12,242,902		23,436,574	12,936,122	13,484,862	13,972,630
	Major Repair Reserve Carried Forward	(12,028,306)	(10,919,793)	(0)	(0)	(1,228,858)	(10,833,341)	0	0	(69,393)	(38,157)	0
	Total RTB Receipts Bought Forward	(10,102,359)	(10,102,359)			(9,378,927)	(10,132,532)		(10,423,619)	(7,122,110)	(6,747,489)	(7,598,252)
	Total RTB Receipts Received	(2,526,917)	(4,656,417)			(4,650,147)			(4,475,653)	(4,693,268)	(4,911,095)	(5,136,032)
	Total RTB Receipts Used by General Fund (RP)	728,172	714,932									
	Receipts used for Registered Providers											
	Repayment of One for One Receipts	346,232	346,232									
	Debt Provision Receipts Used for Provision of Interest on Repaid One for	55,383										
	Total RTB Receipts Used by HRA & General Fund (for RP)	2,120,562	3,565,079			6,080,410			7,777,161	5,067,889	4,060,331	5,077,310
	Total RTB Receipts Carried Forward	(9,378,927)	(10,132,532)			(7,948,665)	(10,132,532)		(7,122,110)	(6,747,489)	(7,598,252)	(7,656,974)

APPENDIX B - HOUSING CAPITAL STRATEGY

Cost Centre	Scheme	2018/2019			2019/2020				2020/2021	2021/2022	2022/2023	2023/2024
		Working Budget Q3 £	Actuals 2018-19 £	(Under) /Overspend £	Slippage £	Working Budget Q3 £	Q4 Revised Budget £	Variance Working v Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £	Q3 Revised Budget £
	CAPITAL PROGRAMME EXCL. NEW BUILD											
	Planned Investment including Decent Homes											
KH157	Decent Homes - Redecs	3,340	640	(2,700)	2,700	20,000	20,000		20,000	20,000	20,000	20,000
Various1	Decent Homes - Internal Works	2,489,440	3,402,336	912,906	(912,890)	1,731,290	1,618,710	(112,580)	1,705,670	1,802,910	1,779,870	14,096,760
Various2	Decent Homes External Works				443,410		205,000	205,000				
Various3	Decent Homes - Roofing											
Various4	Decent Homes - Flat Blocks	8,086,320	6,884,890	(1,201,440)	1,201,410	12,087,750	12,280,160	192,410	12,602,600	12,852,780	11,780,398	
NEW	MRC Miscellaneous						260,000	260,000				
KH205	Communal Heating	712,930	504,562	(208,368)	208,370	1,333,030	1,200,000	(133,030)	1,313,300	1,316,820		
KH092	Lift Installation - Inspection & Remedial Works	302,660	266,233	(36,427)	36,430	307,620	437,800	130,180	303,070	265,390		
KH287	Temporary Lift Provision - Flat Blocks								450,000	450,000		
KH291	Sprinkler Systems - Flat Blocks	9,880	10,558	678	(680)	1,990,120	1,989,440	(680)				
KH294	High Rises - Preliminary Works					190,000	190,000					
	External Works (MRC Programme)											
	Health & Safety											
KH085	Fire Safety	84,670	68,074	(16,596)	16,600	81,400	81,400		80,190	80,410	79,380	
KH112	Asbestos Management	365,560	475,329	109,769	(109,770)	379,870	379,870		374,250	375,250	370,460	
KH124	Subsidence	155,750	143,842	(11,908)	11,910	102,540	102,540		101,020	101,290	100,000	
KH164	Contingent Major Repairs	260,920	254,892	(6,028)	6,030	420,420	378,940	(41,480)	425,480	435,560	440,000	
	Estate & Communal Area											
KH223	Asset Review - Challenging Assets	577,840	615,332	37,492	(37,490)	615,240	110,000	(505,240)	606,140	607,770	600,000	
KH224	Asset Review - Sheltered (non RED)	92,110	80,569	(11,541)	11,540	410,160	1,300,000	889,840	505,120			
	Other HRA Schemes											
KH174	Energy Efficiency Pilot Projects	7,840	8,126	286	(290)	15,200	15,200		15,150	15,190	15,000	
KH094	Disabled Adaptations	696,320	768,123	71,803	(71,800)	563,970	563,970		569,520	585,320	599,950	
	TOTAL CAPITAL PROGRAMME EXCL. NEW BUILD	14,589,680	13,784,198	(805,482)	805,480	20,248,610	21,133,030	884,420	19,071,510	18,908,690	15,785,058	14,116,760
								78,940				
	CAPITAL PROGRAMME NEW BUILD											
KH233	New Build Programme	6,914,130	7,365,171	451,041.48		27,188,698	11,713,690	(15,475,008)	32,697,030	16,407,642	13,186,720	13,582,310
	Build for sale									701,888	903,680	930,790
	Ineligible part of Oval									1,908,043	1,965,286	2,024,243
KH209	New Build - Archer Road		17,965	17,965								
KH233	TOTAL CAPITAL PROGRAMME NEW BUILD	6,914,130	7,383,136	469,006		27,188,698	11,713,690	(15,475,008)	32,697,030	19,017,573	16,055,686	16,537,343

APPENDIX B - HOUSING CAPITAL STRATEGY

Cost Centre	Scheme	2018/2019			2019/2020			2020/2021	2021/2022	2022/2023	2023/2024
		Working Budget Q3 £	Actuals 2018-19 £	(Under) /Overspend £	Slippage £	Working Budget Q3 £	Q4 Revised Budget £	Variance Working v Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £	Q4 Revised Budget £
	SPECIAL PROJECTS & EQUIPMENT										
	HRA Resurfacing										
KH276	Skipton Close - Resurfacing Parking Areas	23,300	22,237	(1,063)							
KH277	Kimbolton Crescent - Resurfacing Footpaths/Parking Areas	11,920	14,528	2,608							
	HRA Equipment										
KH015	Capital Equipment (including Supported Housing Equipments)	94,460	40,522	(53,938)	53,940	55,000	30,000	(25,000)			
KH278	Vans for RVS	654,890	655,077	187		125,000	125,000				
	Sub Total Special Projects & Equipment	784,570	732,365	(52,205.07)	53,940.00	180,000.00	155,000.00	(25,000.00)			
	INFORMATION TECHNOLOGY										
	IT General (IT)										
KH217	Northgate Additional Modules		375								
KH218	ICT Programme (Business Plan)					215,730	239,580		42,900	24,750	156,980
KH235	ICT Equipment					10,000					
KH237	Harmonising Infrastructure Technology (for shared service)	9,050	9,350	300		14,870		(14,870)			
KH238	Infrastructure Investment	76,600	96,422	19,822		48,460					
KH238	Infrastructure Investment					110,000					150,000
KH236	Keystone Module (to support fire safety)					32,000					
KH296	Tablets (x144)					5,330					
KH297	Total General IT	85,650	106,147	20,122		436,390	239,580	(14,870)	42,900	24,750	156,980
	Employer Of Choice (EOC)										
KH259	Replacement HR & Payroll System	7,250	9,283	2,033	(2,030)	4,530	2,500				
KH269	New Intranet	24,570	29,542	4,972	(4,970)	12,550	7,580				
	Total EOC	31,820	38,825	7,005	(7,000)	17,080	10,080				
	Connected To Our Customers (CTOC)										
KH270	Online Customer Account (formerly Capita Advantage Digital)	4,000	5,077	1,077		96,000		(96,000)			
KH271	Corporate Website - Redesign	10,630	2,183	(8,447)		40,370	54,870	14,500	4,130	350	
KH272	Electronic SMB Reports System		2,805	2,805							
KH273	Call Recording	470		(470)		11,530		(11,530)			
KH288	New CRM Technology	1,090		(1,090)		97,910	169,770	71,860	17,500	1,000	
KH289	Future Online Development of Civica Icon Payments	3,560	4,333	773		16,440		(16,440)			
	Total CTOC	19,750	14,398	(5,352)		262,250	224,640	(37,610)	21,630	1,350	
	Housing All Under One Roof programme (HAUOR)										
KH283	Housing Improvements	12,190	6,140.04	(6,050)	6,050	261,810	155,960	(105,850)			
KH260	On-Line Housing Application Form	6,020	5,000.00	(1,020)	1,020	40,730	41,750	1,020			
KH286	Housing Document Management System	172,950	187,339.58	14,390	(14,390)	67,050	52,660	(14,390)			
KH293	Online Tenants Self-Service		108,400.00	108,400	(108,400)	125,000	16,600	(108,400)			
	Total HAUOR	191,160	306,879.62	115,720	(115,720)	494,590	266,970	(227,620)			
	TOTAL ICT INCLUDING DIGITAL AGENDA	328,380	466,249	137,494	-122,720	1,210,310	741,270	-280,100	64,530	26,100	156,980

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Meeting Executive
Portfolio Area Communities, Community Safety and Equalities
Date 10 July 2019



GAMBLING ACT 2005 – REVIEW OF STATEMENT OF PRINCIPLES

NON KEY DECISION

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1 PURPOSE

- 1.1 To consider the Council's draft Statement of Principles as required under the Gambling Act 2005.
- 1.2 To note that the draft Statement of Principles was considered by the Council's General Purposes Committee at their meeting on 6th June 2019.

2 RECOMMENDATIONS

- 2.1 That the Executive notes the report and agrees the proposed Stevenage Borough Council Gambling Act Statement of Principles 2019-2022 (attached at Appendix A).
- 2.2 That the Executive recommends the Stevenage Borough Council draft Statement of Principles to the Council for adoption.

3 BACKGROUND

- 3.1 The Council is the licensing authority for the purposes of the Gambling Act and consequently is under a duty to prepare a Statement of Gambling Principles that it proposes to apply in exercising its functions under the Act.
- 3.2 The Statement of Principles sets out the general approach the Council will take when carrying out its regulatory role under the Act and promoting the three licensing objectives:
- preventing gambling from being a source of crime or disorder, being associated with crime or disorder, or being used to support crime
 - ensuring that gambling is conducted in a fair and open way
 - protecting children and other vulnerable persons from being harmed or exploited by gambling.
- 3.3 The Act was conceived as ‘light touch’ legislation, covering a wide range of licensable activities such as adult gaming centres and betting premises. It specifies that Local Authorities should “aim to permit” gambling, provided it is in accordance with the Code of Practice and guidance issued by the Gambling Commission, reasonably consistent with the licensing objectives and in accordance with the Statement of Principles. The effect of this duty is that Licensing Authorities must approach their functions in a way that seeks to regulate gambling by using their powers to promote the licensing objectives rather than by setting out to prevent it altogether.
- 3.4 The Statement seeks to strike a balance between the interests of licence holders, applicants and residents in the promotion of the licensing objectives defined by the Act. Additionally, it outlines the licensing authority’s expectations of licence holders in promoting the licensing objectives, whilst advising on the licensing authority’s obligations under the Act, including its interpretation of the Act and/or Statutory Guidance where necessary. The Statement is designed to offer appropriate protection for residents and a streamlined approach to regulation that eases unnecessary burdens on businesses.
- 3.5 The current Statement was adopted by full Council in December 2015 and must now be reviewed and, where necessary, revised.

Proposed changes

- 3.6 A limited number of additions and amendments to the extant Statement of Principles were consulted upon, to reflect the update in the Guidance published by the Gambling Commission (5th Edition, September 2015).

- 3.7 The draft Statement can be found at Appendix A; all significant additions or variations from the 2016-2019 Statement have been highlighted in grey. There are no changes to the intent or direction in the proposed 2019-2022 Statement, which sets out how the Council seeks to regulate gambling activities under its control and provide a framework for consistent decision making.
- 3.8 The most substantive changes in the new Statement are intended to meet the Commission's most recent guidance and are as follows:
- A whole section has been devoted to promotion of the licensing objectives as defined by the Act to give them due prominence and in particular to expand upon expectations in respect of the third objective, protecting children and other vulnerable persons from being harmed or exploited by gambling.
 - From April 2016, all industry operators have had to undertake local area risk assessments to explore the risks that gambling venues pose to the licensing objectives. A new section outlining the Council's expectations in relation to operators' local risk assessments has been incorporated. This guidance will enable the Council to regulate local gambling more effectively by being able to hold operators to account if their assessments fall short of the Council's expectations.
 - The same new section introduces the concept of the Local Area Profile and commits the Council to provide one within the life of the new Statement. The Local Area Profile will act as a guide which gambling operators can use when undertaking and preparing their local premises risk assessments

Consultation

- 3.9 In preparing the Statement, the licensing authority must publish any proposed document before giving it effect and must consult with:
- the chief officer of police for the licensing authority's area;
 - one or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area;
 - one or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under this Act.
- 3.10 To comply with this requirement, the licensing authority published the draft Statement on a dedicated webpage on the Council's website with details of the consultation period and an explanation of how to make a representation. The page was available between 5th March and 30th April 2019. All organisations listed in Appendix 2 of the Statement were sent a consultation

email or letter directing them to the consultation page. Just two responses were received from GamCare and Gosschalks Solicitors, the latter acting on behalf of the Association of British Bookmakers.

- 3.11 GamCare is the leading provider of information, advice, support and free counselling for the prevention and treatment of problem gambling. They operate the National Gambling Helpline, provide treatment for problem gamblers and their families, create awareness about responsible gambling and treatment, and encourage an effective approach to responsible gambling within the gambling industry. The organisation provided a generic response to the consultation, emphasising their support for local area profiles and risk assessments which are included in the Statement.
- 3.12 GamCare also suggested that the Council should primarily consider applications from GamCare certified operators. GamCare Certification is a voluntary process comprising an independent audit assessment of an operator's player protection measures and social responsibility standards, policy and practice. Standards are measured in accordance with the GamCare Player Protection Code of Practice. Whilst the draft Statement promotes the importance of organisations such as GamCare and their role in promoting responsible gambling, the principle of each application being determined on its own merits remains paramount. The Commission's Guidance also precludes the licensing authority from attaching conditions to a licence which provide that membership of a club or body be required. It is not proposed therefore to include this suggestion; however GamCare certification, where present, could be included by operators within individual risk assessments and in addressing the local area profile as part of an application.
- 3.13 Gosschalks Solicitors, acting on behalf of the Association of British Bookmakers (ABB), made a number of observations. In general terms, as part of a generic response, they made no adverse comments in relation to the draft Statement; indeed they offered support for the effective use of local area profiles and risk assessments. They also referred to the national decline of betting premises, low problem gambling rates and new planning controls from April 2015 affording local authorities additional controls through the planning process. Local decision-making should focus on the promotion of the licensing objectives and these issues should not unduly influence the determination of applications.
- 3.14 Gosschalks Solicitors made a number of specific comments on behalf of ABB. While a number of their comments suggested that the draft Statement should be revised to remove references to measures they believe are not directly linked to the licensing objectives, these changes have not been made as it is considered that these measures are in fact relevant considerations. For example, proximity to cashpoints and alcohol licensed premises is

relevant when considering the potential harm to people with existing gambling problems.

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

- 4.1 Section 349 of the Gambling Act 2005 requires licensing authorities to publish a statement of licensing principles every three years in accordance with prescribed requirements. The adoption of the statement of licensing principles is a non-executive function by virtue of the Act and Statutory Guidance and is reserved for Full Council.
- 4.2 The only alternative option would be to adopt a Statement that differs in content and/or extent from the document proposed here. An alternative Statement has not been considered as the one proposed achieves an effective balance between ensuring the promotion of the licensing objectives, and avoiding being overly prescriptive or prohibitive to applicants and licence holders. Any wholly revised Statement would be subject to a further full consultation process.
- 4.3 The draft Statement of Principles was considered by the Council's General Purposes Committee at their meeting on 6th June 2019. The following comments and amendments to the proposed Statement of Principles were made by Members:
- The Committee was concerned with the wording of introductory Paragraph A1.4 of the proposed Statement of Principles, which outlined some of the socio-economic factors in respect of the town. It was considered that, as there was no evidential link between this paragraph and gambling in the Borough, it was agreed that this paragraph be removed from the document;
 - The Committee acknowledged that new Licence Holders would be required to submit local Risk Assessments in association with their licence applications. At the request of Members, Officers undertook to investigate whether or not it would be permissible to require existing Licence Holders to submit such Risk Assessments for their premises (possibly by sourcing Best Practice from other licensing authorities);
 - Local Area Profile – Officers confirmed that it was the intention to develop such a profile during the life of the proposed Statement of Principles (2019 – 22), including socio-economic factors, in order to act as a guide which gambling operators could use when undertaking and preparing their local premises risk assessments; and
 - Members requested Officers to provide them with details regarding a proposed promotional event on the Gambling Act to be held later in June 2019.

- 4.4 The General Purposes Committee resolved:
- That the proposed Stevenage Borough Council Gambling Act draft Statement of Principles 2019-2022, attached at Appendix A to the report, and as amended, be supported.
 - That the Executive be requested to agree the Stevenage Borough Council Gambling Act draft Statement of Principles for onward recommendation to Council.

5 IMPLICATIONS

Financial Implications

- 5.1 Local authorities have the ability to set their own local fees in connection with the Act on a cost recovery only basis, subject to centrally prescribed maximum amounts. The administration and enforcement of the Act, including the adoption of a Statement, places no additional financial burden on the Council as all costs are recovered through fees. Fees will be reviewed as part of the annual budget-setting process.

Legal Implications

- 5.2 The Licensing Authority has a statutory duty to produce a Statement of Principles under the Gambling Act 2005 and review it at least once every three years.

Equalities and Diversity Implications

- 5.3 The proposed Statement of Principles does not place any barriers or unique requirements on any person on the grounds of ethnicity, gender, religion, or any other protected characteristic. Officers work with all applicants and licence holders, where appropriate, to ensure that the Council's duty under the Equality Act 2010 is met. A brief form Equalities Impact Assessment is attached as Appendix B.

Community Safety Implications

- 5.4 The Act has a community safety implication arising from the licensing objectives. There are currently no local concerns regarding the impact of gambling on community safety, and it does not appear within the Council's community safety plan.

BACKGROUND DOCUMENTS

All documents that have been used in compiling this report, that may be available to the public, i.e. they do not contain exempt information, should be listed here:

- BD1 Gambling Act 2005
- BD2 Gambling Act 2005 (Licensing Authorities Policy Statement) (England and Wales) Regulations 2006
- BD3 Guidance for Local Authorities, 5th Edition (Gambling Commission, March 2015)
- BD4 Gambling Act 2005; Stevenage Borough Council Statement of Policy 2016-2019

APPENDICES

- A Gambling Act 2005 draft Statement of Principles
- B Equalities Impact Assessment

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DRAFT

Approved and adopted by Stevenage Borough Council on [date]

Gambling Act 2005

Statement of Principles 2019 - 2022



Gambling Act 2005 Statement of Principles 2019-22

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PART A – INTRODUCTION

A1. Stevenage Borough

- A1.1 Stevenage Borough Council is situated in the County of Hertfordshire, which contains ten District Councils in total. Stevenage was designated as Britain's first new town in 1946 and the Council area has a population estimated to reach 89,000 during 2019 making it the smallest in the County in terms of population. In terms of area it is also the smallest, covering approximately 20 square miles and is surrounded by the districts of North Hertfordshire and East Hertfordshire. A map of the Council area is attached as Appendix 1.
- A1.2 Set in the attractive countryside of north Hertfordshire, Stevenage is an urban authority, enjoying the amenities of a well-planned new town together with a history dating back to Roman times. The town is divided into distinct land use areas, the town centre, Old Town and railway station are the core of the town. They are surrounded by individual residential neighbourhoods containing around 38,000 homes. Local neighbourhood centres provide shops and community facilities for residents. There are two main employment areas, one to the west of the town centre at Gunnels Wood and one to the north-east at Pin Green.
- A1.3 There are a range of leisure facilities, retail parks and supermarkets. Open spaces and play areas are well spread throughout the town. Wide roads and a cycle and pedestrian network link all parts of the town. Stevenage's railway station is on the East Coast Main Line. There are long distance rail links between London and the north. Commuter services connect the town to Kings Cross, Cambridge and Peterborough as well as nearby towns including Hitchin, Letchworth and Welwyn Garden City. The town is connected to Junctions 7 and 8 of the A1(M) which links London, the midlands and the north. The A602 connects Stevenage to Hitchin and Ware while the nearby A505 provides connections between Luton Airport and Cambridgeshire. The urban road network of Stevenage comprises three main north-south routes and four main east-west routes.
- A1.4 Licensing authorities are required by the Gambling Act 2005 (the Act) to publish a statement of the principles that they propose to apply when exercising their functions. This statement must be published at least every three years. The statement must also be reviewed from "time to time" and any amended parts re-consulted upon. The statement must be then re-published.
- A1.5 Stevenage Borough Council consulted widely upon this statement before finalising and publishing. A list of those persons consulted is provided in Appendix 2. Our consultation took place between 5th March and 30th April 2019 and was carried out in accordance the Cabinet Office guidance on consultation principles (published March 2018) which is available at:
- https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/691383/Consultation_Principles__1_.pdf
- Two comments were received during the consultation period.
- A1.6 *The policy, following consultation, went to Executive Committee on date C and then to Full Council on date D, at which date it received approval. This version will be published by date E, and will take effect from date F.*

A1.7 Should you have any comments as regards this policy statement please send them by e-mail or letter to the following contact:

Name: Licensing Team
Address: Stevenage Borough Council,
Daneshill House,
Danestrete,
Stevenage, SG1 1HN

email: licensing@stevenage.gov.uk

A1.8 It should be noted that this policy statement will not override the right of any person to make an application, make representations about an application, or apply for a review of a licence, as each will be considered on its own merits and according to the statutory requirements of the Act.

A2. The Licensing Objectives

A2.1 In exercising most of their functions under the Act, licensing authorities must have regard to the licensing objectives as set out in section 1 of the Act. The licensing objectives are:

- a) Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime;
- b) Ensuring that gambling is conducted in a fair and open way;
- c) Protecting children and other vulnerable persons from being harmed or exploited by gambling

A2.2 It should be noted that the Gambling Commission (“the Commission”) has stated: “The requirement in relation to children is explicitly to protect them from being harmed or exploited by gambling”.

A2.3 This licensing authority is aware that, as per Section 153 of the Act, in making decisions about premises licences and temporary use notices it should aim to permit the use of premises for gambling in so far as it thinks it:

- In accordance with any relevant code of practice issued by the Commission;
- In accordance with any relevant guidance issued by the Commission;
- Reasonably consistent with the licensing objectives; and
- In accordance with the authority’s statement of principles

A3. Declaration

A3.1 In producing the final statement, this licensing authority declares that it has had regard to the licensing objectives of the Act, the guidance issued by the Commission (5th edition March 2015), and any responses from those consulted on the statement.

A4. Responsible Authorities

Gambling Act 2005 Statement of Principles: Draft for consultation

A4.1 Child Protection

A4.1 The licensing authority is required by regulations to state the principles it will apply in exercising its powers under Section 157(h) of the Act to designate, in writing, a body which is competent to advise the authority about the protection of children from harm. The principles are:

- The need for the body to be responsible for an area covering the whole of the licensing authority's area; and
- The need for the body to be answerable to democratically elected persons, rather than any particular vested interest group.

A4.2 In accordance with the Commission's Guidance for local authorities, this authority designates the Hertfordshire Safeguarding Children Board for this purpose.

A4.3 Any concerns expressed by a responsible authority in relation to their own functions cannot be taken into account unless they are relevant to the application itself and the licensing objectives. In this regard the Council will not generally take into account representations that are deemed to be irrelevant, such as:

- There are too many gambling premises in the locality (because need for gambling facilities cannot be taken into account)
- The premises are likely to be a fire risk (because public safety is not a licensing objective)
- The location of the premises is likely to lead to traffic congestion (because this does not relate to the licensing objectives)
- The premises will cause crowds to congregate in one area causing noise and nuisance (because other powers are generally available to deal with these issues. It should be noted that, unlike the Licensing Act 2003, the Gambling Act does not include as a specific licensing objective the prevention of public nuisance. Any nuisance associated with gambling premises should be tackled under other relevant laws).

A4.4 The contact details of all the Responsible Authorities under the Act for applications in respect of premises within the Borough of Stevenage are included as Appendix 3. This information is also available via the Council's website at: www.stevenage.gov.uk.

A5. Interested parties

A5.1 Interested parties can make representations about licence applications, or apply for a review of an existing licence. These parties are defined in the Act as follows:

"For the purposes of this Part a person is an interested party in relation to an application for or in respect of a premises licence if, in the opinion of the licensing authority which issues the licence or to which the applications is made, the person:

- a) Lives sufficiently close to the premises to be likely to be affected by the authorised activities,

- b) Has business interests that might be affected by the authorised activities, or
- c) Represents persons who satisfy paragraph (a) or (b)”

A5.2 The licensing authority is required by regulations to state the principles it will apply in exercising its powers under the Act to determine whether a person is an interested party. The principles are: Each case will be decided upon its own merits. This authority will not apply a rigid rule to its decision-making. It will consider the examples of considerations provided in the Commission’s Guidance for local authorities at 8.11 to 8.17. It will also consider the Commission's Guidance that "has business interests" should be given the widest possible interpretation and include partnerships, charities, faith groups and medical practices.

A5.3 Interested parties can be persons who are democratically elected such as Councillors and MPs. No specific evidence of being asked to represent an interested person will be required as long as the Councillor or MP represent the ward likely to be affected. Likewise, parish councils likely to be affected will be considered to be interested parties. Other than these however, this authority will generally require written evidence that a person/body (e.g. an advocate / relative) ‘represents’ someone who either lives sufficiently close to the premises to be likely to be affected by the authorised activities and/or has business interests that might be affected by the authorised activities. A letter from one of these persons, requesting the representation is sufficient.

A5.4 If individuals wish to approach Councillors to ask them to represent their views then care should be taken that the Councillors are not part of the Licensing Committee dealing with the licence application. If there are any doubts then please contact the Licensing team by e-mail at licensing@stevenage.gov.uk or 01438 242242.

A5.5 In the absence of any regulations to the contrary, representations should ideally:

- be made in writing (letter, fax or e-mail);
- be in black ink on single sides of A4 paper;
- indicate the name and address of the person or organisation making the representation;
- indicate the premises to which the representation relates;
- Indicate the proximity of the premises to the person making the representation. A sketch map or plan may be helpful to show this;
- Clearly set out the reasons for making the representation, and which objective it refers to.

A6. Exchange of Information

A6.1 Licensing authorities are required to include in their statements the principles to be applied by the authority in exercising the functions under sections 29 and 30 of the Act with respect to the exchange of information between it and the Commission, and the functions under section 350 of the Act with the respect to the exchange of information between it and the other persons listed in Schedule 6 to the Act. Those persons or

bodies are listed in Schedule 6(1) as:

- a constable or police force
- an enforcement officer
- a licensing authority
- HMRC
- the First Tier Tribunal
- the Secretary of State.

A6.2 The principle that this licensing authority applies is that it will act in accordance with the provisions of the Act in its exchange of information which includes the provision that the Data Protection Act 1998 or General Data Protection Regulation will not be contravened. The licensing authority will also have regard to any Guidance issued by the Commission to local authorities on this matter when it is published, as well as any relevant regulations issued by the Secretary of State under the powers provided in the Gambling Act 2005.

A6.3 Details of applications and representations which are referred to a Licensing Committee for determination will be published in reports that are made publicly available. Personal details of people making representations will be disclosed to applicants and only be withheld from publication on the grounds of personal safety where the licensing authority is asked to do so and is satisfied that it is appropriate to do so.

A6.4 The authority will ensure that the information on the returns is accurate and sent to the Commission within agreed timescales.

A6.5 We recognise the need to share information with other agencies about our inspections and compliance activities. The Council has various policies relating to information governance, which will be considered when deciding what information to share and the process for doing so.

A6.6 Information can be accessed by data subjects via a number of routes including a Freedom of Information Request or Subject Access Request.

A7. Enforcement

A7.1 Licensing authorities are required by regulation under the Act to state the principles to be applied by the authority in exercising the functions under Part 15 of the Act with respect to the inspection of premises; and the powers under section 346 of the Act to institute criminal proceedings in respect of the offences specified.

A7.2 This licensing authority's principles are that it will be guided by the Commission's Guidance for local authorities, and will endeavour to be;

- Proportionate: regulators should only intervene when necessary; remedies should be appropriate to the risk posed, and costs identified and minimised;
- Accountable: regulators must be able to justify decisions, and be subject to public scrutiny;
- Consistent: rules and standards must be joined up and implemented fairly;
- Transparent: regulators should be open, and keep regulations simple and user friendly; and
- Targeted: regulation should be focused on the problem, and minimise side effects.

- A7.3 In accordance with the Commission's Guidance for local authorities this licensing authority will endeavour to avoid duplication with other regulatory regimes so far as possible.
- A7.4 This licensing authority has adopted and implemented a risk-based inspection programme, based on;
- The licensing objectives
 - Relevant codes of practice
 - Guidance issued by the Commission, in particular at Part 36
 - The council's local area profile
 - The principles set out in this statement of licensing policy
- A7.5 This may include test purchasing activities to measure the compliance of licensed operators with aspects of the Act. When undertaking test purchasing activities, the licensing authority will undertake to liaise with the Gambling Commission and the operator to determine what other, if any, test purchasing schemes may already be in place. Irrespective of the actions of an operator on their overall estate, test purchasing may be deemed to be an appropriate course of action.
- A7.6 The main enforcement and compliance role for this licensing authority in terms of the Gambling Act 2005 will be to ensure compliance with the premises licences and other permissions that it authorises. The Commission is the enforcement body for operating and personal licences. It is also worth noting that concerns about manufacture, supply or repair of gaming machines or concerns about online or remote gambling will not be dealt with by the licensing authority but will be notified to the Commission.
- A7.7 This licensing authority will also keep itself informed of developments as regards the work of the Office for Product Safety and Standards in its consideration of the regulatory functions of local authorities, in particular, with regard to the Regulators' Code (April 2014) which provides a regulatory framework that supports compliance and growth while enabling resources to be focused where they are most needed. We will make available our enforcement and compliance protocols and written agreements upon request.
- A7.8 Bearing in mind the principle of transparency, the Council has adopted an Enforcement Policy which sets out the Council's approach to securing compliance with regulatory requirements and applies to all our regulatory functions, including gambling. The Policy is available on the Council's website.

A8. Licensing Authority functions

- A8.1 The Licensing Authority has delegated some of its functions to the Licensing Committee and to officers. An explanation of these arrangements is shown in Appendix 5.
- A8.2 Licensing Authorities are required under the Act to:
- Be responsible for the licensing of premises where gambling activities are to take place by issuing *Premises Licences*

- Issue *Provisional Statements*
- Regulate *members' clubs* and *miners' welfare institutes* who wish to undertake certain gaming activities via issuing Club Gaming Permits and/or Club Machine Permits
- Issue *Club Machine Permits to Commercial Clubs*
- Grant permits for the use of certain lower stake gaming machines at *unlicensed Family Entertainment Centres*
- Receive notifications from alcohol licensed premises (under the Licensing Act 2003) for the use of two or fewer gaming machines
- Issue *Licensed Premises Gaming Machine Permits* for premises licensed to sell/supply alcohol for consumption on the licensed premises, under the Licensing Act 2003, where there are more than two machines
- Register *small society lotteries* below prescribed thresholds
- Issue *Prize Gaming Permits*
- Receive and Endorse *Temporary Use Notices*
- Receive *Occasional Use Notices*
- Provide information to the Gambling Commission regarding details of licences issued (see section above on 'information exchange')
- Maintain registers of the permits and licences that are issued under these functions

It should be noted that local licensing authorities will not be involved in licensing remote gambling at all. This will fall to the Commission via operating licences.

PART B – PROMOTION OF THE LICENSING OBJECTIVES

B1. Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime.

B1.1 The Commission will take the lead role in keeping gambling free from crime by vetting applicants for operator and personal licences. The licensing authority will have to be satisfied that the premises will not adversely affect the licensing objective and is compliant with the Commission's Guidance, codes of practice and this policy statement.

B1.2 The licensing authority will expect the applicant to have a good understanding of the local area in which they either operate, or intend to operate, a gambling premises. As part of the application, the applicant will provide evidence to demonstrate that in operating the premises they will promote this licensing objective.

B1.3 Examples of the specific steps the licensing authority may take to address this area can be found in the section covering specific premises in Part C and in relation to permits and notices in Part D of this policy.

B2. Ensuring that gambling is conducted in a fair and open way

B2.1 The Commission is the body primarily concerned with ensuring that operators conduct gambling activities in a fair and open way, except in the case of tracks.

B2.2 The licensing authority will notify the Commission of any concerns about misleading advertising, the absence of required game rules, or any other matters as set out in the Commission's Licence Conditions and Code of Practice.

B2.3 Examples of the specific steps the licensing authority may take to address this area can be found in the section covering specific premises in Part C, and in relation to permits and notices in Part D of this statement.

B3. Protecting children and other vulnerable persons from being harmed or exploited by gambling.

B3.1 Protection of Children: Persons under 18 cannot be admitted to many types of gambling premises. This objective means preventing children from taking part in most types of gambling.

B3.2 Section 45 of the Act provides the definition for child and young person:

Meaning of "child" and "young person"

1) In this Act "child" means an individual who is less than 16 years old.

2) In this Act "young person" means an individual who is not a child but who is less than 18 years old.

B3.3 Children and young persons may take part in private and non-commercial betting and gaming, but the Act restricts the circumstances in which they may participate in gambling or be on premises where gambling is taking place as follows:

- casinos, betting shops and adult gaming centres are not permitted to admit anyone under 18;
- bingo clubs may admit those under 18 but must have policies to ensure that they do not play bingo, or play category B or C machines that are restricted to those over 18;
- family entertainment centres and premises licensed to sell alcohol for consumption on the premises can admit under 18s, but they are not permitted to play category C machines which are restricted to those over 18;
- clubs with a club premises certificate can admit under 18s, but they must have policies to ensure those under 18 do not play machines other than category D machines;
- All tracks can admit under 18s, but they may only have access to gambling areas on days where races or other sporting events are taking place, or are expected to take place. Tracks will be required to have policies to ensure that under 18s do not participate in gambling other than on category D machines.

B3.4 The licensing authority will have regard to any code of practice which the Commission issues as regards this licensing objective in relation to specific premises.

B3.5 The licensing authority will consider whether specific measures are required at particular premises, with regard to this licensing objective. These measures may include supervision of entrances / machines, segregation of areas, etc. Examples of the specific steps the Council may take to address this area can be found in the section covering specific premises in Part C and in relation to permits and notices in Part D of this policy.

B3.6 Where gambling premises are located in sensitive areas where young and/or vulnerable persons may be present, for example near schools, this licensing authority will consider imposing restrictions on advertising the gambling facilities on such premises where it is considered relevant and reasonably consistent with the Licensing Objectives.

B3.7 Protection of vulnerable people: It is difficult to define the term “vulnerable person”. The Commission, in its Guidance to Local Authorities, does not seek to offer a definition, but will, for regulatory purposes assume that this group includes people: “who gamble more than they want to, people who gamble beyond their means, elderly persons, and people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, or because of the influence of alcohol or drugs.”

B3.8 The Commission’s Code of Practice clearly describes the policies and procedures that operators should put in place regarding:

- combating problem gambling
- access to gambling by children and young persons
- information on how to gamble responsibly and help for problem gamblers
- customer interaction
- self-exclusion
- employment of children and young persons

- B3.9 The licensing authority may consider any of the measures detailed below as licence conditions should these not be adequately addressed by any mandatory conditions, default conditions or proposed by the applicant:
- leaflets offering assistance to problem gamblers should be available on gambling premises in a location that is both prominent and discreet
 - training for staff members which focuses on an employee's ability to detect a person who may be vulnerable and providing support to vulnerable persons
 - self-exclusion schemes
 - operators should demonstrate their understanding of best practice issued by organisations that represent the interests of vulnerable people
 - posters and leaflets with GamCare Helpline and website displayed in prominent locations
 - external advertising to be positioned or designed not to entice passers-by.
- B3.10 It is a requirement of the Commission's Licence Conditions and Codes of Practice (LCCP), under Section 3, that licensees must have and put into effect policies and procedures intended to promote socially responsible gambling.
- B3.11 The LCCP say that licensees must make an annual financial contribution to one or more organisation(s) which between them research into the prevention and treatment of gambling-related harm, develop harm prevention approaches and identify and fund treatment to those harmed by gambling.

PART C – PREMISES LICENCES: CONSIDERATION OF APPLICATIONS

C1. General Principles

C1.1 The Act contains three licensing objectives. In this revision of its Statement of Policy, the Licensing Authority seeks to assist applicants by setting out the considerations we will apply when determining applications under the Act.

C1.2 The Council will issue premises licences to allow premises to be used for certain types of gambling. These are:

a) casino premises,

b) bingo premises,

c) betting premises including tracks and premises used by betting intermediaries,

d) adult gaming centre premises, or

e) family entertainment centre premises.

C1.3 Premises licences are subject to the requirements set out in the Act and regulations, as well as specific mandatory and default conditions, which the Secretary of State has detailed in regulations. The Council will exclude default conditions and attach others, where were considered appropriate due to evidence of a risk to the licensing objectives. Paragraph C9.1 below clarifies the position with respect to mandatory and default conditions.

C1.4 The Commission has issued Codes of Practice for each interest area for which they must have regard. The Council will also have regard to these Codes of Practice.

C2. Decision making

C2.1 When making decisions about premises licences the Council is under a statutory duty by virtue of s.153 of the Act to aim to permit the use of premises for gambling in so far it is considered to be:

- in accordance with any relevant code of practice issued by the Commission;
- in accordance with any relevant guidance issued by the Commission;
- reasonably consistent with the licensing objectives; and
- in accordance with our Statement.

C2.2 The licensing authority will not accept moral objections to gambling as a valid reason to reject applications for premises licences (except with regard to any 'no casino resolution' - see section on Casinos). Issues of nuisance, planning permission and building regulation are not issues that can be taken into account when considering an application for a premises licence.

- C2.3 The licensing authority will not consider whether there is demand for gambling as valid criteria when deciding whether to grant or reject applications for premises licences. Each application must be considered on its merits without regard for demand, reflecting the statutory 'aim to permit' principle outlined above.
- C2.4 However, the authority will consider the location of a premises so far as it relates to the licensing objectives and whether there is need for condition(s) to mitigate risks in respect of gambling in a particular location.
- C2.5 The Council's Scheme of Delegation is reproduced at Appendix 5. The General Purposes Committee has been established to deal with licensing issues and the determination of applications in certain cases, i.e. those where representations have been made or where premises licences require review. Uncontentious applications (i.e. those where no representations have been made) will be delegated to officers.
- C2.6 Where representations are received the Council will consider whether they are vexatious, frivolous or if they would influence the Council's determination of the application.

C3. Definition of "premises"

- C3.1 Premises are defined in the Act as "any place". Section 152 therefore prevents more than one premises licence applying to any place. However, it is possible for a single building to be subject to more than one premises licence, provided they are for different parts of the building and the different parts of the building can be reasonably regarded as being different premises. This approach has been taken to allow large, multiple unit premises such as a pleasure park, pier, track or shopping mall to obtain discrete premises licences, where appropriate safeguards are in place. However, the authority will pay particular attention if there are issues about sub-divisions of a single building or plot and should ensure that mandatory conditions relating to access between premises are observed.
- C3.2 The Commission states in its Guidance to Licensing Authorities that: "In most cases the expectation is that a single building / plot will be the subject of an application for a licence, for example, 32 High Street. But, that does not mean 32 High Street cannot be the subject of separate premises licences for the basement and ground floor, if they are configured acceptably. Whether different parts of a building can properly be regarded as being separate premises will depend on the circumstances. The location of the premises will clearly be an important consideration and the suitability of the division is likely to be a matter for discussion between the operator and the licensing officer. However, the Commission does not consider that areas of a building that are artificially or temporarily separated, for example by ropes or moveable partitions, can properly be regarded as different premises. If a premises is located within a wider venue, a licensing authority should request a plan of the venue on which the premises should be identified as a separate unit. The Commission recognises that different configurations may be appropriate under different circumstances but the crux of the matter is whether the proposed premises are genuinely separate premises that merit their own licence - with the machine entitlements that brings – and are not an artificially created part of what is readily identifiable as a single premises."

C3.3 The licensing authority takes particular note of the Commission's Guidance, which states that licensing authorities should pay attention in considering applications for multiple licences for a building, and those relating to a discrete part of a building used for other (non-gambling) purposes. In particular this Authority is aware that entrances and exits from parts of a building covered by one or more licences should be separate and identifiable so that the separation of different premises is not compromised and that people do not 'drift' into a gambling area. The Authority will pay particular attention to applications where access to the licensed premises is through other premises (which themselves may be licensed or unlicensed). Additionally, the third licensing objective seeks to protect children from being harmed by gambling. In practice, this means not only preventing children from taking part in gambling, but also preventing them from being in close proximity to gambling. Therefore, licence holders should configure premises so that they do not invite children to participate in, have accidental access to or closely observe gambling where they are prohibited from participating.

C3.4 The Guidance also gives a list of factors which the licensing authority should be aware of, which may include:

- Does the premises have a separate registration for business rates?
- Is the neighbouring premises owned by the same person or someone else?
- Can each of the premises be accessed from the street or a public passageway?
- Can the premises only be accessed from any other gambling premises?

C3.5 Clearly, there will be specific issues that the Authority will consider before granting such applications, for example, whether children can gain access; compatibility of the two establishments; and ability to comply with the requirements of the Act. But, in addition, an overriding consideration should be whether, taken as a whole, the co-location of the licensed premises with other facilities has the effect of creating an arrangement that otherwise would be prohibited under the Act.

C3.6 This authority will consider these and other relevant factors in making its decision, depending on all the circumstances of the case.

C3.7 The Commission's relevant access provisions for each premises type are reproduced below:

C3.7.1 **Casinos**

- The principal access entrance to the premises must be from a street (as defined at 7.23 of the Guidance)
- No entrance to a casino must be from premises that are used wholly or mainly by children and/or young persons
- No customer must be able to enter a casino directly from any other premises which holds a gambling premises licence

C3.7.2 **Adult Gaming Centre**

- No customer must be able to access the premises directly from any other

licensed gambling premises

C3.7.3 Betting Shops

- Access must be from a street (as per Para 7.23 Guidance to Licensing Authorities) or from another premises with a betting premises licence
- No direct access from a betting shop to another premises used for the retail sale of merchandise or services. In effect there cannot be an entrance to a betting shop from a shop of any kind and you could not have a betting shop at the back of a café – the whole area would have to be licensed.

C3.7.4 Tracks

- No customer should be able to access the premises directly from: -
 - a casino
 - an adult gaming centre

C3.7.5 Bingo Premises

- No customer must be able to access the premises directly from:
 - a casino
 - an adult gaming centre
 - a betting premises, other than a track

C3.7.6 Family Entertainment Centre

- No customer must be able to access the premises directly from:
 - a casino
 - an adult gaming centre
 - a betting premises, other than a track

C3.8 Part 7 of the Commission's Guidance to Licensing Authorities contains further guidance on this issue, which this authority will also take into account in its decision-making.

C4. Premises "ready for gambling"

C4.1 The Guidance states that a licence to use premises for gambling should only be issued in relation to premises that the licensing authority can be satisfied are going to be ready to be used for gambling in the reasonably near future, consistent with the scale of building or alterations required before the premises are brought into use.

C4.2 If the construction of a premises is not yet complete, or if they need alteration, or if the applicant does not yet have a right to occupy them, then an application for a provisional statement should be made instead.

C4.3 In deciding whether a premises licence can be granted where there are outstanding construction or alteration works at a premises, this authority will determine applications on their merits, applying a two stage consideration process:

- First, whether the premises ought to be permitted to be used for gambling
- Second, whether appropriate conditions can be put in place to cater for the situation that the premises are not yet in the state in which they ought to be before gambling takes place.

C4.4 Applicants should note that this authority is entitled to decide that it is appropriate to grant a licence subject to conditions, but it is not obliged to grant such a licence.

C4.5 More detailed examples of the circumstances in which such a licence may be granted can be found at paragraphs 7.58-7.65 of the Guidance.

C5. Location

C5.1 The Council will not consider demand issues with regard to the location of premises but will consider the potential impact of the location on the licensing objectives in its decision-making. In line with the Commission's Guidance to Licensing Authorities, the Council will pay particular attention to the protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder.

C5.2 With regards to these licensing objectives it is the Council's policy, upon receipt of any relevant representation to look at specific location issues which include:

- the possible impact that a gambling premises may have on any sensitive premises that provide services to children, young people or vulnerable people; e.g. a school or vulnerable adult centre;
- the possible impact a gambling premises may have on a residential area where there is a high concentration of families with children;
- the nature and size of the gambling activities taking place;
- any levels of crime in the area.

C5.3 A local area profile will be produced by the authority and published on its website. This will highlight areas, if any, within the District which the licensing authority, in consultation with the responsible authorities and other partner agencies (in particular, the Public Health unit of Hertfordshire County Council), considers to present higher than normal risks for the location of a gambling premises. This may be due to large levels of vulnerable persons living in a particular locality, the proximity of a school, youth centre or medical facility, a high level of deprivation, or other factors which the authority believes should be taken into consideration.

C5.4 We expect operators, both when applying for new premises licences and when reviewing their existing premises, to take account of our local area profile within their own local risk assessments (described below), and to implement suitable and sufficient measures to mitigate any risks identified which may arise as a result of the opening or continuation of trade at those premises.

C5.5 We will use the local area profile in assessing premises licence applications and the risk assessments supplied by the applicant or existing licence holders.

C5.6 The Council will need to be satisfied that there is sufficient evidence that the particular location of the premises would be harmful to the licensing objectives before the location can be considered as inappropriate for a licenced premises. It is a requirement of the LCCP, under Section 10, for licensees to assess the local risks to the licensing objectives posed by the provisions of gambling facilities at each of their premises, and have policies, procedures and control measures to mitigate those risks. In undertaking their risk assessments, they must take into account relevant matters identified in this policy statement.

- C5.7 The LCCP say that licensees must review (and update as necessary) their local risk assessments:
- to take account of significant changes in local circumstances, including those identified in this policy statement;
 - when there are significant changes at a licensee's premises that may affect their mitigation of local risks;
 - when applying for a variation of a premises licence; and
 - in any case, undertake a local risk assessment when applying for a new premises licence.
- C5.8 This authority will expect the local risk assessment to consider as a minimum:
- the location of services for children such as schools, playgrounds, leisure/community centres and other areas where children will gather;
 - the demographics of the area in relation to vulnerable groups;
 - whether the premises is in an area subject to high levels of crime and/or disorder.
- C5.9 Local risk assessments should show how all vulnerable people, including people with gambling dependencies are protected.
- C5.10 This authority would also strongly recommend that the following matters are considered by operators when making their risk assessment, and they have taken action, in the form of conditions, where the operators have not demonstrated that they are sufficiently mitigating the risks. This list is not exhaustive and other factors not in this list that are identified must be taken into consideration:
- Information held by the licensee regarding self-exclusions and incidences of underage gambling;
 - Gaming trends that may reflect benefit payments;
 - Arrangement for localised exchange of information regarding self-exclusions and gaming trends;
 - Urban setting such as proximity to schools, commercial environment, factors affecting footfall;
 - Assessing staffing levels when a local college or similar establishment closes for the day, and the students begin to vacate the grounds;
 - Proximity of machines to the entrance door ;
 - Age verification policies including 'Think 21' and 'Think 25';
 - Consideration of line of sight from the counter to gambling machines;
 - Larger operators (e.g. William Hill, Coral, Ladbrokes, Betfred, and Paddy Power) are responsible for conducting/taking part in underage testing, the results of which are shared with the Gambling Commission. However, operators are urged to also make the results available to licensing authorities. Where the licensing authority receives intelligence in relation to failed 'Think 21' or similar test purchases, the licensing authority would encourage the consideration of additional tasking over the standard once a year visits as a means of assessing risk;
 - Providing the licensing authority with details when a child or young person repeatedly attempts to gamble on their premises. This may provide the Licensing Authority with an opportunity to consider safeguarding concerns.
 - Range of facilities in proximity to the licensed premises such as other gambling outlets, banks, post offices, refreshment and entertainment type facilities
 - Known problems in the area, street drinkers, youths participating in anti-social behaviour, drug dealing activities, etc.

C5.11 The authority would expect a risk assessment to be tailored to each premises and not solely based on a 'standard' template. The Council would also expect that each assessment is completed by a suitably competent person.

C5.12 It will be the responsibility of the gambling operator to assign the assessor for assessing the local risks for their premises. The person assigned as the assessor must be competent to undertake this role as failure properly to carry out this function could result in a breach of the provisions of the LCCP. The Commission has not produced any guidance on the competencies of assessors, however the Council would expect the assessor to understand how the premises operate or will operate, its design, and where it is located. The assessor will need to understand the local area and can use staff or area managers to assist in gaining an understanding of that local area. The assessor should also be suitably experienced in assessing gambling related risk and identification of appropriate controls.

C5.13 The authority expects that local risk assessments are kept on the individual premises and are available for inspection.

C5.14 It should be noted that this policy does not preclude any application being made and each application will be decided on its merits, with the onus upon the applicant to show how potential concerns can be overcome.

C5.15 This authority expects that local risk assessments and any supplementary information, such as plans, local statistical data, etc., would be presented to this authority as part of any application for a new or variation of a licence.

C6. Planning

C6.1 The Commission's Guidance to Licensing Authorities states:
(Para. 7.56) – "In determining applications the licensing authority has a duty to take into consideration all relevant matters and not to take into consideration any irrelevant matters, i.e. those not related to gambling and the licensing objectives. One example of an irrelevant matter would be the likelihood of the applicant obtaining planning permission or building regulations approval for their proposal".

C6.2 This authority will not take into account irrelevant matters as per the above guidance. In addition this authority notes the following excerpt from the Guidance:
(Para. 7.63) – "When dealing with a premises licence application for finished buildings, the licensing authority should not take into account whether those buildings have or comply with the necessary planning or building consents. Those matters should be dealt with under relevant planning control and building regulation powers, and not form part of the consideration for the premises licence. Section 210 of the 2005 Act prevents licensing authorities taking into account the likelihood of the proposal by the applicant obtaining planning or building consent when considering a premises licence application. Equally the grant of a gambling premises licence does not prejudice or prevent any action that may be appropriate under the law relating to planning or building".

C7. Duplication with other regulatory regimes

- C7.1 This licensing authority seeks to avoid any duplication with other statutory or regulatory systems where possible, including planning. This authority will not consider whether a licence application is likely to be awarded planning permission or building regulations approval, in its consideration of it. It will though, listen to, and consider carefully, any concerns about conditions which are not able to be met by licensees due to planning restrictions, should such a situation arise
- C7.2 When dealing with a premises licence application for finished buildings, this authority will not take into account whether those buildings have to comply with the necessary planning or buildings consents. Fire or health and safety risks will not be taken into account, as these matters are dealt with under relevant planning control, buildings and other regulations and must not form part of the consideration for the premises licence.

C8. Licensing objectives

- C8.1 Premises licences granted must be reasonably consistent with the licensing objectives. With regard to these objectives, we have considered the Commission's Guidance and have set out our policy in Part B.

C9. Conditions

- C9.1 The Secretary of State has set mandatory and default conditions and the Commission has set Licence Conditions and Codes of Practice on Operator's Licences which are necessary for the general good conduct of gambling premises, therefore it is unlikely that the Council will need to impose individual conditions imposing a more restricted regime in relation to matters that have already been dealt with.
- C9.2 If the licensing authority is minded to impose conditions because there are regulatory concerns of an exceptional nature, then any additional licence conditions must relate to the licensing objectives.
- C9.3 Any conditions attached to licences will be proportionate and will be:
- Relevant to the need to make the proposed building suitable as a gambling facility;
 - Directly related to the premises and the type of licence applied for;
 - Fairly and reasonably related to the scale and type of premises; and
 - Reasonable in all other respects.
- C9.4 Decisions upon individual conditions will be made on a case by case basis, although there will be a number of measures this licensing authority will consider utilising should there be a perceived need, such as the use of supervisors, appropriate signage for adult only areas, etc. There are specific comments made in this regard under some of the licence types below. This licensing authority will also expect the licence applicant to offer his/her own suggestions as to way in which the

licensing objectives can be met effectively.

C9.5 This licensing authority will also consider specific measures that may be required for buildings that are subject to multiple premises licences. Such measures may include the supervision of entrances; segregation of gambling from non-gambling areas frequented by children; and the supervision of gaming machines in non-adult gambling specific premises in order to pursue the licensing objectives. These matters are in accordance with the Commission's Guidance.

C9.6 This authority will also consider whether additional safeguards are necessary in premises where category C or above machines are on offer and children are admitted. Each premise will be considered individually and additional safeguards may include:

- All such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
- Only adults are admitted to the area where these machines are located;
- Access to the area where the machines are located is supervised;
- The area where these machines are located is arranged so that it can be observed by the staff or the licence holder; and,
- At the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.

These considerations will apply to premises including buildings where multiple premises licences are applicable.

C9.7 This licensing authority is aware that tracks may be subject to one or more than one premises licence, provided each licence relates to a specified area of the track. As per the Commission's Guidance, this licensing authority will consider the impact upon the third licensing objective and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

C9.8 It is noted that there are conditions that the licensing authority cannot attach to premises licences, which are:

- Any condition on the premises licence which makes it impossible to comply with an operating licence condition;
- Conditions relating to gaming machine categories, numbers, or method of operation;
- Conditions which provide that membership of a club or body be required (the Act specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated); and,
- Conditions in relation to stakes, fees, winning or prizes.

C10. Door Supervisors

C10.1 The Commission advises in its Guidance for licensing authorities that if a licensing authority is concerned that a premises may attract disorder or be subject to attempts at unauthorised access (for example by children and young persons) then it may require entrances to the premises are controlled by door supervisors in order to protect of children and vulnerable persons from being harmed or exploited by gambling, and also in terms of preventing premises becoming a source of crime. The licensing authority is entitled, under those circumstances, to impose a premises licence condition to this effect.

C10.2 Where operators and licensing authorities decide that supervision of entrances/machines is appropriate for particular cases it will need to be decided whether these supervisors need to be SIA licensed or not. It will not be automatically assumed that they need to be, as the statutory requirements for different types of premises vary (as per Guidance, Part 33)

C11 Adult Gaming Centres

C11.1 An Adult Gaming Centre (AGC) is one of three types of amusement arcade. This type of arcade can provide higher pay-out gaming machines (Category B3 and B4) and access is restricted to persons who are aged 18 years or over.

C11.2 This licensing authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to, for example, ensure that under 18 year olds do not have access to the premises.

C11.3 This licensing authority may consider measures to meet the licensing objectives such as:

- Proof of age schemes
- CCTV
- Supervision of entrances / machine areas
- Physical separation of areas
- Location of entry
- Notices / signage
- Specific opening hours
- Self-exclusion schemes
- Provision of information leaflets/helpline numbers for organisations such as GamCare.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

C12. Licensed Family Entertainment Centres

C12.1 A Licensed family entertainment centre (LFEC) is the second type of amusement arcade. This type of arcade can provide the lowest two categories of gaming machine (category C and D). Children can enter an LFEC but they can only gamble on category D machines. All category C machines must be located in a separate area, which can only be accessed by persons who are aged 18 years or over.

C12.2 This licensing authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority, for example, that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only gaming machine areas.

C12.3 This licensing authority may consider measures to meet the licensing objectives such as:

- CCTV
- Supervision of entrances/machine areas
- Physical separation of areas
- Location of entry
- Notices / signage
- Specific opening hours
- Self-exclusion schemes
- Provision of information leaflets/helpline numbers for organisations such as GamCare
- Measures/training for staff on how to deal with suspected truant school children on the premises

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

C12.4 This licensing authority will, as per the Commission's guidance, refer to the Commission's website to see any conditions that apply to operating licences covering the way in which the area containing the category C machines should be delineated. This licensing authority will also make itself aware of any mandatory or default conditions on these premises licences, when they have been published.

C13. Casinos

C13.1 The Act states that a casino is an arrangement whereby people are given the opportunity to participate in one or more casino games. Casino games are defined as a game of chance which is not equal chance gaming. This means that casino games offer the chance for multiple participants to take part in a game competing against the house or bank at different odds to their fellow players. Casinos can also provide equal chance gaming and gaming machines. Large and small casinos can also provide betting machines.

C13.2 This licensing authority has not passed a 'no casino' resolution under Section 166 of the Gambling Act 2005, but is aware that it has the power to do so. Should this licensing authority decide in the future to pass such a resolution, it will update this policy statement with details of that resolution. Any such decision will be made by the Full Council.

C14. Bingo premises

C14.1 A Bingo Hall is a place in which Bingo is played. There is no legal definition of Bingo but it is a game in which players mark off numbers on cards as the numbers are drawn randomly by the caller, the winner being the first person to mark off all the numbers on their card.

C14.2 The Commission's Guidance states at paragraph 18.5: "Licensing authorities will need to satisfy themselves that bingo can be played in any bingo premises for which they issue a premises licence." This will be a relevant consideration where the operator of an existing bingo premises applies to vary their licence to exclude an area of the existing premises from its ambit and then applies for a new premises licence, or multiple licences, for that or those excluded areas.

C14.3 This authority notes the Guidance at paragraph 18.9 regarding the unusual circumstances in which the splitting of a pre-existing premises into two adjacent premises might be permitted, and in particular that it is not permissible to locate sixteen category B3 gaming machines in one of the resulting premises, as the gaming machine entitlement for that premises would be exceeded.

C14.4 The authority also notes the Guidance at paragraph 18.7 that children and young people are allowed into bingo premises; however they are not permitted to participate in the bingo and if category B or C machines are made available for use these must be separated from areas where children and young people are allowed.

C15. Betting premises

C15.1 The Act contains a single class of licence for betting premises however within this single class there are different types of premises which require licensing such as high street bookmakers, bookmakers located in self-contained facilities at racecourses as well as the general betting premises licences that track operators will require.

C15.2 With regard to betting machines, Section 181 of the Act states:
"A condition of a betting premises licence may relate to –
a) the number of machines used on the premises for the purpose of making or accepting bets;
b) the nature of those machines;
c) the circumstances in which those machines are made available for use."

C15.3 When considering whether to impose a condition on a licence the council will take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines.

C15.4 Where certain measures are not already addressed by the mandatory and default conditions and the Commission's Codes of Practice or by the applicant, the council may consider licence conditions to address such issues.

C16. Gaming machines in gambling premises

C16.1 The Social responsibility code provisions 9.1.1 and 9.1.2 deal with the provision of gaming machines in betting and bingo premises respectively.

C16.2 Both provisions state that:
Gaming machines may be made available for use on licensed betting/bingo premises only where there are also substantive facilities for non-remote betting/bingo, provided in reliance on this licence, available at the premises.

C16.3 In both cases the provisions require:

- facilities for gambling must only be offered in a manner which provides for appropriate supervision of those facilities by staff at all times; and
- the license must ensure that the function along with the internal and/or external presentation of the premises are such that a customer can reasonably be expected to recognise that it is a premises licensed for the purpose of providing betting/bingo facilities.

C17. Tracks

C17.1 There are no, or very few, opportunities for betting at tracks within the Borough. Only one premises licence can be issued for any particular premises at any time unless the premises is a 'track'. A track is a site where races or other sporting events take place.

C17.2 This licensing authority is aware that tracks may be subject to one or more than one premises licence, provided each licence relates to a specified area of the track. As per the Commission's Guidance, this licensing authority will especially consider the impact upon the third licensing objective (i.e. the protection of children and vulnerable persons from being harmed or exploited by gambling) and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

C17.3 This authority will therefore expect the premises licence applicant to demonstrate suitable measures to ensure that children do not have access to adult only gaming facilities. It is noted that children and young persons will be permitted to enter track areas where facilities for betting are provided on days when dog-racing and/or horse racing takes place, but that they are still prevented from entering areas where gaming machines (other than category D machines) are provided.

C17.4 This licensing authority may consider measures to meet the licensing objectives such as:

- Proof of age schemes
- CCTV
- Supervision of entrances / machine areas
- Physical separation of areas
- Location of entry
- Notices / signage
- Specific opening hours
- Self-exclusion schemes
- Provision of information leaflets / helpline numbers for organisations such as GamCare

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

C17.5 Gaming machines - Where the applicant holds a pool betting operating licence and is going to use his entitlement to four gaming machines, machines (other than category D machines) should be located in areas from which children are excluded. Children and young persons are not prohibited from playing category D gaming machines on a track.

- C17.6 Betting machines - This licensing authority will, as per Part 6 of the Commission's Guidance, take into account the size of the premises and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of betting machines an operator wants to offer.
- C17.7 Applications and plans - The Act requires applicants to submit plans of the premises with their application, in order to ensure that the licensing authority has the necessary information to make an informed judgment about whether the premises are fit for gambling. The plan will also be used for the licensing authority to plan future premises inspection activity.
- C17.8 Plans for tracks do not need to be in a particular scale, but should be drawn to scale and should be sufficiently detailed to include the information required by regulations.
- C17.9 Some tracks may be situated on agricultural land where the perimeter is not defined by virtue of an outer wall or fence, such as point-to-point racetracks. In such instances, where an entry fee is levied, track premises licence holders may erect temporary structures to restrict access to premises.
- C17.10 In the rare cases where the outer perimeter cannot be defined, it is likely that the track in question will not be specifically designed for the frequent holding of sporting events or races. In such cases betting facilities may be better provided through occasional use notices where the boundary premises do not need to be defined.
- C17.11 This authority appreciates that it is sometimes difficult to define the precise location of betting areas on tracks. The precise location of betting facilities is not required to be shown on track plans, both by virtue of the fact that betting is permitted anywhere on the premises and because of the difficulties associated with pinpointing exact locations for some types of track. Applicants should provide sufficient information that this authority can satisfy itself that the plan indicates the main areas where betting might take place. For racecourses in particular, any betting areas subject to the "five times rule" (commonly known as betting rings) must be indicated on the plan.

C18. Travelling Fairs

- C18.1 It will fall to this licensing authority to decide whether, where category D machines and/or equal chance prize gaming without a permit is to be made available for use at travelling fairs, the statutory requirement that the facilities for gambling amount to no more than an ancillary amusement at the fair is met.
- C18.2 The licensing authority will also consider whether the applicant falls within the statutory definition of a travelling fair.
- C18.3 It has been noted that the 27-day statutory maximum for the land being used as a fair, is per calendar year, and that it applies to the piece of land on which the fairs are held, regardless of whether it is the same or different travelling fairs occupying the land. This licensing authority will work with its neighbouring authorities to

ensure that land which crosses our boundaries is monitored so that the statutory limits are not exceeded.

C19. Provisional Statements

C19.1 Developers may wish to apply to this authority for provisional statements before entering into a contract to buy or lease property or land to judge whether a development is worth taking forward in light of the need to obtain a premises licence. There is no need for the applicant to hold an operating licence in order to apply for a provisional statement.

C19.2 Section 204 of the Act provides for a person to make an application to the licensing authority for a provisional statement in respect of premises that he or she:

- expects to be constructed;
- expects to be altered; or
- expects to acquire a right to occupy.

C19.3 The process for considering an application for a provisional statement is the same as that for a premises licence application. The applicant is obliged to give notice of the application in the same way as applying for a premises licence. Responsible authorities and interested parties may make representations and there are rights of appeal.

C19.4 In contrast to the premises licence application, the applicant does not have to hold or have applied for an operating licence from the Gambling Commission (except in the case of a track) and they do not have to have a right to occupy the premises in respect of which their provisional application is made.

C19.5 The holder of a provisional statement may then apply for a premises licence once the premises are constructed, altered or acquired. The licensing authority will be constrained in the matters it can consider when determining the premises licence application and in terms of representations about premises licence applications that follow the grant of a provisional statement, no further representations from relevant authorities or interested parties can be taken into account unless:

- they concern matters which could not have been addressed at the provisional statement stage, or
- they reflect a change in the applicant's circumstances.

C19.6 In addition, the authority may refuse the premises licence (or grant it on terms different to those attached to the provisional statement) only by reference to matters:

- which could not have been raised by objectors at the provisional licence stage; or
- which in the authority's opinion reflect a change in the operator's circumstances; or
- where the premises have not been constructed in accordance with the plan submitted with the application. This must be a substantial change to the plan and this licensing authority notes that it can discuss any concerns it has with

the applicant before making a decision.

C20. Reviews

C20.1 Requests for a review of a premises licence can be made by interested parties or responsible authorities; however, it is for the licensing authority to decide whether the review is to be carried out. This will be on the basis of whether the request for the review is relevant to the matters listed below:

- In accordance with any relevant code of practice issued by the Commission;
- In accordance with any relevant guidance issued by the Commission;
- Reasonably consistent with the licensing objectives; and
- In accordance with the authority's statement of licensing policy.

C20.2 The licensing authority will consider whether the request is frivolous, vexatious, or whether it will cause it to wish to alter/revoke/suspend the licence, or whether it is substantially the same as previous representations or requests for review.

C20.3 The licensing authority can also initiate a review of a particular premises licence, or a particular class of premises licence based on any reason, which is considered appropriate.

C20.4 Once a valid application for a review has been received by the licensing authority, representations can be made by responsible authorities and interested parties during a 28 day period. This period begins 7 days after the application was received by the licensing authority, which will publish notice of the application within 7 days of receipt.

C20.5 The licensing authority must carry out the review as soon as possible after the 28 day period for making representations has passed.

C20.6 The purpose of the review will be to determine whether the licensing authority should take any action in relation to the licence. If action is justified, the options open to the licensing authority are:-

- add, remove or amend a licence condition imposed by the licensing authority;
- exclude a default condition imposed by the Secretary of State or Scottish Ministers (e.g. opening hours) or remove or amend such an exclusion;
- suspend the premises licence for a period not exceeding three months; and
- Revoke the premises licence.

C20.7 In determining what action, if any, should be taken following a review, the licensing authority must have regard to the principles set out in section 153 of the Act, as well as any relevant representations.

C20.8 In particular, the licensing authority may also initiate a review of a premises licence on the grounds that a premises licence holder has not provided facilities for gambling at the premises. This is to prevent people from applying for licences in a

speculative manner without intending to use them.

C20.9 Once the review has been completed, the licensing authority must, as soon as possible, notify its decision to:

- the licence holder
- the applicant for review (if any)
- the Commission
- any person who made representations
- the chief officer of police or chief constable; and
- Her Majesty's Commissioners for Revenue and Customs.

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PART D – PERMITS/TEMPORARY AND OCCASIONAL USE NOTICE

D1. Unlicensed Family Entertainment Centre gaming machine permits (Statement of Principles on Permits - Schedule 10 paragraph 7)

- D1.1 An unlicensed family entertainment centre (FEC) is the third type of amusement arcade. The category of machine in this type of arcade is restricted to the lowest category D and children can enter and gamble.
- D1.2 Where a premises does not hold a premises licence but wishes to provide gaming machines, it may apply to the licensing authority for this permit. It should be noted that the applicant must show that the premises will be wholly or mainly used for making gaming machines available for use (Section 238).
- D1.3 The Act states that a licensing authority may prepare a statement of principles that they propose to consider in determining the suitability of an applicant for a permit and in preparing this statement, and/or considering applications, it need not (but may) have regard to the licensing objectives and shall have regard to any relevant guidance issued by the Commission under section 25. The Commission's Guidance for local authorities also states: "In their three year licensing policy statement, licensing authorities may include a statement of principles that they propose to apply when exercising their functions in considering applications for permits....., licensing authorities will want to give weight to child protection issues." (24.8)
- D1.4 Guidance further states: "An application for a permit may be granted only if the licensing authority is satisfied that the premises will be used as an unlicensed FEC, and if the chief officer of police has been consulted on the application. Licensing authorities might wish to consider asking applicants to demonstrate:
- A full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FECs;
 - That the applicant has no relevant convictions (those that are set out in Schedule 7 of the Act; and
 - That staff are trained to have a full understanding of the maximum stakes and prizes. (24.9)

It should be noted that a licensing authority cannot attach conditions to this type of permit.

D2. Statement of Principles – Permits on unlicensed FECs

- D2.1 This licensing authority will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations. The efficiency of such policies and procedures will each be considered on their merits, however, they may include:
- Appropriate measures/training for staff as regards suspected truant school children on the premises;
 - Measures/training covering how staff would deal with unsupervised very young

children being on the premises;

- Measures/training covering how staff would deal with children causing perceived problems on/around the premises.
- Demonstrate an awareness of local school holiday times and how to contact the local education office should truants be identified.

D2.2 This licensing authority will also expect, as per Commission Guidance, that applicants:

- Demonstrate a full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FECs;
- Have no relevant convictions (those that are set out in Schedule 7 of the Act), and in addition that any management and staff who will be working at the unlicensed FEC have no relevant convictions; and
- Have staff that are trained to have a full understanding of the maximum stakes and prizes.

D2.3 Compliance with any relevant industry Code of Practice for FECs issued by BACTA or other trade associations may be taken by the licensing authority as evidence that (apart from the criteria relating to criminal convictions) the applicant has met the above.

D2.4 Applicants must submit with their application two copies of plans of the premises, to a scale of 1:100, showing the exits/entrances to the premises, location of gaming machines.

D2.5 The licensing authority may refuse an application for renewal of a permit only on the grounds that an authorised local authority officer has been refused access to the premises without reasonable excuse, or that renewal would not be reasonably consistent with pursuit of the licensing objectives.

D3. (Alcohol) Licensed premises gaming machine permits - (Schedule 13 paragraph 4(1))

D3.1 There is provision in the Act for premises licensed to sell alcohol for consumption on the premises to automatically have 2 gaming machines, of categories C and/or D. The premises merely need to notify the licensing authority.

D3.2 The licensing authority can remove the automatic authorisation in respect of any particular premises if:

- Provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;
- Gaming has taken place on the premises that breaches a condition of section 282 of the Act (i.e. that written notice has been provided to the licensing authority, that a fee has been provided and that any relevant code of practice issued by the Commission about the location and operation of the machine has

been complied with);

- The premises are mainly used for gaming; or
- An offence under the Act has been committed on the premises.

D3.3 If a premises wishes to have more than 2 machines, then it needs to apply for a permit and the licensing authority must consider that application based upon: the licensing objectives; any guidance issued by the Commission issued under Section 25 of the Act, and any “such matters” considered relevant.

D3.4 This licensing authority considers that “such matters” will be decided on a case by case basis, but generally there will be regard to the need to protect children and vulnerable persons from harmed or being exploited by gambling. Stevenage Borough Council will expect the applicant to satisfy the authority that there will be sufficient measures to ensure that under-18 year olds do not have access to the adult only gaming machines. Measures which will satisfy the authority that there will be no access may include the adult machines being in sight of the bar, or in the sight of staff who will monitor that the machines are not being used by those under 18. Notices and signage may also be help. As regards the protection of vulnerable persons, applicants may wish to consider the provision of information leaflets/helpline numbers for organisations such as GamCare.

D3.5 It is recognised that some alcohol-licensed premises may apply for a premises licence for their non-alcohol licensed areas. Any such application would most likely need to be applied for, and dealt with as an Adult Gaming Centre premises licence.

D3.6 It should be noted that the licensing authority can decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for. Conditions other than these cannot be attached.

D3.7 Notifications and applications for any number of machines will be dealt with by licensing authority officers.

D3.8 It should also be noted that the holder of a permit must comply with any Code of Practice issued by the Commission about the location and operation of the machine.

D4. Prize Gaming Permits - (Statement of Principles on Permits - Schedule 14 paragraph 8 (3))

D4.1 The Act states that a licensing authority may “prepare a statement of principles that they propose to apply in exercising their functions under this Schedule” which “may, in particular, specify matters that the licensing authority proposes to consider in determining the suitability of the applicant for a permit”.

D4.2 This authority has not prepared a statement of principles. Should it decide to do so, details will be included in a revised version of the Statement.

D4.3 In making its decision on an application for this permit the licensing authority does not need to have regard to the licensing objectives but must have regard to any Commission guidance.

D4.4 It should be noted that there are conditions in the Act by which the permit holder must comply, but that the licensing authority cannot attach conditions. The conditions in the Act are:

- The limits on participation fees, as set out in regulations, must be complied with;
- All chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
- The prize for which the game is played must not exceed the amount set out in regulations (if a money prize), or the prescribed value (if non-monetary prize); and
- Participation in the gaming must not entitle the player to take part in any other gambling.

D5. Club Gaming and Club Machine Permits

D5.1 Members Clubs and Miners' welfare institutes (but not Commercial Clubs) may apply for a Club Gaming Permit or a Club Machine Permit. The Club Gaming Permit will enable the premises to provide gaming machines (3 machines of categories B, C or D), equal chance gaming and games of chance as set-out in forthcoming regulations. A Club Machine permit will enable the premises to provide gaming machines (3 machines of categories B, C or D).

D5.2 This licensing authority acknowledges the following guidance from the Commission:

"The Act states that members' clubs must have at least 25 members and be established and conducted "wholly or mainly" for purposes other than gaming, unless the gaming is restricted to that of a prescribed kind (currently bridge and whist). Members' club must be permanent in nature, but there is no need for a club to have an alcohol licence." Examples include working men's clubs, branches of Royal British Legion and clubs with political affiliations.

D5.3 The Guidance goes on to state that "licensing authorities may only refuse an application on the grounds that:

- a) the applicant does not fulfil the requirements for a members' or commercial club or miners' welfare institute and therefore is not entitled to receive the type of permit for which it has applied;
- b) the applicant's premises are used wholly or mainly by children and/or young persons;
- c) an offence under the Act or a breach of a permit has been committed by the applicant while providing gaming facilities;
- d) a permit held by the applicant has been cancelled in the previous ten years; or

e) An objection has been lodged by the Commission or the police.”

D5.4 There is also a ‘fast-track’ procedure available under the Act for premises that hold a Club Premises Certificate under the Licensing Act 2003 (Schedule 12 paragraph 10). As the Commission’s Guidance for local authorities states: "Under the fast-track procedure there is no opportunity for objections to be made by the Commission or the police, and the ground upon which an authority can refuse a permit are reduced." and "The grounds on which an application under the process may be refused are:

- a) that the club is established primarily for gaming, other than gaming prescribed under schedule 12;
- b) that in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
- c) that a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled."

D5.5 There are statutory conditions on club gaming permits that no child uses a category B or C machine on the premises and that the holder complies with any relevant provision of a code of practice about the location and operation of gaming machines.

D6. Temporary Use Notices

D6.1 Temporary Use Notices allow the use of premises for gambling where there is no premises licence but where a gambling operator wishes to use the premises temporarily for providing facilities for gambling. Premises that might be suitable for a Temporary Use Notice, according to the Commission, would include hotels, conference centres and sporting venues.

D6.2 The licensing authority can only grant a Temporary Use Notice to a person or company holding a relevant operating licence, i.e. a non-remote casino operating licence.

D6.3 The Secretary of State has the power to determine what form of gambling can be authorised by Temporary Use Notices, and at the time of writing this Statement the relevant regulations (SI no 3157: The Gambling Act 2005 (Temporary Use Notices) Regulations 2007) state that Temporary Use Notices can only be used to permit the provision of facilities or equal chance gaming, where the gaming is intended to produce a single winner, which in practice means poker tournaments.

D6.4 There are a number of statutory limits as regards temporary use notices. Discussion of the meaning of "premises" can be found in Part 7 of the Commission’s Guidance to Licensing Authorities. As with "premises", the definition of "a set of premises" will be a question of fact in the particular circumstances of each notice that is given. The Act defines "premises" as including "any place".

D6.5 In considering whether a place falls within the definition of "a set of premises", the Council will look at, amongst other things, the ownership/occupation and control of the premises.

D6.6 This licensing authority expects to object to notices where it appears that their effect would be to permit regular gambling in a place that could be described as one set of premises, as recommended in the Commission's Guidance to Licensing Authorities.

D7. Occasional Use Notices

D7.1 The licensing authority has very little discretion as regards these notices aside from ensuring that the statutory limit of 8 days in a calendar year is not exceeded. This licensing authority will though consider the definition of a 'track' and whether the applicant is permitted to avail him/herself of the notice.

D8. Small Society Lotteries

D8.1 This licensing authority will adopt a risk based approach towards its enforcement responsibilities for small society lotteries. This authority considers that the following list, although not exclusive, could affect the risk status of the operator:

- submission of late returns (returns must be submitted no later than three months after the date on which the lottery draw was held)
- submission of incomplete or incorrect returns
- breaches of the limits for small society lotteries

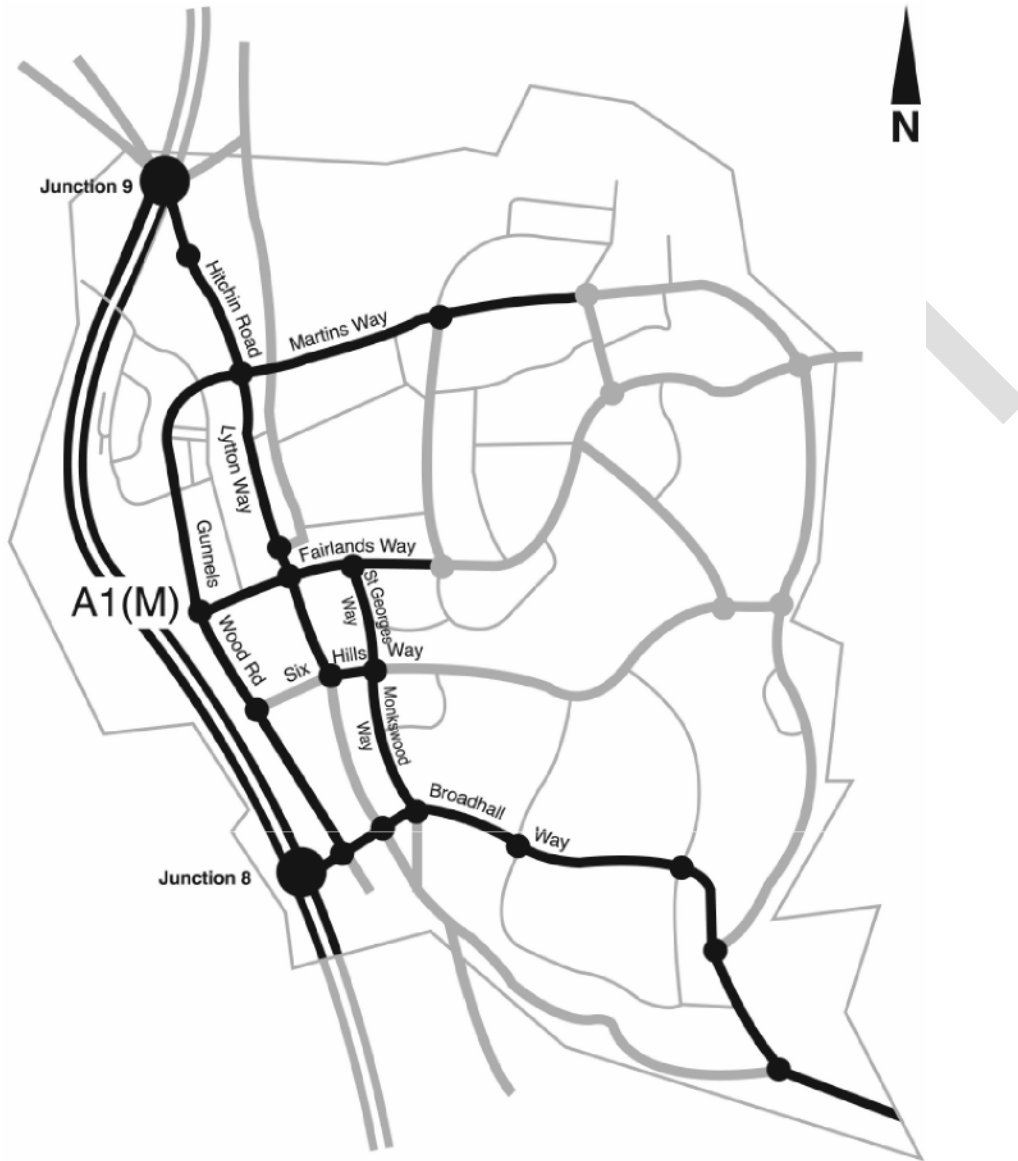
D8.2 Non-commercial gaming is permitted if it takes place at a non-commercial event, either as an incidental or principal activity at the event. Events are non-commercial if no part of the proceeds is for private profit or gain. The proceeds of such events may benefit one or more individuals if the activity is organised:

- by, or on behalf of, a charity or for charitable purposes
- to enable participation in, or support of, sporting, athletic or cultural activities.

D8.3 Charities and community groups should contact this licensing authority on **01438 242724** to seek further advice.

APPENDICES

Appendix 1 – Map of Stevenage Borough Council area



Appendix 2 – Consultees

The Gambling Act requires that the following parties are consulted by Licensing Authorities:

- 1) The Chief Officer of Police.

The authority has therefore consulted:

- a) Hertfordshire Constabulary
- 2) One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area. The authority has therefore consulted:

- a) British Amusement Catering Trade Association
- b) British Casino Association
- c) British Association of Leisure Parks, Piers and Attractions Ltd
- d) Business in Sport and Leisure
- e) British Beer and Pub Association
- f) Association of British Bookmakers
- g) The Bingo Association
- h) National Casino Forum
- i) Ladbrokes Coral Group
- j) Mecca Bingo Ltd
- k) William Hill Organisation Ltd
- l) Paddy Power Betfair
- m) Betfred
- n) Admiral Casino
- o) Future Machines Ltd

- 3) One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Gambling Act 2005. The authority has therefore consulted:

- a) Gambling Commission
- b) Licensing Authority
- c) Planning and Development, Stevenage Borough Council
- d) Hertfordshire Fire and Rescue Service
- e) Environmental Health
- f) HM Revenues and Customs
- g) Local Safeguarding Children Board
- h) Community Safety/Development Stevenage Borough Council
- i) Stevenage Town Centre Manager
- j) Stevenage Community Safety Partnership
- k) Clubs with club premises certificates under the Licensing Act 2003
- l) Premises with licences permitting the sale of alcohol on the premises under the Licensing Act 2003
- m) Stevenage PubWatch
- n) Existing Gambling Permit holders

- o) Residents and local media
- p) East and North Herts NHS Trust
- q) North Herts Council for Voluntary Services
- r) Stevenage Citizen's Advice Bureau
- s) Stevenage Community Trust
- t) North Hertfordshire College
- u) Hertfordshire Chamber of Commerce
- v) GamCare

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Appendix 3 – Responsible Authorities

Responsible Authority	Contact Details
Gambling Commission	Victoria Square House Victoria Square Birmingham B2 4BP Tel: 0121 230 6500 Fax: 0121 233 1096 www.gamblingcommission.gov.uk
Licensing Authority	Licensing Team Stevenage Borough Council Daneshill House Danestrete Stevenage Herts. SG1 1HN Tel: 01438 242259 Fax: 01438 242142 www.stevenage.gov.uk licensing@stevenage.gov.uk
Hertfordshire Constabulary	Licensing Team Stevenage Police Station Lytton Way Stevenage HertsSG1 1HF Tel: 01438 757367 Fax: 01438 757373 LicensingEasternArea@herts.pnn.police.uk
Hertfordshire Fire and Rescue Service	District Fire Safety Manager Community Fire Safety Dept Longfields Hitchin Road Stevenage Herts. SG1 4AE Tel: 01438 847352 licensingactnorth.fire@hertscc.gov.uk
Planning	Development Control Manager Stevenage Borough Council Daneshill House Danestrete Stevenage Herts. SG1 1HN Tel: 01438 242838 plan.devcon@stevenage.gov.uk
Environmental Health	Environmental Health Manager Stevenage Borough Council Daneshill House Danestrete Stevenage Herts. SG1 1HN Tel: 01438 242908 envhealth@stevenage.gov.uk

Safeguarding Children Board	Angela Hickin, Safeguarding Manager Tel: 01992 588285 Hertfordshire Safeguarding Children Board Room 173, County Hall Pegs Lane Hertford SG13 8DF
Customs & Excise	HM Revenue & Customs Tel: 0161 827 0333 Excise and Stamp Taxes Gambling Duties Team 4W Ralli Quays Stanley Street Salford M60 9LA www.hmrc.gov.uk

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Appendix 4 – Categories of gaming machine

Summary of current gaming machine categories as updated January 2014

CATEGORY	MAXIMUM STAKE	MAXIMUM PRIZE
A	Unlimited	Unlimited
B1	£5	£10,000*
B2	£100	£500
B3A	£2	£500
B3	£21	£500
B4	£2	£400
C	£1	£100
D	30p non monetary prize (other than a crane grab Machine or coin pusher or penny falls machine)	£8
D	£1 non monetary prize (crane grab machine)	£50
D	10p (money prize other than a coin pusher or penny falls machine)	£5
D	10p (combined money and non-money prize other than a coin pusher or penny falls machine)	£8 (of which no more than £5 may be a money prize)
D	10p (combined money and non – money prize coin pusher or penny falls machine)	£20 (of which no more than £10 may be a money prize)

* with the option of a maximum £20,000 linked progressive jackpot on a premises basis only

Gambling Act 2005 Statement of Principles: Draft for consultation

Premises type	Machine category						
	A	B1	B2	B3	B4	C	D
Large casino (machine/table ratio of 5-1 up to maximum)		Maximum of 150 machines Any combination of machines in categories B to D (except B3A machines), within the total limit of 150 (subject to machine/table ratio)					
Small casino (machine/table ratio of 2-1 up to maximum)		Maximum of 80 machines Any combination of machines in categories B to D (except B3A machines), within the total limit of 80 (subject to machine/table ratio)					
Pre-2005 Act casino (no machine/table ratio)		Maximum of 20 machines categories B to D (except B3A machines), or any number of C or D machines instead					
Betting premises and tracks occupied by pool betting		Maximum of 4 machines categories B2 to D (except B3A machines)					
Bingo premises		Maximum of 20% of the total number of gaming machines which are available for use on the premises categories B3 or B4**			No limit on category C or D machines		
Adult gaming centre		Maximum of 20% of the total number of gaming machines which are available for use on the premises categories B3 or B4**			No limit on category C or D machines		
Family entertainment centre (with premises licence)					No limit on category C or D machines		
Family entertainment centre (with permit)					No limit on category D machines		
Clubs or miners' welfare institute (with permits)		Maximum of 3 machines in categories B3A or B4 to D*					
Qualifying alcohol-licensed premises		1 or 2 machines of category C or D automatic upon notification					
Qualifying alcohol-licensed premises (with gaming machine permit)	Number of category C-D machines as specified on permit						

Travelling fair						No limit on category D machines
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* It should be noted that members' clubs and miners' welfare institutes are entitled to site a total of three machines in categories B3A to D but only one B3A machine can be sited as part of this entitlement. Commercial clubs are entitled to a total of three machines in categories B4 to D.

** Adult gaming centre and bingo premises are entitled to make available a number of Category B gaming machines not exceeding 20% of the total number of gaming machines which are available for use on the premises. Premises in existence before 13 July 2011 are entitled to make available four (adult gaming centre premises) or eight (bingo premises) category B gaming machines, or 20% of the total number of gaming machines, whichever is the greater. Adult gaming centre premises and bingo premises licences granted on or after 13 July 2011 but before 1 April 2014 are entitled to a maximum of four or eight category B gaming machines or 20% of the total number of gaming machines, whichever is the greater; from 1 April 2014 these premises will be entitled to 20% of the total number of gaming machines only [not B3A machines].

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Appendix 5 – Delegations

The licensing authority will delegate its functions under the Gambling Act 2005 as follows:

Matter to be dealt with	Full Council	Licensing Committee	Officers
Final Approval of 3 year Gambling Statement of Principles	X		
Policy not to permit Casinos	X		
Application for premises licences		Where representations have been received and not withdrawn	Where no representations received/ have been withdrawn
Application for a variation to a licence		Where representations have been received and not withdrawn	Where no representations received/ have been withdrawn
Application for a transfer of a licence		Where representations have been received from the Commission	Where no representations received from the Commission
Application for a provisional statement		Where representations have been received and not withdrawn	Where no representations received/ have been withdrawn
Review of a premises licence		X	
Application for club gaming/club machine permits		Where objections have been made (and not withdrawn)	Where no objections made/ have been withdrawn
Cancellation of club gaming/club machine permits		X	
Applications for other permits			X
Application for permits in alcohol licensed premises (for any number of machines)			X
Cancellation of licensed premises gaming machine permits			X

Matter to be dealt with	Full Council	Licensing Committee	Officers
Consideration of temporary use notice			X
Decision to give a counter notice to a temporary use notice			X
Determination as to whether a representation is relevant.			X
Fee Setting (within bands)			X
Small society lottery registration			X

Appendix 6 – Glossary of Terms

Term	Definition
Act	Gambling Act 2005
Adult Gaming Centres	Commercial premises offering a variety of games and gaming machines. Category B, C and D gaming machines available.
Betting Premises	Currently known as a betting office
Bingo Premises	A commercial club which promotes equal chance gaming in the form of cash or prize bingo.
Casino	A commercial gaming club whereby people are given an opportunity to participate in one or more casino games. Casino games are defined as a game of chance which is not equal chance gaming.
Club gaming permits	Members club (not commercial clubs) permits which authorise the establishment to provide gaming machines, equal chance gaming and games of chance.
Code of Practice	Any code of practice under section 24 of the Gambling Act 2005
Default condition	A specified condition provided by regulations to be attached to a licence, unless excluded by Stevenage Borough Council
Family entertainment centres (FEC)	A centre with a variety of rides and games including amusement machines and skills games. Licensed FECs provide category C and D machines. Unlicensed FECs provide category D machines only, and are regulated through FEC gaming machine permits.
Gaming Machine	A game of chance machine which requires coins or tokens to be activated
Interested Party	Defined by the Act as a person who: <ul style="list-style-type: none"> 1) Lives sufficiently close to the premises to be likely to be affected by the authorised activities; 2) Has business interests that might be affected by the authorised activities; 3) Represents persons who satisfy a) or b) above
Licensing Authority	Stevenage Borough Council
Licensing Committee	This term shall include any duly constituted Licensing Sub-Committee.
Licensing objectives	There are 3 licensing objectives defined in the Gambling Act as: <ul style="list-style-type: none"> 1) Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime. 2) Ensuring that gambling is conducted in a fair and open way 3) Protecting children and other vulnerable persons from being harmed or exploited by gambling
Mandatory Condition	A specified condition provided by regulations to be attached to the license

Premises	Any place
Prize gaming permits	A permit issued to authorise the provision of facilities for gaming with prizes
Regulations	Regulations made under the Gambling Act 2005
Responsible Authority	Defined by the Act as: 1) Licensing Authority 2) Gambling Commission 3) Police 4) Fire Service 5) Planning 6) Environmental Health 7) Child Protection Committee 8) HM Revenue and Customs
Small Society Lottery	A lottery promoted on behalf of a non-commercial society that is registered by the licensing Authority
Temporary Use Notices	These allow use of a premises for gambling where there is no premises licence, but where a gambling operator wishes to use the premises temporarily for providing facilities for gambling
Tracks	Tracks are sites that include horse racecourses and dog tracks
Travelling Fair	A fair consisting wholly or principally of the provision of amusements, provided by people who travel from place to place providing fairs AND in a place which has been used for no more than 27 days in that calendar year
Vulnerable persons	This group includes people who gamble more than they want to; people who gambling beyond their means; and people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, alcohol or drugs.

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Brief Equality Impact Assessment For a minor operational change / review / simple analysis

What is being assessed?	Revised Gambling Statement of Principles	What are the key aims of it?	To provide information and guidance on the general approach that the Council will take to licensing. The Statement does not prevent anyone from making an application, and each application will be considered on its individual merits.			
Who may be affected by it?	All residents and businesses within Stevenage, and gambling premises in particular.					
Date of full EqIA on service area (planned or completed)	15/11/10					
Form completed by:	Maurice Clay	Start date	20/06/19	End date	20/06/19	
		Review date		December 2021		

What data / information are you using to inform your assessment?	Information provided by the Gambling Commission and feedback from the local consultation on the revised Statement	Have any information gaps been identified along the way? If so, please specify	Detailed local data is not available at present but will be collated in the course of compiling a local area profile during the lifetime of the policy (3 years).
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Explain the potential positive, negative or unequal impact on the following characteristics and how likely this is:			
Age	Positive - The Gambling Act has as an objective the protection of children and vulnerable groups from being harmed. This could, if taken to extremes, lead to the	Race	No differential impact

	<p>exclusion of certain groups from gambling activities of any kind without good reasons.</p> <p>By considering each application on its merits, and taking into account the views of all concerned including those of the listed Responsible Authorities, we seek to minimise such restrictions through the use of appropriate conditions where possible and only in extreme cases by exclusion or refusal of applications.</p>		
Disability	No differential impact	Religion or belief	No differential impact
Gender reassignment	No differential impact	Sex	No differential impact
Marriage or civil partnership	No differential impact	Sexual orientation	No differential impact
Pregnancy & maternity	No differential impact	Socio-economic ¹	The statement is intended to aid with local decision making in conjunction with the Gambling Act 2005 and the Gambling Commission's guidance to licensing authorities.
Other	The Statement supports a culture of openness where appropriate information can		

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

	<p>be accessed by all parties. Licensing Committee hearings, when required, will generally be held in public and any enforcement will be in line with the principles promoted within the Regulators' Code. Partnership working and exchange of information (within legal constraints) is also supported with a view to promoting better understanding between those providing gambling opportunities and those potentially affected by them. The Council will seek to mediate between applicants and objectors and reach negotiated settlements wherever possible.</p>	
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Where there is a likely positive impact , please explain how it will help to fulfil our legislative duties to:					
Remove discrimination & harassment	N/A	Promote equal opportunities	N/A	Encourage good relations	Promotion of better understanding between those providing gambling opportunities and those potentially affected by them.

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

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



Approved by Assistant Director/ Strategic Director:
Date: 26/06/19

Please send this EqIA to equalities@stevenage.gov.uk

Meeting Executive
Portfolio Area Planning and Regulation
Date 10 July 2019



COMMUNITY INFRASTRUCTURE LEVY (CIL)

KEY DECISION

1 PURPOSE

- 1.1 To inform Members' of the key outcomes of the consultations on the Community Infrastructure Levy (CIL).
- 1.2 To seek Members' approval to submit the Draft Charging Schedule (DCS) for independent examination.

2 RECOMMENDATIONS

- 2.1 That the outcomes of the Preliminary Draft Charging Schedule (PDCS) consultation be noted (responses summary attached as Appendix A).
- 2.2 That the outcomes of the Draft Charging Schedule (DCS) consultation be noted (responses summary attached as Appendix B).
- 2.3 That officers put together options relating to the governance of spending CIL monies, in consultation with the Portfolio Holder for Environment and Regeneration and Planning and Development Committee, and bring a recommendation to Executive within the next report on CIL.
- 2.4 That approval be granted to submit the Draft Charging Schedule (Attached as Appendix C) for independent examination.

3 BACKGROUND

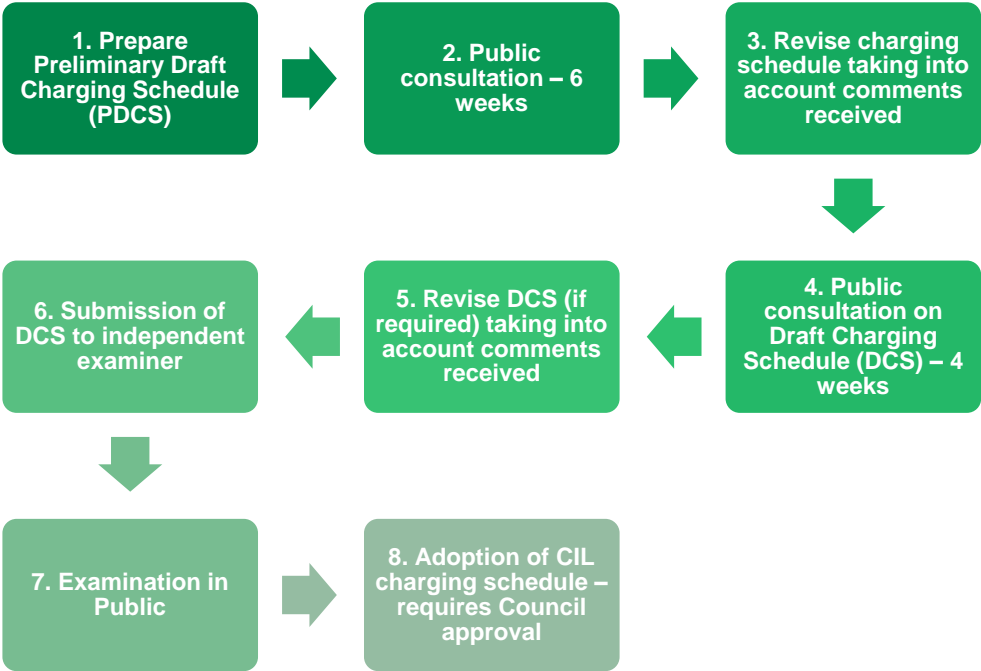
- 3.1 The Community Infrastructure Levy (CIL) is a planning charge introduced by the Planning Act 2008, as a tool for local authorities to help deliver infrastructure to support the development of their area. It allows local authorities to raise funds from developers undertaking new building projects. The money can be used to fund a wide range of infrastructure, such as transport schemes, schools, community facilities, parks and leisure facilities, which are needed as a result of development taking place.
- 3.2 CIL is fairer, faster and more certain and transparent than the system of planning obligations (S106), which causes delay as a result of lengthy negotiations and is subject to viability. The benefit of CIL is that once it is collected it can be used to deliver any infrastructure that the Council wish – it is not ring-fenced for a specific scheme or type of project and is not subject to the pooling restrictions of S106.
- 3.3 S106 would still be used for site specific mitigation, particularly for the larger schemes i.e. where a whole school is required as part of a specific development (e.g. North Stevenage and West of Stevenage) or where road/cycleway improvements are required within or in close proximity to the development. S106 is only allowed for infrastructure that is directly related to the scheme and is required in order for the development to be acceptable.
- 3.4 Background to the Executive's decision to adopt CIL is contained within the September Executive Report (BD3). This report also contains further details on the evidence base used to inform the proposed CIL rates, which are set out below:

Table 2: Proposed CIL levy rates

Development type	CIL rate	
	Zone1: Stevenage Central	Zone 2: Everywhere else
Residential		
Market housing	£40/m ²	£100/m ²
Sheltered Housing		£100/m ²
Extracare housing		£40/m ²
Retail Development		£60/m ²
All Other Development		£0/m ²

- 3.5 The steps required to implement CIL are set out below.
- 3.6 Levy rates must be set in consultation with local communities and developers. Consultation on the Preliminary Draft Charging Schedule (stage 2) was approved by the Executive in September 2018 and carried out between September and October 2018. The responses were considered and amendments made to the Charging Schedule accordingly.
- 3.7 Consultation on the revised Draft Charging Schedule (stage 4) was carried out between April – May 2019.

3.8 The next stage in the process is to submit the Charging Schedule for independent examination.



4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

Recommendation 2.1: That the outcomes of the Preliminary Draft Charging Schedule (PDCS) consultation be noted (responses summary attached as Appendix A).

- 4.1 Authorities wishing to implement CIL must produce a charging schedule setting out the levy rates for their area(s).
- 4.2 Consultation on the PDCS was carried out from 12 September to 24 October 2018. To publicise the consultation, information was made available on the Planning Policy webpages and in hard copy format at inspection points around the town and emails were sent to everyone on the consultation database.
- 4.3 Information was also published on the Have Your Say page and posted on Facebook and Twitter on regular occasions throughout the consultation period. Questions were specifically asked around how local residents would like to see any CIL income spent in the future.
- 4.4 To be considered formally as part of the statutory consultation, responses are required to be made in writing and with contact details submitted. As such, the consultation responses have been split into formal and informal comments. However, all responses, no matter how they were submitted will provide useful feedback in terms of future spending priorities.

Formal responses

- 4.5 In terms of the formal responses, there were 43 comments from 15 respondents. Responses were submitted by:
 - Sport England
 - Historic England
 - Hill Residential
 - North Herts District Council (NHDC)
 - Bellway and Miller
 - Taylor Wimpey and Persimmon
 - Herts County Council (HCC)
 - Great Ashby Community Council
 - 7 individuals
- 4.6 A summary of some of the key responses is below:

Respondent(s)	Key point raised	SBC response
Individual	Issues around Fairlands Valley Farmhouse	The future of Fairlands Valley Farmhouse is a separate issue and was the subject of an Exec Report in July 2018.
Individual	Object to number of affordable homes being reduced	The CIL rates being proposed take into account the requirement for affordable homes, it does not reduce the target.
Sport England HCC	Will an SPD be produced to provide further guidance?	Yes. The Council will be preparing an SPD to provide further guidance on CIL and S106.
Sport England Hill Residential NHDC HCC Taylor Wimpey and Persimmon	Comments on need for a Reg. 123 List to provide clarity	Noted. A draft Reg. 123 List (a list of those infrastructure items that will not be funded through S106) will be published alongside the DCS for consultation.
Sport England Hill Residential	The Infrastructure Delivery Plan should be kept up-to-date	Agreed. We will regularly review infrastructure required to support growth.
Sport England	Welcome £0 charge for sport/leisure	Support welcomed.
Hill Residential Taylor Wimpey and Persimmon Bellway and Miller	CIL rates are too high. Concerns regarding evidence base and assumptions used for S106 contributions.	As a result of these comments, the North and West of Stevenage sites were remodelled to take into account the following amendments to infrastructure costs: <ul style="list-style-type: none"> • Increased S106 contributions for education • Stevenage West as part-Brownfield • A smaller site area for North Stevenage to take into account meadow land. • Acoustic fencing for Stevenage West We are comfortable that other issues raised had already been considered fully when preparing the evidence base and that the inputs to the model are appropriate.
NHDC	Need to ensure adequate funding is achieved for site delivery.	S106 will still be collected alongside CIL for site specific infrastructure such as on-site primary school and healthcare provision.
NHDC HCC	Need to consider mechanisms for the delivery of infrastructure. Both parties wish to be involved in discussions.	Agreed. Arrangements for delivering infrastructure through CIL require further discussion prior to its adoption.
Hill Residential Taylor Wimpey and Persimmon HCC	Comments on need for an Instalments Policy	An Instalment Policy will be prepared and consulted on alongside the revised DCS consultation.
Bellway Miller Taylor Wimpey and Persimmon	Strategic sites should be zero rated	The proposed CIL rates are based on a robust evidence base, which demonstrates CIL would be viable.
HCC	How has the funding gap been calculated?	The Infrastructure Funding Gap Technical Paper sets out how the funding gap has been calculated. Figures are largely based on the IDP.
HCC	Costs for education are higher than those modelled	As a result of these comments, the North and West of Stevenage sites were remodelled to take into account the increased costs of on-site primary school provision.
Historic England	Discretionary relief for where development affects heritage assets is proposed	SBC has not chosen to implement discretionary relief for this purpose.

Respondent(s)	Key point raised	SBC response
Individuals Historic England	Comments around how CIL money should be spent	Noted. These comments will be taken into account when determining how CIL monies should be spent. The Infrastructure Delivery Plan (IDP) sets out a schedule of infrastructure improvements we are seeking to implement to support the Local Plan. Many of the suggestions made are included within the IDP.

- 4.7 As stated within our responses above, some of the issues raised in response to the consultation meant that inputs into the modelling work were no longer accurate. As such, it was decided the evidence for the two largest sites, North Stevenage and West of Stevenage, should be remodelled. This was undertaken in January 2019, and a technical note provides the outcome of this assessment (BD9).
- 4.8 No changes were required to the proposed CIL rates as a result of this remodelling. A buffer is always allowed for when setting CIL rates and this buffer was sufficient to cover the increase in S106 contributions and other increased costs.
- 4.9 Amendments were made to the Charging Schedule to take into account other comments received. The revised DCS now refers to an Instalments Policy and the draft Reg. 123 List. In addition, further guidance will be provided by a Planning Obligations SPD, work on which will commence as soon as possible.
- 4.10 A full summary of the formal comments made and our response to them is available in Appendix A.

Informal comments

- 4.11 In terms of the informal comments made. These were largely in relation to how CIL income is spent in the future. A summary of the infrastructure suggested is as follows:

Types of infrastructure suggested....	
Parks/playground equipment (including equipment for wheelchair users)	Resurfacing paths
Changing places bathroom in town centre	More dog poop bins
Pedestrianise the High Street	Give money to local community groups
More flowerbeds	CCTV
Facilities for older children (11+) - roller/ice skating	More pubs
Bigger recycling bins	Improve Fairlands Valley Lakes
More parking provision	Improve accessibility at train station
Improve cycle routes	Consider future of Fairlands Valley Farmhouse
Better (more frequent and quicker) bus services between Stevenage and Hertford	Make the A1(M) three lanes

Keep street lights on at night	Fix the roads (not temporary solutions)
Protect the Green Belt	

- 4.12 These responses are really useful in terms of understanding what local residents see as priorities within the town.
- 4.13 Some of these suggestions, particularly highways infrastructure, are already included within the Infrastructure Delivery Plan, which sets out the key infrastructure items required to support new development and deliver the Local Plan.
- 4.14 Whilst some may not be eligible for CIL funding, they could be delivered via other Future Town, Future Council priorities, such as the CNM programme and the transport strategy, Future Town, Future Transport.

Recommendation 2.2: That the outcomes of the Draft Charging Schedule (DCS) consultation be noted (responses summary attached as Appendix B).

- 4.15 The Preliminary Draft Charging Schedule (PDCS) was revised prior to the second consultation taking place to form a Draft Charging Schedule (DCS).
- 4.16 The revised DCS takes into account those responses received during the first consultation on CIL, as discussed in paragraphs 4.1 to 4.12 above. It has also been streamlined to provide a more concise schedule of charges once adopted. In particular, the evidence base has been placed in an appendices rather than being within the main body of text.
- 4.17 Consultation on the DCS was carried out between 18 April to 17 May 2019.
- 4.18 We received 24 responses, from 9 respondents.
- 4.19 Responses were received from:
- Hertfordshire County Council (HCC)
 - Historic England
 - Mace
 - Hill Residential
 - North Hertfordshire District Council
 - Sport England
 - Taylor Wimpey and Persimmon Homes
 - Two individuals
- 4.20 A summary of the key points raised is provided in the table below:

Respondent(s)	Key point raised	SBC response
HCC NHDC	The proposed rates are too low – higher rates could be supported. A smaller buffer should be used in the modelling and the evidence base should be updated to reflect increased sales values.	The proposed CIL rates are based on a robust evidence base. Evidence cannot be continuously updated – it has to be set at a certain point in time. Officers have committed to working with HCC on a joint evidence base to inform a review of CIL within a year of its adoption.
HCC	Rate should be £0 for sheltered and extra care homes provided by not-for-profit organisations.	The proposed CIL rates are based on a robust evidence base, which demonstrates CIL would be viable for these uses.
HCC	Infrastructure to serve strategic sites (North, West and SG1) should be provided with via S106 and S278, not CIL.	SBC have chosen to implement CIL, which will be required alongside S106, for strategic sites. This decision is based on a robust viability evidence base.
HCC Mace NHDC	Governance arrangements for spending money require further discussion and consideration before the examination.	Agreed. SBC is currently working on proposals relating to governance.
Historic England	Discretionary relief for where development affects heritage assets is proposed	SBC has not chosen to implement discretionary relief for this purpose.
Historic England NHDC	Comments around how CIL money should be spent	These comments will be taken into account when determining how CIL monies should be spent. The IDP sets out a schedule of infrastructure improvements required to support the Local Plan.
Mace	Circumstances where CIL can be paid 'in-kind', i.e. by providing land or infrastructure instead, should be set out	Agreed. SBC will provide further detail about payment in kind prior to the examination process.
Individual	Agree with no CIL being charged for employment uses – this market is fragile	Support noted.
Hill Residential Taylor Wimpey and Persimmon	CIL rates are too high. Concerns around evidence used to justify rates and known site specific costs being omitted.	The proposed CIL rates are based on a robust evidence base, which demonstrates CIL would be viable.
Hill Residential HCC Taylor Wimpey and Persimmon	No statement produced to show how responses to previous consultation have been taken into account	Full CIL responses are available to view online and a summary table of representations, along with a note to show how SBC has dealt with each point, is appended to this report.
Hill Residential	Welcome inclusion of a draft Instalment Policy. However, the proposed policy should be in line with recommendations on this contained within the evidence base.	Support noted. SBC will consider revising the policy in accordance with comments received, in advance of the CIL examination.
Hill Residential NHDC Sport England Taylor Wimpey and Persimmon HCC	Welcome draft R123 List. However, concerns it does not provide sufficient detail.	SBC will provide additional guidance on what will be delivered through S106/CIL in advance of the independent examination.
Sport England	Welcome £0 CIL rate for sports/leisure facilities	Support noted.

Respondent(s)	Key point raised	SBC response
HCC Taylor Wimpey and Persimmon	Imminent change to CIL regs. must be taken into account. It may be appropriate to delay the introduction of or review CIL as a result.	SBC does not consider the proposed changes to the CIL regulations would require new CIL rates to be considered. A commitment to review rates within 1 year of adoption has already been provided by SBC.

- 4.21 All responses will be passed to the Inspector who examines the CIL Charging Schedule, for his/her consideration.
- 4.22 We also received one late representation from CPRE. In summary, this raises the point that CIL rates should be higher for Greenfield sites than PDL, based on costs/values, and this would help discourage Greenfield development. Whilst this response was not duly made, it will be offered to the Inspector if they wish to take it into account.
- 4.23 We will continue to work with consultees to try and resolve objections made up until the point of examination and the Inspector will fully consider all comments made during the Independent Examination.
- 4.24 A full summary of comments made and our response to them is available in Appendix B.

Recommendation 2.3: Members agree that officers put together options relating to the governance of spending CIL monies, in consultation with the Portfolio Holder for Environment and Regeneration and Planning and Development Committee, and bring a recommendation to Executive within the next report on CIL.

- 4.25 It was previously proposed that recommendations on how CIL income will be spent would be put forward within this Executive report.
- 4.26 In terms of timing, significant amendments are currently being proposed to the HCC developer contributions toolkit, which sets out costs for education and transport infrastructure, amongst other things. In addition to this, both HCC and NHDC requested (in their consultation responses) that they be involved in further discussions around governance, prior to any decisions being made. As such, it is now considered more appropriate to await the outcome of this work and these discussions before options for spending CIL are fully considered.
- 4.27 This issue also requires a greater level of debate around what Members would like, as well as what the legal processes are that we need to follow – for example, who has the authority to spend the larger sums of CIL money.
- 4.28 It is recommended that officers put together options for spending CIL income, in consultation with the Portfolio Holder for Environment and Regeneration and in consultation with Planning Committee, and bring a recommendation on this issue to Executive as part of the next report on CIL.
- 4.29 This recommended course of action will give officers the time and flexibility to ensure alternative options can be fully considered and discussions can be

held with HCC and neighbouring authorities in line with responses to the consultation.

Recommendation 2.4: That approval be granted to submit the Draft Charging Schedule for independent examination.

- 4.30 The next stage in this process is for the CIL Charging Schedule to be examined by an Independent Inspector.
- 4.31 Members are requested to grant approval to submit the Draft Charging Schedule for Examination.
- 4.32 Once submitted, an Inspector would be appointed by the Borough Council, as Charging Authority.
- 4.33 An examination is likely to take place around August/September 2019.
- 4.34 The decision to adopt CIL will need to be taken at Council following receipt of the Examiner's report. This is likely to be around Oct/Nov 2019.
- 4.35 CIL will be payable on all eligible development approved following its adoption, so is likely to affect any planning applications submitted from mid 2019 onwards.

5 IMPLICATIONS

Financial Implications

- 5.1 The costs of implementing CIL will be met from the 5% CIL income the Council is allowed to keep for administration purposes in the long term (this includes the costs of Examination). In the meantime, it is being funded through the agreed departmental budget of the Planning Policy Team.
- 5.2 Financial implications relating to staffing are considered under para 5.10 to 5.12
- 5.3 Financial implications for the Council as landowner are examined further under 'Other Corporate Implications', paragraphs 5.13 - 5.15.

Legal Implications

- 5.4 The preparation of Community Infrastructure Levy is given effect by the 2008 Planning Act.
- 5.5 Detailed statutory requirements for the preparation of CIL, including consultation requirements, are set out in The Community Infrastructure Levy Regulations 2010 (as amended).

Risk Implications

- 5.6 The CIL Charging Schedule requires examination by an independent inspector. At this stage, the Inspector could recommend rates are amended

in accordance with his/her findings or that the charging schedule is withdrawn.

- 5.7 The risks are minimised by proposing CIL rates that align with the viability evidence used to inform the Local Plan (and any subsequent updates) and by considering the consultation representations appropriately.

Planning Implications

- 5.8 Once CIL is adopted, it will constitute a new council policy and will be payable for all qualifying development.

Environmental Implications

- 5.9 CIL has the potential to have a positive impact on the environment, as monies can be used towards improving/maintaining/new environmental infrastructure.

Staffing and Accommodation Implications

- 5.10 There will be an additional staff resource required (in the form of a part-time CIL officer) to manage the CIL process. In the longer term this will be funded through the 5% of CIL monies local authorities are allowed to keep to administer CIL.
- 5.11 The initial projections for the initial few years following implementation are difficult to predict. In the previous report to the Executive on CIL an estimate was made of circa £1m per annum, once fully established. This would mean resources available of £50,000 per annum to fund the additional officer post required. While this sufficient to fund a part-time CIL officer in the medium to long term a CIL officer is required to be in post prior to the implementation of CIL, to set up systems and processes, in addition CIL income is likely to be lower during the first few years, due to instalments policies and phasing.
- 5.12 This means a supplementary estimate is required for the remainder of 2019/20 (for around £15,000) and 2020/21-2021/22 (around £21,000 per annum) to fund the officer for the initial 2-3 years, which Members are asked to approve. However, this money will be 'repaid' to the General Fund as 5% allocation is ring-fenced for this purpose and will be repaid back to the General Fund once sufficient monies are generated. It is anticipated this will then be cost neutral beyond 2021/22.
- 5.13 Based on a part-time, Grade 6 role, as a maximum estimate, the Growth Bid will be for £57,000 over the 3 year period (including all on-costs).

Other Corporate Implications

- 5.14 CIL will be payable for all qualifying development, therefore, it has the potential to impact on council-owned land, in terms of being a consideration in sales negotiations and in being levied when developing the Council's own schemes. This includes smaller residential sites (10 or less dwellings), which were previously exempt from making developer contributions (S106). This is an additional cost and has the potential to depress land values for the council's small sites. This is the same for larger sites, and there is a risk that

developers will try to use this additional expense to negotiate down land values.

- 5.15 However, the viability evidence undertaken to inform the CIL charging rates, shows that the levy being proposed will be viable for both small and large-scale development. It will be under 3% of GDV on all sites, so very marginal overall. This takes into account land values at an appropriate market rate.
- 5.16 CIL will be payable on all development approved following its adoption, so is likely to affect any planning applications submitted from late 2019 onwards. This may include SG1, if a planning application has not been approved. The levy rates in the central area are much lower than elsewhere to take into account the fact that margins are tighter here.

BACKGROUND DOCUMENTS

- BD1 [Executive Report, 11 Sept 2012](#)
- BD2 [Executive Report, 15 Dec 2015](#)
- BD3 [Executive Report, 5 Sept 2018](#)
- BD4 [Stevenage Borough Infrastructure Funding Strategy, Aecom, September 2015](#)
- BD5 [Whole Plan Viability Study including Community Infrastructure Levy, HDH Planning, September 2015](#)
- BD6 [Infrastructure Delivery Plan, SBC \(most recent version, March 2017\)](#)
- BD7 [Viability Update, December 2017](#)
- BD8 [Infrastructure Funding Gap – technical paper, July 2018](#)
- BD9 [Viability Update Technical Note, January 2019](#)

APPENDICES

- A Summary of PDCS consultation responses
- B Summary of DCS consultation responses
- C Draft Charging Schedule (DCS), June 2019

Name/Organisation			Representation summary	SBC Response
Mrs	Margaret	Hawkins	Object to target number of affordable houses being reduced	Levels of affordable housing to be provided by new development are set out in the Local Plan. The CIL rates being proposed take into account the requirement for affordable homes, it does not reduce the target.
Mr	Chris	Oak	Consider the future of Fairlands Valley Farmhouse	Noted. The future of Fairlands Valley Farmhouse was the subject of an Executive Report in July.
Mr	Chris	Oak	How much will the sale of Fairlands Farmhouse contribute to the corporate kitty? There should be a sustainable long term plan	
Mr	Chris	Oak	Sale of the farmhouse will not make a significant contribution to any deficit	
Mr	Chris	Oak	Farmhouse should be considered as a funding option	
Mr	Roy	Warren	Will the Council be producing and Planning Obligations SPD to address funding for infrastructure excluded from a R123 List? An SPD would be welcomed to provide further detail on how infrastructure will be funded. Advice note referenced and SBC encouraged to make use of this when considering CIL/S106 for sports facilities and when preparing the R123 list. Be clear that CIL will be used to fund specific facilities on the R123 List but that other S106 will still be used to fund facilities not on the list and there is a link between the development and the facility which meets the S122 tests.	These comments will be taken into account when preparing the Regulation 123 list. The list will be published for consultation alongside the Draft Charging Schedule (DCS), providing a further opportunity to comment. A Planning Obligations SPD is being considered, but is outside the scope of this consultation. This would further clarify how money will be collected and spent.
Mr	Roy	Warren	Support IDP and IFG Tech Paper but IDP needs to be kept under review Review Sport Facility Assessment and Strategy	Welcome support The need to keep both the IDP and Sports Facility Assessment up-to-date is noted.
Mr	Roy	Warren	Welcome £0 charge for sport/leisure facility	Support noted.
Mr	Anthony	Glanfield	Comments made by the public are always ignored. Examples of Longmeadow Green and Bragbury End provided.	Comments noted. No views provided on the Preliminary Draft Charging Schedule or CIL more generally.
Mr	Clive	Donaghue	The PDCS contains an error in its description of the funding gap. The total is £90.5 million but is described as 'around £89 million'. Figures should be corrected.	Minor discrepancy was amended and re-published at the start of the consultation.
Hill Residential Ltd			Support principle of CIL, but need to ensure balance between CIL, S106 and Affordable housing and not over-burdening development. Crucial that evidence outlines key infrastructure required to support development and is up-to-date and well-informed. It is not clear what items SBC will be putting in R123 list and which will be CIL funded.	Support welcomed. Evidence is up-to-date and ensures a balance is struck between competing objectives, whilst retaining development viability. R123 list will be published alongside the DCS in the next round of consultation.
Hill Residential Ltd			Concerns regarding assumptions in viability evidence: - More typologies should be tested to reflect a wider range of scenarios. - Benchmark land values have not been updated from the 2015 study. Limited evidence to justify benchmarks adopted. Concerned that EUV of town centre schemes are tested against EUV of industrial land. - Build cost figures are 12 months out of date and too low. Same costs used for flats, where build costs are much higher. Other assumptions linked to build costs also require review. - Require further detail on what will still be sought via S106 to feed into viability assessment and for developer info. Unclear what evidence £2k per dwelling assumption is based on.	A Reg 123 List and further guidance will be provided to make clear what will be funded via S106. The assumptions used in the 2017 Viability Update are carried forward from the those set out in the 2015 study - updated as appropriate. The 2015 study was subject to detailed review and challenge through the Local Plan Examination where it was found sound (see para 185 of Inspector's Report). - In line with the CIL Guidance (in the PPG) says that 'Viability assessments should be proportionate, simple, transparent and publicly available in accordance with the viability guidance. Viability assessments can be prepared jointly for the purposes of both plan making and CIL charging schedules. This has been done. It is accepted that it is unfortunate the adoption of the Plan was delayed by the Secretary of State, however the approach taken is appropriate and proportionate. - The base modelling is set out in the Whole Plan Viability Study, including CIL – September 2015. This included a wide range of typologies (see Chapter 9) that were developed to be representative of the nature of development anticipated under the Stevenage Local Plan. - The 2019 NPPF and updated PPG clarifies the derivation of the Benchmark Land Values. The approach taken is fully in line with the updated guidance (the EUV Plus approach), allowing for 'a reasonable premium to the landowner'. This was carried forward from the earlier work. No alternative evidence has been presented. - The BLV were tested through the consultation process and carried forward from the local plan process. - The build costs and the values are over a year old, but are consistent with the evidence that supported the Local Plan so considered proportionate. - The same costs are NOT used for flats as for other types of development. The appropriate BCIS cost for each type of housing is used. The figure for low rise flats is £1262/m2 and high rise is 1617/m2. This compares to £1088/m2 for terraced housing, £1086/m2 for semi-detached housing and £1,267/m2 for detached housing. . - The s106 assumption of £2,000 per unit was a cautious estimate tested through the consultation process and informed by discussions with officers.

North Herts District Council		<p>Concerned to ensure adequate funding for infrastructure is achieved for delivery of the sites. Delivery of cross border, common or shared infrastructure should be discussed.</p> <p>Will site specific requirements continue to be secured through S106 with CIL in addition?</p> <p>The timing of the introduction of CIL is an important consideration</p> <p>Need to consider the mechanisms for the delivery of infrastructure and the issue of forward funding.</p> <p>Provide greater clarity on proposed governance arrangements in relation to delivery of infrastructure.</p> <p>Involve NHDC in R123 List details</p>	<p>S106 will still be collected alongside CIL for site specific infrastructure such as on-site primary school and healthcare provision.</p> <p>The timetable for the introduction of CIL is set out in the Council's Local Development Scheme.</p> <p>Arrangements for spending CIL income will be discussed and agreed at a later stage in CIL implementation.</p> <p>The Reg 123 List will be published for consultation alongside the Draft Charging Schedule (DCS).</p>
Historic England		<p>Encourage LA's to consider identifying the ways CIL can be used to implement Local Plan policies relating to heritage.</p> <p>The R123 List should reference 'Our streets and spaces public realm projects' as the type of infrastructure CIL will be spent on. But S106 may still be required for site-specific mitigation. You may wish to clarify this in the schedule.</p> <p>Encourage LA's to assert their right to apply discretionary relief for exceptional circumstances; where development affecting heritage assets and their settings/significance may become unviable if subject to CIL. Conservation of heritage assets should be taken into account when setting CIL rates. Conditions and procedures for CIL relief should be set out in a separate statement - i.e. where CIL relief would enable the restoration of assets on the at risk register.</p>	<p>These comments will be taken into account when preparing the Reg 123 list. The list will be published for consultation alongside the Draft Charging Schedule (DCS), providing a further opportunity to comment.</p> <p>A Planning Obligations SPD will be drafted to provide further guidance.</p>
Hill Residential Ltd		<p>Not clear how results of viability testing have been used to calculate the proposed rates. Question how flats and PDL sites have become significantly more viable. Request additional viability appraisals are provided with policy compliant and industry standard assumptions adopted.</p> <p>Not clear whether a buffer has been considered - recommend a minimum buffer of 30%.</p>	<p>The Viability Study and its subsequent updates provide the evidence base for the proposed CIL rates.</p> <p>The improvement in viability of flats is due to the very substantial increase in values of these types of unit - see Chapter 4 of the 2017 viability update.</p> <p>- In making recommendations for the rates of CIL three tests have been used. First the Residual Value is compared to the BLV. In line with the CIL Guidance (25-019-20190315), allowance is made for a 'buffer' of at least 30% is allowed for (it is over 40% on most sites). CIL was then considered as a proportion of the Residual Value, being an indication by how much the value of land may fall if CIL were introduced (less than 25%). CIL was then considered as a proportion of the value of the completed scheme (less than 3%). This analysis is set out in Chapter 10 of the 2017 CIL Viability Update.</p>
Hill Residential Ltd		<p>Welcome SBC recognition of varying site characteristics in terms of values and different rates by area. But concerns around lack of justification of the location of the boundaries between the two charging areas, which is based on Local Plan inset area, rather than policy or values. Recommend additional site-specific viability testing.</p>	<p>It is accepted that values do not alter across hard lines. The setting of CIL zones is a quantitative and qualitative basis. The central area of the area where flatted development predominates.</p> <p>- A range of typologies have been tested in line with the PPG which says 'Assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable' at 10-003-20180724.</p>
Hill Residential Ltd		<p>Concerns around the operation of CIL:</p> <ul style="list-style-type: none"> - PDCS does not disclose if SBC will be implementing instalment policy. HDH's Viability Study makes firm recommendation that such a policy should be implemented and that modelling is undertaken on that basis. Recommend similar approach to Chichester. - Unclear whether Exceptional Circumstances, Social housing and Charitable relief will be made available. Recommend SBC makes this relief available. 	<p>Instalment Policy will be prepared. The DCS clarifies this.</p>
Bellway and Miller		<p>Support principle of CIL, but need to ensure balance between CIL, S106 and Affordable housing and not over-burdening development.</p> <p>Crucial that evidence outlines key infrastructure required to support development and is up-to-date and well-informed.</p> <p>It is not clear what items SBC will be putting in R123 list and which will be CIL funded.</p>	<p>Support welcomed.</p> <p>In setting CIL, the Council has struck a balance between the effect the levy will have and viability and the requirement to fund infrastructure to support new development (as required by CIL Regulation 14).</p> <p>R123 list will be published alongside the DCS in the next round of consultation.</p>

Bellway and Miller		<p>Incorrect approach to viability:</p> <ul style="list-style-type: none"> - Benchmark land values are incorrect, thus overestimating the schemes viability. - Land area modelled is incorrect. Modelling assumes 50% of land will be net developable, whereas at least 38ha will be meadow land. - Build cost assumptions are out-of-date and too low not reflective of the proposed scheme nor industry. This also affects other costs that are linked. - Responses to planning application have requested S106 significantly above what has been modelled in Viability Study. 	<p>See comments above (response to Hill Residential).</p> <ul style="list-style-type: none"> - The assumptions used in the 2017 Viability Update are carried forward from the those set out in the 2015 Viability Study - updated as appropriate. . - Viability assessments should be proportionate, simple, transparent and publicly available in accordance with the viability guidance. - The base modelling is set out in the Whole Plan Viability Study, including CIL – September 2015. - The 2019 NPPF and updated PPG clarifies the derivation of the Benchmark Land Values. The approach taken is fully in line with the updated guidance. The BLV were tested through the consultation process through the consultation process and carried forward from the local plan process. - The build costs and the values are over a year old, but are consistent with the evidence that supported the Local Plan so considered proportionate. - Site specific matters are responded to separately. <p>Remodelling will be undertaken to take into account the comments relating to land area. It is agreed the area modelled should not include the meadow land. The remodelling will also include increased education costs, which reflect those now being requested by HCC.</p>
Bellway and Miller		North Stevenage should be zero rated and the contributions to infrastructure should continue to be delivered through S106.	The proposed CIL rates are based on a robust evidence base, which demonstrates CIL would be viable. S106 will be used alongside CIL on strategic sites.
Taylor Wimpey and Persimmon		There is a requirement to provide a list of infrastructure to be wholly or partly funded by CIL. Look forward to reviewing the list in due course.	The Reg 123 List will be published for consultation alongside the Draft Charging Schedule (DCS).
Taylor Wimpey and Persimmon		Have reviewed the Viability Update 2017 and consider that while majority of assumptions are on the lean side (externals, contingency, S106 and profit), in the round the inputs are generally appropriate. However, there is concern that increase in sales prices experienced recently is not sustainable. We will continue to monitor as consultation progresses.	Noted.
Taylor Wimpey and Persimmon		<p>Serious concerns that substantial infrastructure requirements for West of Stevenage development have been ignored and not factored into any of the viability work. Costs for access under A1(M) should include tunnelling for a pedestrian/cycling route, as per agreement with HCC. Should also include other highway improvements including improvements to Redcar Drive and roundabout at Clovelly Way (estimated at further £2m).</p> <p>Do not know assumptions on which 106 allowance has been based so have not been able to test. Concerns around double counting, particularly for education.</p> <p>Other costs have also not been considered including need for; acoustic fencing, aspirational and self build homes, supported/sheltered housing, cricket pitch, mitigation of noise pollution from airport, farmland birds mitigation. TW/P would be happy to work with SBC to agree infrastructure costs before the model is re-run.</p>	<p>It was demonstrated, and accepted by the Inspector, through the Local Plan Examination that sufficient access to serve the 1,350 homes can be provided using existing access routes (albeit improved), and a new bore is not required for this part of the site. Highways estimates provided by the developer were used to inform the modelling.</p> <p>Breakdown of 106 assumptions has been provided to the developers and a Reg 123 list will be published for consultation alongside the Draft DCS. The proposed CIL rates and S106 we intend to seek will not involve any double counting. A Planning Obligations SPD will be drafted to provide further guidance on what we expect to be funding from CIL and S106.</p> <p>Remodelling will be undertaken to include increased education costs, which reflect those now being requested by HCC. This modelling will also include a sum for acoustic fencing, as per the representation. The modelling already takes into account other Local Plan requirements.</p> <p>In terms of abnormal and other costs, the updated PPG says (10-012): abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites, should be taken into account when defining benchmark land value.</p> <p>The same thing is said about site-specific infrastructure costs, which might include access roads, sustainable drainage systems, green infrastructure, connection to utilities and decentralised energy (PPG10-012). In line with this, these costs must be reflected in the price paid for the land by the developer.</p>
Taylor Wimpey and Persimmon		Land remediation costs included (through contingency) are too low. Estimated at just under £7m by Homes England. Should be included as separate, site-specific infrastructure cost. Unclear how 2.5% contingency figure has been arrived at, 5% is used elsewhere. Site is part-brownfield, which should be taken into account. Assumptions on normal development costs result in a further under provision. Costs will be increased due to difficulties associated with access under A1(M) in comparison to other sites.	<p>Remodelling will be undertaken to take into account that the site is part brownfield. The contingency will be increased to 5% to reflect this.</p> <p>Land remediation costs have been treated as an abnormal cost (as per explanation in above response).</p>
Taylor Wimpey and Persimmon		Sensitivity testing should be undertaken, as in case of Basingstoke.	Sensitivity testing has been carried out through the plan-making process. Chapter 10 of the 2017 CIL Viability Update includes the testing of a wide range of levels of CIL.
Taylor Wimpey and Persimmon		<p>Implementation.</p> <p>The PCDS does not refer to the payment in kind mechanism, which could be required in a number of instances to facilitate delivery i.e. for the cricket pitch.</p> <p>Installments policy - the PDCS should make provision for interim payments, phasing should be included. Should clarify that CIL relief applies to qualifying social housing, where there is no registered provider or housing association identified to ensure timely delivery of affordable housing.</p>	<p>Further guidance will be provided relating to payments in kind, which will sit alongside the charging schedule once adopted.</p> <p>An Installments Policy will be published alongside the DCS, and input will be sought at this stage of consultation. The PDCS sets out who is liable to pay CIL.</p>
Taylor Wimpey and Persimmon		Affordable housing modelled only includes shared ownership and affordable rent and so does not reflect the actual requirement.	The Viability Study models affordable housing in line with the Local Plan policy requirements.

Herts County Council			Identified funding gap includes Total Infrastructure Cost of £131.1m - How have the costs, other sources of funding and the funding gaps been calculated? Provide details of infrastructure requirements included within these costs	The Infrastructure Funding Gap Technical Paper sets out how the funding gap has been calculated. Figures are largely based on the IDP.
Herts County Council			Costs are considerably higher than proposed rates in the schedule eg £9k per unit for primary education Will these charging rates adversely impact the ability of SBC to secure even partial infrastructure costs from development sites	Remodelling will be undertaken to take into account increased education costs, as per the representations received.
Herts County Council			Strategic sites where provision of infrastructure will be made by means of S106 obligations or S278 agreements to be identified and cross-referenced with IDP, IFG and the LP	A Planning Obligations SPD will be drafted to provide further guidance on what we expect to be funding from CIL and S106.
Herts County Council			HCC to be party to discussions on which infrastructure projects receive CIL funding Clarify timescales and how SBC intends to prioritise bids and allocation of CIL funding	Arrangements for spending CIL income will be discussed and agreed at a later stage in CIL implementation.
Herts County Council			CIL charging rates should differentiate between sheltered/extra care housing for profit and non-profit so that non-profit sheltered/extra care housing is exempt from a CIL charge. This has been adopted in other Districts in Hertfordshire.	Rates of CIL must be informed by viability evidence. Different rates are recommended for Sheltered Housing (£100/m2) and Extracare Housing (£40/m2) in the 2017 CIL Viability Update. This is reflected in the Draft Charging Schedule. It is not appropriate to set differential rates of CIL for particular developers or types of developer. However, affordable housing in this sector (as per the wider market) would not be subject to CIL.
Herts County Council			Use Classes should be added to the table of CIL Charging Rates	It is not considered necessary to include Use Classes in the table.
Herts County Council			Support the payment of CIL charge liability in instalments particularly for sites that are required to pay S106 and CIL	Support noted.
Herts County Council			There is no detail of governance and management arrangements for deciding which infrastructure projects receive CIL funding. HCC should be involved in these discussions and any decisions made.	Arrangements for spending CIL income will be discussed and agreed at a later stage in CIL implementation.
Herts County Council			HCC wish to be consulted and comment on the Reg123 list before it is finalised	The Reg 123 List will be published for consultation alongside the Draft Charging Schedule (DCS).
Herts County Council			HCC wish to be reassured that the land north and west of Stevenage and the town centre (SG1) will be excluded from the Reg123 List	The Reg 123 List will be published for consultation alongside the Draft Charging Schedule (DCS).
Herts County Council			Make specific reference to the exclusion of Fire hydrant infrastructure from the Reg 123 List	The Reg 123 List will be published for consultation alongside the Draft Charging Schedule (DCS).
Mrs	Margaret	Hawkins	Improve cycle routes, consider as part of development	Noted. These comments will be taken into account when determining how CIL monies should be spent. The Infrastructure Delivery Plan (IDP) sets out a schedule of infrastructure improvements we are seeking to implement to support the Local Plan. Many of these suggestions are included within the IDP.
Ms	Vicki	David	Spend Levy on better bus links between Stevenage and Hertford	
	Rosh	Ali	Improve local parks so that they feel safer Play equipment does not look safe More public recycling bins	
Great Ashby Community Council			Road improvements should be considered Bus services should be enhanced and costs reduced	
Ms	Helen	Jones	Use Levy for: Radiotherapy unit for Lister Hospital Improvements to Lytton Way carriageway divider Mobbsbury Way/Fairlands Way junction - new roundabout Footpaths and cycleways - resurfacing, better lighting	

Name/Organisation	Representation summary	SBC comment
HCC Growth & Infrastructure Unit	The proposed CIL rates and R123 list will significantly hinder the ability to secure the funding needed to provide services and infrastructure. The rates are less than what we believe development is able to support in Stevenage. Previous HCC reps in respect of sheltered and extra care housing specifically noted when these are provided by not-for-profit organisations development economics are different. The CIL rate should be zero in these cases.	In setting CIL, the Council has struck a balance between the effect the levy will have and viability and the requirement to fund infrastructure to support new development (as required by CIL Regulation 14). Rates of CIL must be informed by viability evidence. Different rates are recommended for Sheltered Housing (£100/m2) and Extracare Housing (£40/m2) in the 2017 CIL Viability Update. This is reflected in the Draft Charging Schedule. It is not appropriate to set differential rates of CIL for particular developers or types of developer. However, affordable housing in this sector (as per the wider market) would not be subject to CIL.
HCC Growth & Infrastructure Unit	Acknowledged there should be a buffer, but HCC is concerned about the 'significant cushion' referred to in the CIL Viability Report and further concerned that modelling completed in 2019 outlines a cushion of 50% for a strategic site. In other areas we are aware of a buffer of around 20%. Concerns that maximum rates are not being tested and applied. Sales values have increased significantly since the viability work was prepared. High level work commissioned by HCC indicates that with sales values averaging £400k p/unit, a CIL rate of £300 p/m2 is achievable on greenfield sites. New build houses in Stevenage currently range from £438k to £780k. A sales value of £438k would support a CIL rate of over £500 p/m2. This considerable step change in viability requires further consideration. The rates proposed are set at less than 3% GDV - HCC would argue development in Stevenage can bear higher rates. Smaller sites (fewer than 10) that are not required to provide affordable housing could bear higher rates. This is not uncommon. SBC acknowledges the CIL income won't get anywhere near the funding gap demonstrated. HCC consider higher rates, tested to a lower buffer, would maximise the ability to mitigate development. SBC's viability evidence was produced prior to countywide work on Herts Infrastructure Funding Prospectus (HIFP). This contains quite different figures, which indicates a much higher funding gap.	In line with the CIL Guidance (25-019-20190315), allowance is made for a 'buffer' of at least 30% is allowed for. In setting CIL, the Council has struck a balance between the effect the levy will have and viability and the requirement to fund infrastructure to support new development (as required by CIL Regulation 14). Evidence cannot be continuously updated – it has to be set at a certain point in time. Officers have committed to working with HCC on a joint evidence base to inform a review of CIL within a year of its adoption.
HCC Growth & Infrastructure Unit	HCC would like to be reassured that infrastructure required to serve North Stevenage, Stevenage West and SG1 (and other sites over 500 units) will be excluded from the R123 list and provision will be made by S106 and S278 agreements. HCC notes the proposed R123 list includes secondary schools. HCC considers new secondary schools should be funded through S106, and only expansions through CIL. An amendment is suggested accordingly. R123 list should specifically exclude fire hydrants. R123 list does not provide enough flexibility in terms of transport - a more refined list is suggested.	A mix of CIL and S106 will be sought on strategic sites. Further clarification on the breakdown of what will be funded through each mechanism will be provided prior to the examination. All secondary school provision will be funded through CIL. The current Reg123 List does not include fire hydrants. Under the amendments to the CIL Regulations that are laid before parliament and are due to come into effect from Sept 2019, the obligation to produce a 123 List is likely to be removed.
HCC Growth & Infrastructure Unit	Parallel political processes will be required to determine how CIL monies should be prioritised. There will be a need to agree governance arrangements between the two authorities and in setting priorities, as per NPPG. Clarification on timescales for allocating CIL funding would be useful. It is crucial HCC have information on what money is likely to come in to deliver projects - to assess financial viability and deliverability. We have been unable to see how previous CIL reps have been taken into account. A statement would be helpful. The CIL regs are likely to change in the near future. HCC would request a revisit of the CIL approach in Stevenage once this happens.	The spending of CIL income and governance arrangements for this are yet to be finalised. The Council will consult HCC on the proposed options once drafted. A statement setting out how each of the PCDS consultation responses has been dealt with is attached to the July Executive Report and is available on the Council's website. The CIL Regulations have now been laid before Parliament and are due to come into effect on 1 Sept 2019. As such, they will be in place prior to adoption and will be taken into account accordingly.
Historic England	The Localism Act allows CIL to be used for the maintenance and on-going costs associated with heritage assets. Historic England encourages LA's to consider identifying ways CIL can be used to implement Local Plan policies relating to heritage assets in accordance with NPPF.	The spending of CIL income and governance arrangements for this are yet to be finalised.
Historic England	There may be circumstances where the viability of a scheme to secure the reuse and long term viability of a heritage asset is compromised by the need for CIL payments. We encourage LA's to assert their right to apply discretionary relief for development that affects heritage assets and their settings/significance, that may become unviable if it was subject to CIL. Conservation of heritage assets should be taken into account when setting CIL rates.	The DCS sets out the circumstances in which relief is available.
Historic England	Suggests reference in the R123 list to 'Our Streets and Spaces public realm projects' as the type of infrastructure CIL will be spent on. Development specific obligations and S106 will continue to offer opportunities for funding. You may wish to clarify this in your schedule.	Under the amendments to the CIL Regulations that are laid before parliament and are due to come into effect from Sept 2019, the obligation to produce a 123 List is likely to be removed. The spending of CIL income and governance arrangements for this are yet to be finalised.

Mace	The LA should set out circumstances where CIL can be paid 'in kind' e.g. land or infrastructure is provided instead of cash. This can provide time, cost and efficiency benefits. It can also provide more certainty for developers about when infrastructure items will be delivered. It is noted consideration has been given to phasing. In terms of phased developments, each phase should represent a separate chargeable development and that each separate chargeable development would be liable in line with an instalment policy.	Further guidance will be provided relating to payments in kind, which will sit alongside the charging schedule once adopted.
Mace	Reg 123 List has been reviewed. It will be important to clarify how SBC has collaborated with HCC in setting levy rates and priorities on the Reg 123 List. This agreement is essential for crystallising costs that need to be accounted for at an early stage. It is necessary for a statement to be provided for the relevant CIL information that sets out how CIL monies will be pooled into a fund for infrastructure needed to support development of the Borough and strategic infrastructure elsewhere.	Under the amendments to the CIL Regulations that are laid before parliament and are due to come into effect from Sept 2019, the obligation to produce a 123 List is likely to be removed. The spending of CIL income and governance arrangements for this are yet to be finalised. The Council will consult HCC on the proposed options once drafted.
Michael Davies	The viability of new industrial or office development is very tight at the moment and you should be very careful about doing anything which adversely affects that. The fragile retail market needs to be considered.	Noted. Employment uses will not be subject to CIL.
Hill Residential Limited	Following on from PDCS representation, Hill's interests specifically relate to the proposed residential CIL rates which remain unchanged. Hill are supportive of the principle that development helps deliver needed infrastructure and do not oppose CIL, but need to ensure an appropriate rate is set. Setting CIL at the correct level is important to avoid further under-delivery of market and affordable homes.	Support for principle of CIL noted. In setting CIL, the Council has struck a balance between the effect the levy will have and viability and the requirement to fund infrastructure to support new development (as required by CIL Regulation 14).
Hill Residential Limited	Previous rep raised concerns around justification of charging zones. Comments have not been taken into account. Proposed zone boundary is based on Stevenage Central Inset Map rather than policy or values. Comparison to heatmap of property values provided. The boundaries do not reflect market values. A number of areas will be captured by the higher CIL rate that are located in the lowest value areas. A number of sites lie just outside Zone 1 which fall into category of key town centre uses and function as part of town centre. These CIL rates may hold back development. Further testing should be undertaken.	It is accepted that values do not alter across hard lines. The setting of CIL zones is a quantitative and qualitative basis. The central area of the area where flatted development predominates. A range of typologies have been tested in line with the PPG which says 'Assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable' at 10-003-20180724.
Hill Residential Limited	Hill are disappointed their previous comments were not taken on board by SBC. A number of concerns around evidence base were raised. The viability testing used to inform the proposed CIL rates is now further out of date. The concerns remain largely the same: A wider range of typologies should be tested. Benchmark land values have not been updated since 2015 study and are out-of-date. Build costs are out-of-date and too low. Same rate should not be applied to flatted schemes. A number of other assumptions are linked to these. Abnormals are too low. No explanation by SBC of the methodology for using the evidence to get to the proposed rates. There are vast differences between typologies 8 and 9 (Town centre flats) and other PDL typologies. Hill questions how these typologies are indicating significantly more viability in the updated study.	<p>Previous responses have been considered by SBC. A statement setting out how each of the PCDS responses has been dealt with is attached to the July Executive Report and is available on the Council's website.</p> <p>The assumptions used in the 2017 Viability Update are carried forward from those set out in the 2015 study - updated as appropriate. The 2015 study was subject to detailed review and challenge through the Local Plan Examination where it was found sound (see para 185 of Inspector's Report).</p> <ul style="list-style-type: none"> - In line with the CIL Guidance (in the PPG) says that 'Viability assessments should be proportionate, simple, transparent and publicly available in accordance with the viability guidance. Viability assessments can be prepared jointly for the purposes of both plan making and CIL charging schedules. This has been done. It is accepted that it is unfortunate the adoption of the Plan was delayed by the Secretary of State, however the approach taken is appropriate and proportionate. - The base modelling is set out in the Whole Plan Viability Study, including CIL – September 2015. This included a wide range of typologies (see Chapter 9) that were developed to be representative of the nature of development anticipated under the Stevenage Local Plan. - The 2019 NPPF and updated PPG clarifies the derivation of the Benchmark Land Values. The approach taken is fully in line with the updated guidance (the EUV Plus approach), allowing for 'a reasonable premium to the landowner'. This was carried forward from the earlier work. No alternative evidence has been presented. - The BLV were tested through the consultation process and carried forward from the local plan process. - The build costs and the values are over a year old, but are consistent with the evidence that supported the Local Plan so considered proportionate. - The same costs are NOT used for flats as for other types of development. The appropriate BCIS cost for each housing type is used. The figure for low rise flats is £1262/m2 and high rise is £1617/m2. This compares to £1088/m2 for terraced, £1086/m2 for semi-detached and £1,267/m2 for detached housing. <p>The s106 assumption of £2k p/unit was a cautious estimate tested through the consultation process and informed by discussions with officers.</p>

Hill Residential Limited	<p>Welcome release of proposed Instalment Policy for consultation. HDH provided a range of potential instalment policies within their study document depending on level of liability. The largest with a payment profile over 6 yrs. The proposed policy indicates full payment will be required within 2 yrs. This does not reflect HDH's modelling. Suggest instalments should reflect the length of the permission granted, with equal instalments due annually post commencement. Not clear whether Exceptional Circumstances Relief will be made available or how Discretionary Social Housing and Charitable Relief will be available in operation. Hill do not consider it any detriment to SBC in making such reliefs available.</p>	<p>Noted. SBC will review the draft Instalments policy in accordance with comments received, in advance of the CIL examination. The DCS sets out where discretionary relief is available.</p>
Hill Residential Limited	<p>Welcome that SBC has now produced R123 List. Concerned infrastructure types and projects are not clear, specifically for schools. Also no reference to early years provision. Wording changes recommended. No evidence on what £2,000 per unit S106 assumption is based on. Concerned this is low. Suggest SBC carefully considers the items to be sought through S106 and those to go on the R123 List. Until this is done, SBC cannot fully understand whether their rates take into account policy requirements. If CIL is set too high it can lead to adverse impact on affordable housing provision.</p>	<p>Under the amendments to the CIL Regulations that are laid before parliament and are due to come into effect from Sept 2019, the obligation to produce a 123 List is likely to be removed. Further clarification on the breakdown of what will be funded through each mechanism will be provided prior to the examination. The s106 assumption of £2,000 per unit was a cautious estimate tested through the consultation process and informed by discussions with officers.</p>
North Hertfordshire District Council	<p>Pleased to see the evidence underpinning the proposed rates now includes direct reference to the IDP. We welcome that the IDP infrastructure list has been broadly translated into a number of items on your R123 list. The R123 list does not include contributions towards health. We would welcome clarity on your intended approach in this regard. NHDC would welcome proactive discussion with SBC to identify and develop key projects which may inform the distribution of monies. We would encourage greater consideration and clarity over the eventual governance arrangements prior to the examination. Without clarity at this stage, it could compromise the ability to deliver the infrastructure required.</p>	<p>Under the amendments to the CIL Regulations that are laid before parliament and are due to come into effect from Sept 2019, the obligation to produce a 123 List is likely to be removed. Further clarification on the breakdown of what will be funded through each mechanism will be provided prior to the examination. The spending of CIL income and governance arrangements for this are yet to be finalised. The Council will consult NHDC on the proposed options once drafted.</p>
North Hertfordshire District Council	<p>Given that a number of housing sites are identified along our shared administrative boundary, we re-emphasise the importance of ensuring sufficient funds will be available to achieve the timely delivery of sites and infrastructure required to support them. As such, it is essential the rates proposed are set at an appropriate level. The post consultation viability note states that the £100/m2 rate continues to be viable, which is welcomed. However, we are concerned whether higher rates of CIL could actually be supported as the evidence in the note suggests. This could be used to fund a greater proportion of off-site infrastructure. We have concerns some of the assumptions underpinning the infrastructure and mitigation costs in the viability assessment may not have been subject to appropriate scrutiny.</p>	<p>In setting CIL, the Council has struck a balance between the effect the levy will have and viability and the requirement to fund infrastructure to support new development (as required by CIL Regulation 14). The proposed rates are based on a robust evidence base.</p>
Philip Reeves	<p>Another stealth tax which will no doubt be used to pay for SBC luxurious and unnessecary new offices.</p>	<p>Noted. CIL is chargeable on new development to pay for supporting infrastructure. It is not a tax for residents.</p>
Sport England	<p>This section of the charging schedule is broadly supported. However, clarity should be provided in this section on whether, in tandem with the adoption/preparation of the CIL, a planning obligations SPD (or similar guidance) will be prepared which sets out detail of the Council's approach to securing infrastructure through section 106 agreements for infrastructure excluded from a the Regulation 123 list. In view of the limited detail that can be provided in a Regulation 123 list, the level of detail required to support the securing of planning obligations in practice, the complications associated with the pooling restrictions etc, such guidance would be welcomed and considered necessary to facilitate the effective operation of both CIL and planning obligations. Sport England has published a detailed advice note https://www.sportengland.org/facilities-planning/planning-for-sport/planning-tools-and-guidance/community-infrastructure-levy-and-planning-obligations-advice-note/ on the relationship between CIL and planning obligations in relation to community sports facilities which may assist in this regard.</p>	<p>An SPD will be drafted to provide further guidance on what we expect to be funding from CIL and S106. Under the amendments to the CIL Regulations that are laid before parliament and are due to come into effect from Sept 2019, the obligation to produce a 123 List is likely to be removed.</p>

Sport England	The proposal for 'All other development' that would include community sports and leisure facility related development to have a zero CIL charge is welcomed. Most community sports facilities such as leisure centres, playing fields etc are operated by local authorities, clubs and voluntary/charitable organisations on a not for profit basis to meet community needs. If CIL was charged for new facilities, or enhancements to existing facilities, this may have viability implications for implementing the proposals. In Sport England's experience, viability work from elsewhere has shown that such uses would not justify CIL payments on viability grounds and therefore have been specifically excluded being charged CIL.	Support noted.
Taylor Wimpey and Persimmon	Formal objection to the imposition of CIL as a 'blanket' levy across all residential areas outside Stevenage Central without the comprehensive assessment of all applicable costs borne by strategic allocation of the site known as Stevenage West. The evidence base is flawed due to a number of inaccurate assumptions and omissions. The proposed levy is too great a burden, rendering the scheme unviable. The site should be zero rated.	The proposed CIL rates are based on a robust evidence base, which demonstrates CIL would be viable (see also response to Hill Residential in relation to the evidence base, above).
Taylor Wimpey and Persimmon	The extent of access works and costs have not been appropriately considered. We agree no new vehicular access point is required to support the allocation. However, significant work is required to realign the approach to the underpass. The current L-shaped road layout is not appropriate to support a 1,350 home development. The necessity for this work is accepted by SBC and Highways England, such that work is being undertaken with SBC to agree the extent of playing field land to be Appropriated. In addition, to achieve pedestrian/cycle access, the existing tunnel will need to be widened or a new bore required. Either scenario incurs significant cost which has not been included.	It was demonstrated, and accepted by the Inspector, through the Local Plan Examination that sufficient access to serve the 1,350 homes can be provided using existing access routes (albeit improved), and a new bore is not required for this part of the site. Highways estimates provided by the developer were used to inform the modelling. A further note will be provided on this to the developer to explain in more detail how the costs have been determined. Discussions will be ongoing to try to resolve this issue in advance of the examination.
Taylor Wimpey and Persimmon	Having reviewed the draft Reg 123 List, a number of the items listed will be delivered on the Stevenage West site. The prospect of double counting is an obvious concern.	A mix of CIL and S106 will be sought on strategic sites. Further clarification on the breakdown of what will be funded through each mechanism will be provided prior to the examination and an SPD will be produced in due course. Under the amendments to the CIL Regulations that are laid before parliament and are due to come into effect from Sept 2019, the obligation to produce a 123 List is likely to be removed.
Taylor Wimpey and Persimmon	Do not consider the Charging Schedule is supported by appropriate available evidence. The Council and HDH should apply the known available costs, as detailed in this response. Detailed comments are provided in relation to each assumption in the viability assessment and update, including issues such as property values, land benchmark assumptions, construction costs, policy requirements, abnormals, interest, VAT, and developer returns. Detailed costs are provided in addition. Factoring in these additional costs would lead to the site being zero rated. These costs are subject to further surveys, which will underpin future representations.	See detailed response to Hill Residential (above)
Taylor Wimpey and Persimmon	The January viability update applied a marginal increase in response to reps, but consider there is still a lack of understanding of the costs required to make the scheme acceptable in planning terms. Information on infrastructure costs for Stevenage West has been provided to the Borough Council and consultant. It is frustrating that despite discussions and submissions a number of costs continue to be omitted.	See response relating to highways issues above. Remodelling was undertaken following the PDCCS consultation to take into account comments received. The modelling already takes into account other Local Plan requirements. In terms of abnormals, the updated PPG says (10-012): abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites, should be taken into account when defining benchmark land value. The same thing is said about site-specific infrastructure costs, which might include access roads, sustainable drainage systems, green infrastructure, connection to utilities and decentralised energy (PPG10-012). In line with this, these costs must be reflected in the price paid for the land by the developer.
Taylor Wimpey and Persimmon	Evidence does not meet the NPPF/PPG tests. Costs are not fully taken into account. If costs were accurate it would demonstrate CIL is not viable.	The Viability Assessments used to inform the proposed CIL rates have been carried out in line with NPPF and PPG tests and guidance.
Taylor Wimpey and Persimmon	Recommendations in the Government Technical Consultation change the indices used from BCIS All-Price Tender Index to an averaged local house price index, and rates for retail will be indexed against the National Consumer Price Index. These changes are likely to significantly increase cost burden (from 2023) because of the inflationary nature of the new indices. This should be taken into account. It may be appropriate to delay the examination until these changes have been enshrined in law in 2019 to avoid the need for an immediate review.	The CIL Regulations have now been laid before Parliament and are due to come into effect on 1 Sept 2019. As such, they will be in place prior to adoption and will be taken into account by the Inspector accordingly.

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1 What is the Community Infrastructure Levy?

1.1 The Charging Authority: The Charging Authority is Stevenage Borough Council

1.2 Date of Approval: This Charging Schedule was approved by the Council on (date to be inserted following examination and Council approval)

1.3 Date of Effect: This Charging Schedule will come into effect on (date to be inserted following examination and Council approval)

1.4 The Community Infrastructure Levy (CIL) was introduced under the Planning Act 2008. It is a tool local authorities can use to help deliver infrastructure to support the development of the area. CIL is a non-negotiable tariff on most forms of new development. It is expressed in pounds per square metre (£/m²), and is levied on the net additional floorspace created by most new development.

1.5 Stevenage Borough Council is the Charging Authority and Collecting Authority, and the charging area is within the local authority boundary.

2 Who is liable?

2.1 CIL is payable on development that creates net additional floorspace (based on gross internal area) of 100m² or more, or development of any size that results in a new house or flat. Some developments may be eligible for relief or exemption from the CIL. The following do not pay the levy:

- Development of less than 100m² – unless this is a whole house, in which case the levy is payable
- The creation of mezzanine floors within existing buildings (unless it forms part of a wider planning application that seeks to provide other works as well)
- Dwellings built by ‘self builders’
- Social housing that meets the relief criteria set out in the regulations (subject to an application for relief being submitted)
- Charitable development that meets the relief criteria set out in the regulations (subject to an application for relief being submitted)
- Buildings which people do not normally go into, or go into intermittently for the purpose of inspecting or maintaining fixed plant or machinery
- Structures which are not buildings, such as pylons and wind turbines
- Specified types of development which local authorities have decided should be subject to a ‘zero’ rate and specified as such in their charging schedules
- Vacant buildings brought back into the same use.

2.2 Please note that strict requirements apply with regard to the timing of the exemption process and you should refer to the regulations for details. In most cases a Commencement Notice must also be served prior to the commencement of development, in order for the exemption to apply.

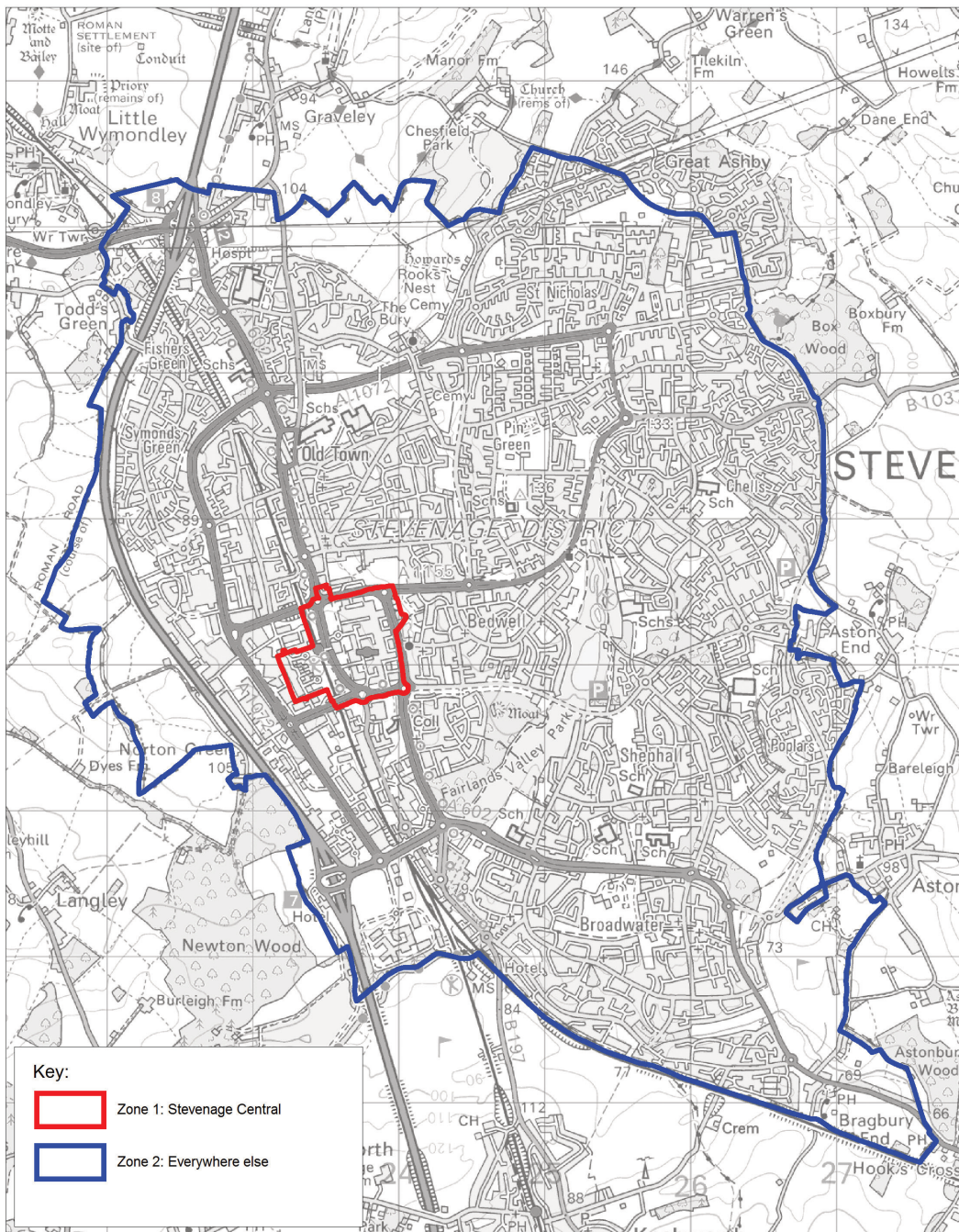
3 Proposed levy rates

3.1 The rate at which CIL will be charged within Stevenage is as follows. The extent of each Charging Zone is set out in the maps on the following pages.

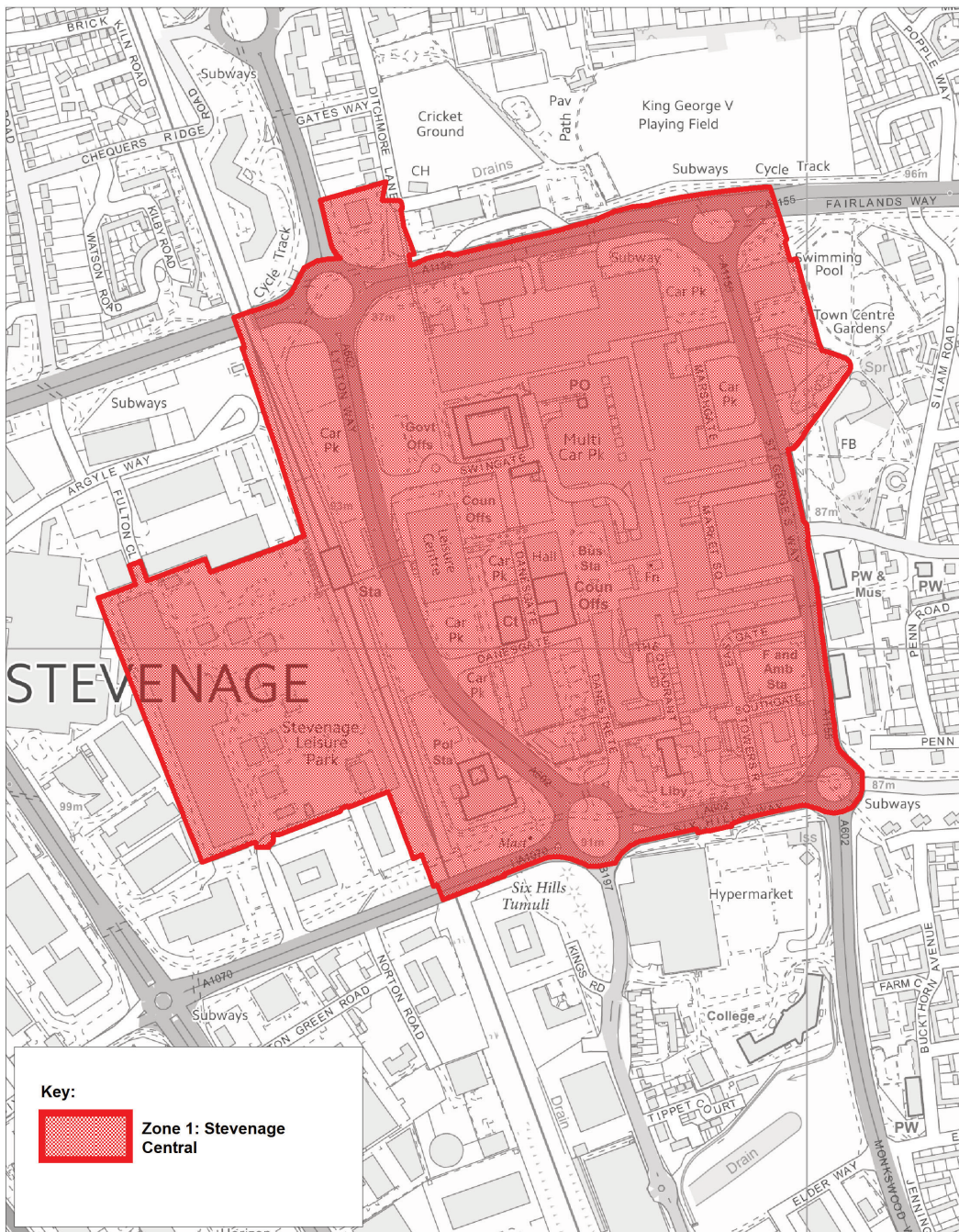
Table 1 CIL levy rates

Development Type	CIL rate (per square metre)	
	Zone 1: Stevenage Central	Zone 2: Everywhere else
Residential		
Market Housing	£40/m ²	£100/m ²
Sheltered housing		£100/m ²
Extracare housing		£40/m ²
Retail development		£60/m ²
All other development		£0/m ²

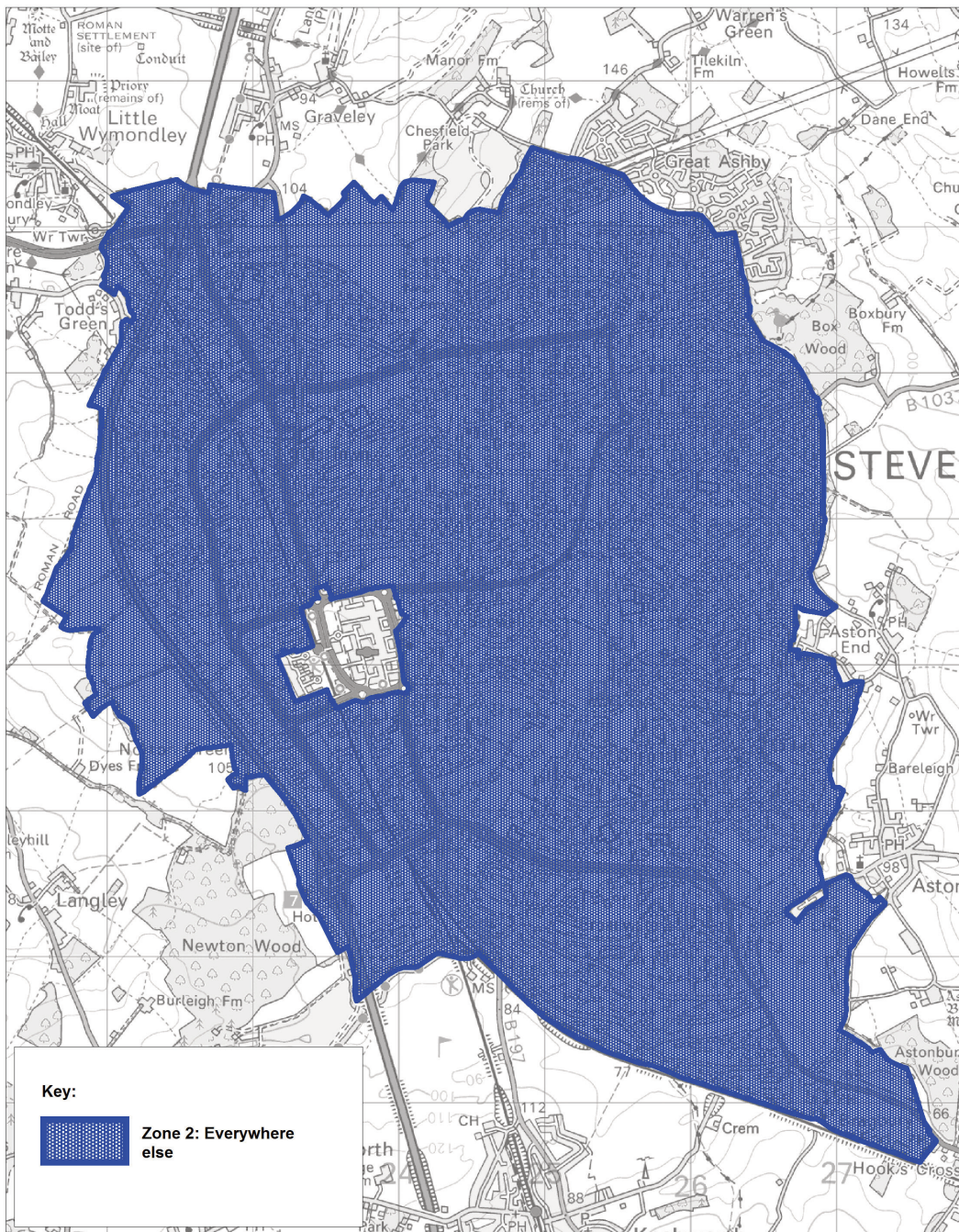
Picture 1 CIL charging zones



Picture 2 Zone 1: Stevenage Central



Picture 3 Zone 2: Everywhere else



4 Collection of CIL monies

4.1 The responsibility to pay CIL rests with the owner of the land on which the development will be situated. However, others involved in the development can take on the liability for CIL for the development by submitting an Assumption of Liability Notice. Applicants should include this notice when submitting applications, along with a copy of a CIL Additional Information Form⁽¹⁾.

4.2 In line with the CIL regulations, the Council will issue a 'liability notice' as soon as practicable after the day on which a planning permission first permits development. The liability notice informs the applicant/landowner of the amount of CIL that they are required to pay, taking into account any relief or exemption for which the development qualifies.

4.3 Liability to pay CIL is triggered by the commencement of a development. The developer is required to submit a commencement notice at least 24 hours before development is due to start. The Council will then send out a demand notice, which sets out the payment due dates in line with the payment procedure. If a commencement notice is not submitted, further charges may apply and any exemptions to CIL will no longer apply.

4.4 By default the levy must be paid within 60 days, but for schemes with phased outline permission payment will be triggered separately for each phase. The Council has chosen to adopt an Instalments Policy, which allows developers to pay their CIL charges in phased stages, in line with the Regulations⁽²⁾

4.5 Where development commences and a liability notice has not been provided, the CIL liability defers to the landowner. If the landowner then fails to pay, the council will issue a default liability notice. If there is persistent non-compliance, the Council can take direct action to recover the amount.

5 The relationship between CIL and S106

5.1 Currently, financial contributions are collected through Section 106 legal agreements. CIL will not fully replace S106 obligations, they will work alongside one another. CIL is intended to provide infrastructure to support new development more generally and contributions are not tied to the location in which the development takes place, where as S106 obligations are specifically required to make an individual planning application acceptable.

5.2 Unlike contributions made via S106 Agreements, CIL receipts are not earmarked for particular infrastructure related to the development from which they are raised. Instead, CIL monies are pooled into a fund which can be used for any infrastructure needed to support the development of the borough, or for strategic infrastructure needs elsewhere. The Council is responsible for allocating the money raised through CIL towards infrastructure required to support the development of the borough.

5.3 The CIL Regulations 2010, as amended, restrict the use of S106 obligations to ensure that developments are not charged for the same items through both S106 Agreements and the CIL. The Council is required to publish a list of infrastructure types or specific schemes that it believes

1 Where an applicant has not completed an Assumption of Liability Notice as part of their planning application submission, the Council will expect the developer, land owner or other interested parties to assume liability by completing an Assumption of Liability Notice where permission has been granted.

2 Regulation 69B of the CIL Regulations (as amended).

will, or may, be wholly or partly funded by CIL (known as a Regulation 123 list). The Council will not be able to seek S106 contributions towards infrastructure on this list (to avoid duplicate contributions being made). The Regulation 123 list is published on the Council's website.

6 How the money will be spent

6.1 Governance arrangements in relation to spending and monitoring CIL money will require further consideration prior to its adoption.

6.2 The costs of administering CIL will be funded from the levy (up to 5% of total receipts is permitted for this use). A further 15% of CIL is required to go directly to the communities where the development will take place – as Stevenage does not have Parishes, this could be allocated to Ward Members.

Appendix A - Evidence base

Authorities wishing to implement CIL must produce a charging schedule setting out the levy rates for their area(s). The rates set must not threaten the ability to develop viably the sites and scale of development identified in the Local Plan. Our evidence on infrastructure that underpins the Local Plan, and a subsequent viability assessment update, demonstrates that the rates we are proposing are appropriate.

Government guidance recommends that the evidence on infrastructure needs should be drawn directly from the infrastructure planning that underpins the Development Plan. The following documents, which were produced to support and inform the Local Plan, provide the evidence base for CIL:

- Stevenage Borough Infrastructure Funding Strategy, Aecom, September 2015
- Infrastructure Delivery Plan (IDP), SBC (most recent version is March 2017)
- Whole Plan Viability Study including Community Infrastructure Levy, HDH Planning, September 2015

We have since commissioned an update to the Whole Plan Viability Study to take into account changes in market values and viability within the town. This provides an updated basis for identifying the most appropriate levy rates. A technical paper to identify the funding gap has also been produced, to take into account the most up-to-date IDP, published in March 2017:

- Viability Update - CIL, HDH Planning, December 2017
- Infrastructure Funding Gap - technical paper, July 2018

Taking into account responses to the PDCS consultation, we commissioned a further re-run of the viability model to take into account updated S106 figures likely to be required on two of the larger sites within the Borough: North Stevenage and West of Stevenage - these largely related to Primary School costs, which had increased significantly since the viability study update was undertaken in December 2017.

Stevenage Borough Infrastructure Funding Strategy

The Stevenage Borough Infrastructure Funding Strategy tests the viability of the emerging Local Plan and develops an infrastructure funding strategy. This infrastructure strategy considers how different forms of funding could help to deliver the infrastructure required to support new housing coming forward over the Local Plan period.

This Strategy was based on the interim update to the IDP, published in 2015. As such, an update has been produced in the form of the Infrastructure Funding Gap - technical paper, that identifies the funding gap that exists based on data within the most recent IDP (March 2017).

Infrastructure Delivery Plan

The IDP aims to identify the infrastructure required to support future levels of growth across the town. It covers the period from 2011 - 2031, in line with the emerging Local Plan.

The Infrastructure Delivery Plan covers a wide range of physical and social infrastructure including; transport, utilities, education, health, community facilities, emergency services and green infrastructure requirements. It aims to:

- Identify the current infrastructure provision within the District;
- Identify any existing gaps in infrastructure
- Provide an understanding of the growth that can be supported by the existing infrastructure.
- Identify where and when additional infrastructure may be required
- Outline the costs of such infrastructure
- Identify how that infrastructure might be funded and delivered.

The IDP is a live document, which requires updating frequently to take into account changes and uncertainties in infrastructure requirements. The most recent version was adopted in March 2017. It was developed following detailed discussions and consultation with infrastructure providers.

The schedule in Appendix 1 of this evidence study sets out the infrastructure schemes required to deliver the Local Plan objectives.

Infrastructure Funding Gap Technical Paper

An Infrastructure Funding Gap technical paper was produced by the Borough Council in order to further examination the findings of the IDP and to more accurately assess the funding gap. The assessment excludes certain schemes, such as those that are desirable and not essential/critical, those that are required to meet existing needs and are not as a result of Local Plan growth, and those for which costs are unknown etc.

The paper identifies a funding gap of around £89 million, as detailed further in table 1.

Table 2 Identified funding gap

Infrastructure type	Costs (in millions)		
	Total	Other sources of funding	Funding gap
Mobility	£124.8	£109.3	£15.5
Education	£62.4	£28.0	£34.4
Healthcare	£34.2	£0.0	£34.2
Green Infrastructure	£1.6	£0.0	£1.6
Community/leisure	£6.7	£3.0	£3.7
	£229.4	£140	£89.4

It is important to note our estimated CIL income (based on the CIL rates we are proposing) won't get anywhere near the level required to fund all of the infrastructure we need. Initial calculations show CIL will bring in around £1.2m per year, so around £17m for the remaining plan period, nowhere near the funding gap of £89m we have identified.

Whole Plan Viability Study

Stevenage Borough Council published a Whole Plan Viability Study including Community Infrastructure Levy (CIL), in September 2015, to support the emerging Stevenage Borough Local Plan.

The inspector's report concluded on viability as follows:

185. A whole Plan viability assessment was carried out by the Council in line with the advice in the NPPF. This has led to some changes, such as the reduction in the affordable housing target. The assessment has also been scrutinised as part of this examination in relation to other policy matters, as set out above. I am satisfied that a robust assessment of viability has been undertaken such that scale of obligations and policy burdens will not prevent development being delivered in a timely manner.

Based on this it is assumed that the 2015 Viability Study is a sound basis for taking CIL forward.

The 2015 viability assessment was updated in 2017 (using the same methodology and approach as the previous study) to:

- consider the changes in national policy and practice.
- ensure that the considerations of viability are done in the context of the current market values and costs and related to the sites identified in the new Plan.
- update the recommendations in relation to CIL and the rates proposed as required.

Since 2015 there has been a significant change in viability in Stevenage. This is, at least in part, due to the effects of the redevelopment of the town centre. Overall, house prices have increased in Stevenage by 20% or so, however, the increase for new houses has been greater, particularly for newbuild flats in the town centre. The values of employment uses and supermarkets have also both increased. These increases are to some extent offset by an increase in construction costs of about 9%. These changes have resulted in a notable improvement in viability.

This study recommends the levy rates that are proposed in this charging schedule.

As discussed previously, a further re-run of the model was undertaken in January 2019 to take into account the following points raised by consultees on the PDCS:

- Increased primary school costs being requested by Hertfordshire County Council. This affects two sites: North Stevenage and West of Stevenage, both of which will require a primary school on-site.
- The development area of the North Stevenage site - to take into account the proposed meadow land on 38ha of the site
- Inclusion of costs for acoustic fencing on the West of Stevenage site of £2m
- Higher contingency of 5% on the West of Stevenage site to reflect its status as part brownfield.

The results of this modelling have been published in a technical note⁽³⁾. Whilst the residual values are somewhat lower, they are still well above the viability threshold. As such, it confirms that the CIL rates proposed are still viable and still allow an appropriate buffer. On this basis, the proposed rates remain appropriate.

Meeting: EXECUTIVE

Portfolio Areas: The Leader

Date: 10 July 2019



2018/19 ANNUAL REPORT AND PERFORMANCE OVERVIEW

NON-KEY DECISION

Authors – Charlie Smith/ Chloe Norton Ext. 2457/2501
Contributors – Katrina Shirley Ext. 2018, All Assistant Directors
Lead Officer – Richard Protheroe Ext. 2938
Contact Officer – Katrina Shirley

1. PURPOSE

- 1.1 To consider the content of the Council's draft Annual Report 2018/19 and to consider arrangements for final publication.
- 1.2 To highlight the Council's performance across a number of key themes and priorities during 2018/19.

2. RECOMMENDATIONS

- 2.1 That the progress on the delivery of the Future Town Future Council (FTFC) programme be noted together with the overall performance and achievements of the Council during 2018/19.
- 2.2 That the content of the Council's draft Annual Report 2018/19 at Appendix 2 be agreed.
- 2.3 That delegated authority be given to the Interim Strategic Director (Communities), following consultation with the Leader, to approve any final changes to the Annual Report prior to its publication.
- 2.4 That the suite of 2019/20 performance measures at Appendices 3a and 3b be noted.
- 2.5 That improvement activity in the Customer Service Centre is noted and future plans to improve performance during 2019/20 are endorsed (outlined in paragraphs 3.121 to 3.123).

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- 2.6 That the steps that were carried out during 2018/19 to improve management of sickness absence across the Council are built upon for 2019/20 (outlined in paragraphs 3.124 to 3.128).
- 2.7 That improvements to ensure the Council's Health and Safety compliance tasks are completed and certified on time are noted, with the view that this is continued throughout 2019/20 with the new contractor (outlined in paragraphs 3.82 to 3.84).
- 2.8 That Executive note that improvements to the Housing Repairs service have been implemented and further works to enhance this function are in progress (outlined in paragraphs 3.98 to 3.101).

3. BACKGROUND

Executive Summary

- 3.1 The focus and desired outcomes for each FTFC programme along with a summary of key successes for 2018/19 is outlined from paragraph 3.16 onwards.
- 3.2 There have been some sustained high levels of performance across all three key delivery themes (Customer, Place, Transformation and Support) for April 2018 to March 2019, to include the following:
- A high rate of rent collection was achieved
 - The percentage of homes that were maintained as decent exceeded target for the year
 - All council housing properties have a valid gas safety certificate
 - Average end to end repairs times on all categories of repair (routine, urgent and emergency) have been delivered within target timescales
 - The determination of planning applications has consistently exceeded national targets
 - The percentage of food establishments assessed as broadly compliant with food hygiene standards remains at above 95%
 - Complaints that were escalated to Stage 2 or 3 continued to exceed target
 - Time taken to process new housing benefit claims or change in circumstances has continued to be better than the target
 - Almost all appraisals were completed to meet corporate deadlines
- 3.3 During 2018/19 the Council prioritised the delivery of an IT Improvement programme to enhance the resilience of the IT infrastructure. The service has undergone rigorous audits and further actions are now in place to monitor the improvements requested. This programme of work continues to be overseen by the senior representatives from Stevenage Borough Council and its partner, East Herts Council, including the Chief Executives, Directors and the senior IT management team.
- 3.4 In last year's Annual Report, the Executive was recommended to endorse improvement plans associated with the delivery of the Homeless Reduction

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Act. Homeless preventions exceeded targets throughout 2018/19 and in total there were 399 preventions against a target of 360 (compared to 231 preventions in 2017/18).

- 3.5 Throughout the financial year the Strategic Leadership Team has requested that Assistant Directors identify improvement activity for performance measures that did not meet the target set. The improvement activity identified is being aligned to the Business Unit Reviews that aim to deliver sustainable services that better meet the needs of customers.
- 3.6 During the course of 2018/19, in response to a number of performance challenges, the Senior Leadership Team has put in place plans to drive forward improvements in the following areas, which will continue to be implemented in 2019/20:
- Customer service centre case handling (a summary of the improvement plans are outlined in paragraph 3.123)
 - Sickness absence (paragraphs 3.124 to 3.128 refer)
 - Time taken to re-let Major Works Void properties (as outlined in paragraphs 3.98 to 3.101)
 - Health and Safety compliance tasks in non-domestic council properties being completed and certified on time (as outlined in paragraph 3.84)
- 3.7 Assistant Directors have determined targets for 2019/20 having consideration for the 2018/19 trends, planned reviews of /revisions to service delivery models and alignment to 2019/20 budgets. These can be seen at Appendix 3.
- 3.8 The Council's approach to performance management allows the organisation to proactively identify issues and challenges and ensure prompt management intervention. The flexibility of the new performance framework enables the Senior Leadership Team to amend targets in year to drive forward additional improvement in services and processes where appropriate. Although there is no guarantee services will meet these increased targets, it is important for the Council to aspire to improve performance levels and standards for the benefit of internal and external customers.

Annual Report 2018/19

- 3.9 The Annual Report 2018/19 reviews, and informs the community of, the progress in delivering the Council's Corporate Plan 'Our Co-operative Council: Future Town Future Council' during 2018/19.
- 3.10 Members approved the new Corporate Plan in December 2016. It reflects the Council's continuing focus on co-operative working and outlines the key outcomes and priorities for the town over the period 2016-2021 through the flagship Future Town Future Council (FTFC) transformation programme, as seen in figure 1.

Future town future council

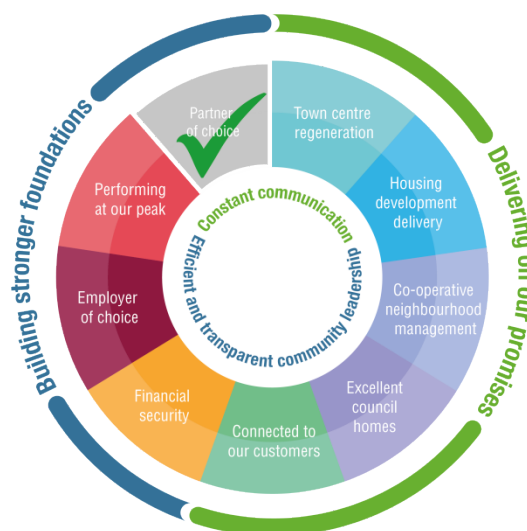


Figure 1: Future Town, Future Council Programme

- 3.11 The 5 year FTFC programme originally consisted of 9 programmes. There are five external programmes focused on improving the quality of life of Stevenage residents through regenerating the town centre, building new homes, improving how local people feel about their neighbourhoods, providing high quality housing services and enhancing the accessibility of our services and the customer experience. The remaining internal programmes aim to build strong foundations within the Council through improving processes and skills, maintaining financial security and making sure the Council is fit for the future. This aids delivery of the externally focused programmes.
- 3.12 Partner of Choice was considered as a closed programme at the end of the 2017/18 financial year (Executive July 2018) due to a strong framework for future collaboration with other public sector bodies being in place and partnership working being “in the blood” of the Council.
- 3.13 During 2016/17, the Council’s services were re-organised into 9 Business Units across three key delivery themes: Customer, Place and Transformation and Support. In addition to monitoring progress on the delivery of the FTFC Programme, performance across these themes is monitored throughout the year to highlight achievements and identify any areas for improvement. This recognises the critical role all Assistant Directors play in the delivery of the Future Town, Future Council Programme, either as a lead on one or more of the FTFC programmes or as an enabler, delivering services across the three themes.
- 3.14 The draft Annual Report 2018/19 (Appendix 2) outlines what has been delivered this year against the outcomes and aims within the FTFC programme as well as highlighting achievements across a range of other Council services.

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- 3.15 Key performance results are included throughout the draft Annual Report and a number of performance highlights and areas for improvement are presented in more detail within this Executive report. A complete set of performance measures that was applied during 2018/19 across all themes (FTFC programme and the customer, place, and transformation and support themes) is attached at Appendix 1.

Future Town, Future Council Programme Annual Update

External Facing Programmes

Stevenage Centre Town Centre Regeneration Programme

3.16 Programme Outcomes

- A new vibrant town centre delivered through a phased regeneration programme
- Two major regeneration schemes to advance - one completed by 2020/21 and one to begin 2019/20

3.17 Programme Overview

- 3.18 Regeneration of the town centre is the Council's number one priority and was the priority most often placed in residents' 'top three' in the town-wide survey undertaken in 2017. The Council wants to make Stevenage a destination of choice through delivering a new vibrant town centre, with quality shopping, office and leisure facilities.

- 3.19 The Council officially announced the appointment of Mace as the development partner for the first phase of town centre regeneration (SG1) in February 2018. This ambitious scheme will bring £350million of private investment into the town centre. It will see the area covering the Council (Daneshill House) offices, the Plaza, bus station and some of the adjacent car parks redeveloped with new shops, bars and restaurants, homes, new public spaces, and a central public sector hub accommodating the Council offices, a library, exhibition space, and health services.

- 3.20 Key programme successes during 2018/19 included the following:

- The Development Agreement has been signed with development partner Mace for the delivery of SG1. This is a significant achievement built on a number of years of work by the regeneration team and other service areas across the Council.
- Stevenage Borough Council (SBC) has partnered with one of the UK's leading mixed-use developers, Reef Group, to spearhead the £50m Queensway North regeneration scheme comprising the former Marks & Spencer and adjoining retail parade. The major commercial and residential regeneration includes plans to extensively refurbish and improve the existing main shopping area in and around the block on the east side of Queensway North, and build new housing. The development consists of

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approximately 45,000 square foot of new retail and restaurant space, a gym, new offices, an innovation and technology centre and 116 apartments.

- Planned public realm improvements to Market Place have been delivered. This has given a new life to a central part of the town's retail core with the creation of this family friendly play space.
- A consultation on the new bus interchange was held, showcasing the initial designs. The consultation was well attended, with approximately 600 residents visiting to share their views.

3.21 During 2019/20 the programme will focus on:

- Achieving vacant possession of Swingate House
- Advancing the SG1 scheme
- Progressing the bus interchange project in line with milestones
- Beginning works on the Town Square Public Realm and 'North Block' improvements
- Supporting the LEP (Local Enterprise Partnership) to ensure there are robust governance arrangements in place for the regeneration of Stevenage
- Launching the fresh marketing brand, 'Stevenage Even Better' and opening the visitor centre to celebrate and promote the regeneration of the town

Housing Development Programme

3.22 **Programme Outcomes**

- Increased number of affordable homes in Stevenage
- Improved access to the housing market in Stevenage for a greater number of residents

3.23 **Programme Overview**

3.24 Providing decent, affordable homes appropriate to the needs of residents is one of the Council's key priorities and again was high on the agenda for many respondents to the town-wide Resident Survey. The Council is meeting this priority by delivering its own new build programme. Overall the programme remains on track for delivery of 300 homes by 2020.

3.25 The Council continued to work proactively during 2018/19 to get the Secretary of State's Holding Direction on the adoption of the Local Plan lifted. This was achieved in March 2019 and the Council has subsequently adopted the Local Plan since the year-end. This will provide the certainty needed to encourage developers to bring forward their schemes to provide a range of housing, including a proportion of affordable homes.

3.26 Key programme successes during 2018/19 included:

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- 42 council homes have been developed this year, bringing the total number since 2014 up to 173. These included new homes at the Wedgewood Way and Twin Foxes schemes in addition to a number of acquisitions.
- Further schemes are under construction at Ferrier Road, Ditchmore Lane and Burwell Court. Together these schemes will deliver 39 new homes.
- The flagship scheme at Kenilworth Close was granted planning permission and demolition is due to begin on site at the beginning of the new financial year. Consultation took place with local residents to keep them informed of progress.

3.27 Next year the programme will focus on:

- Completing and letting 54 new affordable homes across a number of schemes and 11 private sale homes.
- Starting work on a further 298 new/replacement homes across a range of planned schemes including sites at Shephall Way, North Road and Symonds Green.
- Exploring the viability of other potential areas of development across the town including opportunities to work in partnership with other providers.
- Continuing to work with partners to enable the delivery of affordable homes.
- Forming a Wholly Owned Company to support the delivery of new homes.

Excellent Council Homes

3.28 **Programme Outcomes**

- Transforming the Housing and Investment service to better meet the needs of its customers

3.29 **Programme Overview**

3.30 The Council's aim is to provide high quality, efficient and effective housing services. The Council has committed through the Excellent Council Homes programme to transform its housing services to better meet the needs of its customers.

3.31 The programme currently comprises four main themes:

- **Business Vision:** focused on embedding corporate values and unified customer service to all members of staff. This is to ensure that customers will receive the same, excellent customer service from every member and area of business.
- **Digital Housing:** aimed at improving back office processes and enhancing internal systems in order to support digital development and access to information for our customers.
- **Service and Personal Development:** focused on delivery of a cohesive team provided with the right tools and skills to deliver excellent customer service.

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- Knowing our Customers: aimed at understanding our customers' needs and prioritising them to provide bespoke services where possible. This is to improve contact with our customers and visibility and approachability of our staff.

A new theme is to be introduced in 2019/20 to reflect major investment in the Council's flat blocks including the Major Refurbishment Contract (MRC), sprinkler systems and lift replacements.

3.32 In January 2017, Members agreed to invest £1.5m to enable the delivery of the Council's Excellent Council Homes programme.

3.33 Progress during 2018/19 included:

- Phase 1 of the programme to implement digital improvements and new ways of working and to provide staff with tools and skills to deliver excellent customer service concluded in January. These improvements laid the essential 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.
- Foundation projects delivered early in the programme have reaped benefits this year – new, more efficient income processes have resulted in increased rent collection, improved arrears recovery and the highest ever court fee collection rate (£27,400); and changes to the way the housing options team works have enabled them to prevent more households from becoming homeless (further details can be seen in paragraphs 3.67-3.68).
- Customer service training was delivered to staff. This focused on improving customer service skills and ensuring timeliness, quality of complaint responses, professionalism and the importance of listening to our customers. There has been a decline in the number of complaints about staff attitude.
- A review was undertaken of customer visits and recommendations were made to streamline processes and to achieve more efficient ways of working.
- An electronic document management system was procured and implemented this year, which will minimise potential GDPR breaches in the Housing and Investment service and allow better tracking of customer contacts.
- The 5th Tier management review has been completed, delivering a leaner and more flexible management team with more generic job descriptions which should ensure future flexibility and adaptability.

Although the theme of 'major investment in the Council's flat blocks' referred to in paragraph 3.31 above is being introduced in 2019/20, progress in this area has already been made in 2018/19, further details of which are included in the Housing and Investment section (see paragraphs 3.70-3.72).

3.34 During 2019/20 the programme will primarily focus on:

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- The launch of a new online account where customers will be able to access housing services 24/7.
- Delivery of a major refurbishment programme to our flat blocks (incorporating the MRC, lift replacements and retrofitting of sprinklers).
- Implementation of a new area-based co-operative neighbourhood management approach in conjunction with staff from Stevenage Direct Services and Communities and Neighbourhoods.
- Completing the final phases of the Housing and Investment Future Council Business Unit Review.
- Providing staff with the right business tools and software to enable them to work more effectively out in the community.
- Delivery of the Homelessness and Rough Sleepers Initiative Strategy and Housing Older Persons Strategy.

Co-operative & Neighbourhood Management

3.35 Programme Outcomes

- Residents feel that they can work with the Council and other organisations to help meet the needs of the local area
- Staff better understand the town's communities and through doing so are more able to deliver the change that is required
- Public spaces are more attractive, better cared for by the Council and residents and help to give people pride in the place they live
- The Council's community centres are efficiently run, well-managed and most importantly, meet local needs

3.36 Programme Overview

3.37 The Co-operative Neighbourhood Management (CNM) programme sets out how the Council will work with communities to improve neighbourhoods. Through working together with residents and other partners the Council believes public spaces can be made more attractive and in turn help to give people pride in the place they live. The CNM programme was formally launched at Stevenage Day in June 2017 and is complemented by an 'Our Neighbourhood' area on the Council's website. Focused investment in neighbourhood improvements has continued to progress throughout the year. The programme has been further re-purposed to provide the FTFC oversight for the development of the Council's approach to area-based co-operative neighbourhood management.

3.38 Key successes during 2018/19 included:

- The majority of public realm enhancements across St Nicholas and Martinswood have now been completed – works have ranged from renewing footpaths to upgrading road signs and repairing/replacing fences, bollards and brick walls. Neighbourhood action groups have been set up in these wards to determine priorities in these areas.

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- Consultation has taken place with over 500 children and young people over the last two years, which has informed the improvements to play areas - during 2018/19, play area improvements were delivered to Balmoral Close, Blenheim Way, Holly Leys and Fairlands Valley Park.
- A Community Engagement Framework has been completed and sets out clear actions to achieve.
- Consultation events were held with local businesses and in neighbourhood shopping areas in St Nicholas, Pin Green and Shephall to understand key issues and concerns in these areas.
- Improvements were made to eight garage sites this year and the programme will now align with the flat block refurbishment contract to include improving our garage stock.
- Stevenage has been one of two national pilots for the Enabling Social Action Partnership, sponsored by the Office for Civil Society. The learning has helped to refocus efforts on community and member led prioritisation in local neighbourhoods.

3.39 During 2019/20 the programme will focus on:

- Developing the Council's approach to co-operative neighbourhood management, working initially with Stevenage Direct Services, Housing and Investment and Communities and Neighbourhoods.
- Continuing the planned roll-out of neighbourhood improvements, with consultation and engagement work starting in Bedwell and Longmeadow.
- Completing the Community Centre Review.
- Progressing the Garage Programme.
- Reviewing and reshaping resident involvement activity in response to the Community Engagement Framework.

3.40 **Connected to our Customers**

3.41 **Programme Outcomes**

- Use of self-service is encouraged, so more time can be spent with customers that need extra help
- Increased customer satisfaction for residents interacting with key services
- Online customer data will be protected and better used to provide useful insight
- The Council uses technology to meet its ambitions and make its workforce more modern, efficient and responsive to customer needs
- A simple and clearer website with more self-service choices

3.42 **Programme Overview**

3.43 The 'Connected to our Customers' programme aims to improve the accessibility of the Council's services and the customer experience. It will enhance the way residents can access Council services through increasing the use of digital options, whilst ensuring that officers continue to spend time with those customers who require additional assistance.

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3.44 The Council's digital aspirations will evolve as we co-operatively redesign services with our workforce and customers. This modernisation of service delivery will allow the Council to be more responsive to customer needs and flexible in order to adapt more quickly to changing demands or priorities.

3.45 Key successes during 2018/19 included:

- Access to the Revenues & Benefits services has been enhanced with the provision of online self-serve options which includes a suite of mobile responsive Council Tax self-serve forms. This new functionality will be promoted in 2019/20.
- New Council website design and development. New website design and functionality will better meet customer needs – providing better self-serve options and incorporating new accessibility requirements in line with recent legislation. A cross-party Member group has been actively involved in the design and delivery of the new website.
- Web content and editing training completed to ensure best practice when writing web content, which has provided a network of digital champions across all service areas.
- Review of existing website content.
- Specification for the Digital Platform product finalised and procurement process commenced. This is the primary technology that will enable the Council to improve services to the customer. The digital platform replaces our old outdated CRM (customer relationship management) system used by the contact centre but additionally provides us with the ability to connect up council systems so that they can pass data between and through swifter processes.

3.46 During 2019/20 the programme will focus on:

- New website testing completion, with 'go-live' expected in late summer 2019.
- Finalising procurement of the digital platform and plans for implementation.
- Phased implementation of digital platform capabilities starting with replacement CRM and quick wins for self-serve options.
- Customer and Business Account functionality placed into the new website, providing a single view of the customer and establishing a new centralised digital customer relationship.
- Developing a service redesign approach that will optimise new technology and new ways of working.
- Developing a Channel Shift Strategy which will clearly set out our approach to optimising the take-up of the new digital services whilst ensuring access for everyone, so that no-one is left behind.
- Implementation of the Environmental Services case management system. Integration into the digital platform to enable self-serve.
- Working with services to understand desired new ways of working and technology to support mobile, agile and area working. Planning for how we want to work from the new Public Sector Hub.

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Internal Facing Programmes

Financial Security programme

3.47 Programme Outcomes

- To meet the Financial Security three year savings target
- To ensure that the General Fund expenditure equals income without the use of balances from 2022/23 onwards
- To ensure the Housing Revenue Account has sufficient funding to meet the capital needs of the Housing Asset Management Strategy and identified revenue needs
- To identify Financial Security options using the three revised workstreams (efficiency, commercial and improved processes), before recommending any service rationalisation options, as summarised below.

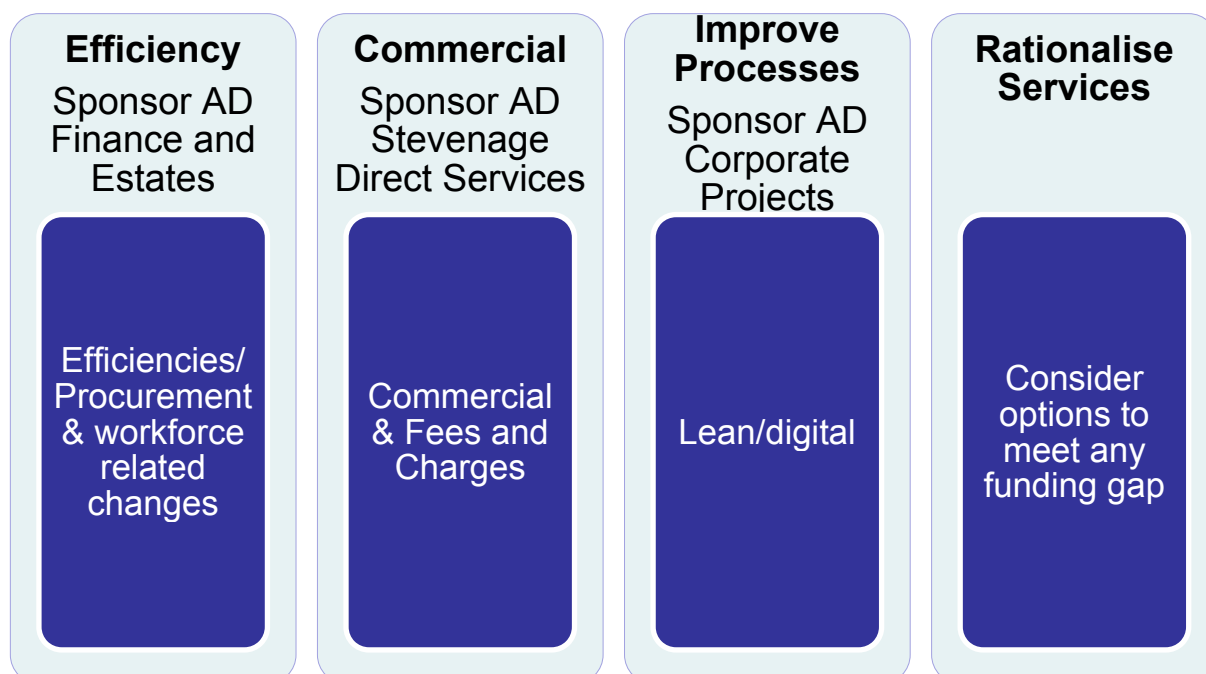


Figure 2: Financial Security workstreams

3.48 Programme Overview

3.49 This programme aims to ensure that the Council has sufficient funds available to deliver quality services that residents want and need. The Council aims to break away from the cycle of dependency on Government grant through becoming more efficient in its processes and developing new and innovative funding streams to ensure it has the resources it needs to be a Council fit for the future and build a vibrant town that residents deserve.

3.50 Key successes during 2018/19 included:

- Approval of a Financial Security three year savings package totalling £2.263Million at the November Executive 2019.

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- Approval of 2019/20 Financial Security options of £798,550 for the General Fund at the February 2019 Executive.
- Approval of 2019/20 Financial Security options of £354,630 for the HRA at the January 2019 Executive.

3.51 During 2019/20 the programme will focus on:

- Identification of Financial Security options to meet the General Fund and HRA funding gap for the period 2020/21-2022/23 via the Financial Security workstreams.
- Review of leases for the Commercial Portfolio, to ensure they are reviewed in a timely manner to protect the Council's revenues.
- Purchase of Investment Properties to meet the General Fund target of £200,000.
- Completion of Locality Reviews to meet the objectives of the General Fund Asset Management Strategy.
- Review of fee-earning services to determine fee versus cost.
- Identifying options to improve productivity via use of digital interventions
- Review of budgets for cross-cutting reviews.
- Presentation of Financial Security options to the Leader's Financial Security Group before approval by the Executive.

Employer of Choice programme

3.52 **Programme Outcomes**

- Improved employee engagement
- Right person, right place, right time - recruiting/retaining staff to hard to fill posts
- Improved managerial competency
- Improved reputation as a place to work
- Evidence of staff progressing to higher grades and new roles

3.53 **Programme Overview**

3.54 The Council aims to create a flexible, collaborative, creative and modern workforce to ensure it can deliver the priorities set out in the FTFC programme and give residents the standard of services they expect. This programme aims to transform the way the Council works, ensuring that staff have the skills, abilities and experience to deliver excellence. The Council must become an employer of choice so that it can compete in today's market place and attract and retain the best staff to build for the future.

3.55 Through Future Council Business Reviews, work has begun on shaping the next stage of the transformation programme to ensure the Council has the right structures, teams and people in place.

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3.56 Key successes during 2018/19 included:

- The continued implementation of Future Council Business Reviews and associated staff restructure consultations.
- A new intranet has been launched as a new and improved internal communications platform for all staff.
- The Council received an Armed Forces Covenant Silver Award, recognising the organisation as an employer of Choice for Ex-service personnel and reservist employees.
- Working collaboratively with the Council's recognised Trade Unions, staff have been offered the opportunity to develop their literacy, maths and computing skills and attain formal qualifications.
- Events and interviews took place to recruit the 2018 intake of graduates. The Council received the highest number of applicants this year since joining the programme three years ago.
- A full organisational staff survey was launched to seek staff's views about the Council. Full results were benchmarked against 2016 and 2017 results and actions plans were developed in response to the findings.
- A new Competency Framework for Grades 1-9 has been drafted, incorporating principles of Co-operative Councils and 21st Century Public Servant. Staff engagement and consultation have allowed staff to shape and influence the framework, and achieve buy-in.
- Implementing a new Organisational Change policy, a new appraisal process (REAL Conversations) and valuing staff's health and wellbeing.
- Further development and rollout of the HR and Payroll System has continued, providing more self-service functionality for staff and managers, offering new digital ways of working.

3.57 During 2019/20 the programme will focus on:

- Establishing a compelling employer brand with a competitive pay and benefit offer, including development of the new e-recruitment module of the HR System
- Developing and implementing a competency framework for staff from Grade 1- 9 of the Council's pay structure.
- Enabling new ways of working to equip staff for the future including policies, practices and culture.
- Developing digital skills and tools to enable staff self-service.
- Creating a new Learning and Development Strategy.

Performing at our Peak

3.58 **Programme Outcomes**

- The provision of high quality performance management software tools.
- Streamlined governance structures that ensure effective and timely decision making
- A strong performance culture is embedded across the organisation

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3.59 Programme Overview

3.60 The Council aims to become an insightful Council with improved service performance and slimmed down decision-making processes. The programme will improve the organisation's insight, analysis and intelligence to help us to make better informed business decisions. This is being achieved through more timely co-ordination of data and the adoption of tools to support ongoing strategic and operational analysis.

3.61 Key successes during 2018/19 included:

- The Senior Leadership Team and 4th Tier Managers are now utilising the Council's performance and governance system (InPhase). The system provides access to data and information that form strategic insight; provides a clearer picture of performance to senior management to help inform faster action planning and decision making; and provides corporate wide transparency of performance and governance information.
- The range of information captured through InPhase has been expanded with the creation of tools to review and report both strategic and business unit risks.
- Corporate and service governance is now incorporated in InPhase and it will allow Assistant Directors to review actions.
- A modified scheme of delegations of Council functions to officers was approved.

3.62 During 2019/20 the programme will focus on:

- Enhancing our business insight through data connectivity, and ensuring service managers have the right skills to use the tool robustly to analyse information and make informed decisions that result in improved services for our customers.
- Developing our insight culture through the effective engagement and use of our new tools and procedures, to enable lasting performance improvement.
- Delivering a new scheme of delegations to officers in respect of Executive powers.

Corporate Performance Highlights and Areas for Improvement

3.63 Results for the full set of current corporate performance measures across all themes (i.e. the FTFC programme and the Customer, Place, and Transformation and Support themes) are attached as Appendix 1. The overview of results for April 2018 to March 2019 (quarter 4 2018/19), which includes thirteen FTFC measures and forty two business unit themed measures, is outlined below:

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Number of Measures	Meeting or exceeding target	Amber Status (within a manageable tolerance)	Red Status (urgent improvement action required)	Number of measures not reported*
55	44	3	5	3

*Community Safety measures were not reported last year due to changes in the Police recording system and SBC officers were unsure of the accuracy of data. This will be reported from quarter 1 2019/20

3.64 Key Business Unit Themes Update

3.65 A summary of highlights and areas for improvement at the end of the financial year 2018/19 is set out in the following paragraphs across the three key delivery themes:

- Customer
- Place
- Transformation and Support

Customer Theme

3.66 The Customer Theme incorporates the following Business Units:

- Housing and Investment
- Communities and Neighbourhood

Customer Theme - Highlights

Housing and Investment

3.67 The newly formed Housing Options and Supply Team have worked hard to deliver homelessness preventions in excess of the target for this financial year. In comparison to 2017/18, the team have achieved a 73% increase in preventions. The additional preventions have been achieved through enhanced client working and having a single caseworker managing the client relationship throughout the process. This is despite challenges such as:

- The implementation of the Homeless Reduction Act
- An increase of 33% in the number of presentations accepted for Housing Advice
- A restructure of the service to form the new team
- An increase in the number of clients approaching the service for advice

3.68 A high rate of rent collection was achieved (99.1%). Rent arrears have continued to fall and were £292k at the end of March 2019 compared to £328k the previous year. This demonstrates that tenants are continually being supported to find solutions to any financial vulnerability in challenging times.

3.69 A summary of major works improvements made in 2018/19 is given below:

- 103 heating installations
- 17 new electrical rewires

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- 188 new kitchens
 - 275 new bathrooms
 - 112 new external wall insulations
 - 381 new windows
 - 374 new doors
 - 95 new roofs
- 3.70 The Major Refurbishment Contract (MRC) is a £45m five year programme that has been awarded to contractors Mulalley and Wates to carry out improvement works on the Council's flat blocks and garages. During 2018/19, the housing investment team have worked very closely with the contractors to develop processes and procedures to ensure robust management of the MRC and 'year one' of the programme is progressing well. Twelve resident consultation events have taken place in the local communities for the 'year one' blocks. Both contractors regularly attend coffee mornings at the schemes where they are working to engage with residents and keep them updated.
- 3.71 As part of the tender bids contractors were asked to provide proposals for delivering social value during the term of the contract. Activities to date include attending careers events, providing mock interviews, offering pre-employment training, sponsoring local events, working with local schools and donating prizes for resident social events.
- 3.72 Two further major works schemes were launched in 2018/19 for the Replacement and Renewal of Communal Heating Systems (2018-2022) and the Refurbishment of Lifts (2018-2023). During 2019/20 the team will also commission a contract to start retrofitting sprinklers to the Council's tower blocks.
- 3.73 100% gas and fire safety compliance was achieved in the Council's domestic properties.

Communities and Neighbourhoods

- 3.74 The Council successfully hosted the Tour Series over the late May bank holiday as part of the Stevenage Cycling Festival. The event was televised on ITV with an estimated 10,000 people in attendance.
- 3.75 The Council won an Excellence in Public Health Award for its work on creating the town's first Health and Wellbeing Strategy.
- 3.76 The Stevenage Museum has successfully secured £60,000 funding from the National Lottery Heritage Fund for a project about the history of the Gordon Craig Theatre.
- 3.77 A Public Health District Offer fund of £30,000 for two years was signed at the end of March 2019. The funding will be used to build upon the success of Stevenage Healthy Hub to create further opportunities to improve the health and wellbeing of the town in response to the Healthy Stevenage Strategy.

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- 3.78 The Arts Council England awarded the Council £10,000 to support the implementation of the Cultural Strategy, *Stevenage re-imagined*. An Arts and Heritage Forum has been established and further bids are being prepared for external investment in arts and culture for the town.
- 3.79 The community development team were successful in a bid to the Co-operative Council Innovation Network to lead a national Policy Lab on co-operative neighbourhood working. The lab will work with North Herts District Council, Staffordshire County Council and Sunderland City Council.

Community Safety

- 3.80 The Council became the first local authority in Hertfordshire to sign up to the Modern Slavery Charter. The Charter represents a commitment from the Council to actively challenge business practices which may enable modern slavery to occur.
- 3.81 Stevenage against Domestic Abuse (SADA) has been commissioned by North Hertfordshire District Council, reflecting the value that partners place on the service that Stevenage provides. The organisation works in partnership with Hertfordshire Police, North Hertfordshire District Council and a number of volunteers to support victims of domestic abuse. SADA has secured funding of approximately £168k from the Ministry of Housing, Communities and Local Government to help resource both SADA and the No More Service until March 2021.

Customer Theme - Area for Improvement

Health and Safety compliant Council buildings

- 3.82 Performance Measure Assets 5a: Health and Safety compliance of (non-domestic) council buildings (statutory), April 2018 to March 2019: target 100%, achieved 91%.
- 3.83 Compliance tasks are being completed on council buildings. There are no current concerns in relation to meeting statutory health and safety requirements, but compliance certification was required to demonstrate that the health and safety standards that the Council defines are achieved. These were delayed due to the contractor experiencing ICT issues until December 2018. A new contractor is now in place and officers will work closely with them to ensure timely certification and completion of tasks.
- 3.84 Performance of the new contractor is being monitored on a weekly basis. Regular checks are happening to ensure that outstanding tasks are completed and that a high level of compliance is achieved. Officers continue to monitor activity and ensure that the receipt of compliance reports meets the agreed targets. Performance results are predicted to improve once the contractor has fully mobilised.

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Customer Theme – Reporting

Community Safety

- 3.85 The Community Safety team have been unable to report against their performance measures corporately for 2018/19. This has been due to the Police implementing a new Crime Recording System called ATHENA and adopting a revised approach to reporting. The accuracy of performance figures is now being assessed prior to formal reporting for 19/20.

Place Theme

- 3.86 The Place Theme incorporates the following Business Units:

- Planning and Regulation
- Stevenage Direct Services
- Regeneration
- Housing Development

(The Regeneration and Housing Development Business Units are primarily focused on delivery of the Stevenage Town Centre Regeneration and Housing Development Programmes of FTFC. Delivery updates for these programmes are summarised in paragraphs 3.16 to 3.21 and 3.22 to 3.27 respectively.)

Place Theme - Highlights

Planning and Regulation

- 3.87 Planning applications have been determined throughout the year within corporate and statutory targets.
- 3.88 As of March 2019, 95.1% of food establishments in the area are assessed as broadly compliant with food hygiene law. This means that, as a minimum, they are considered 'generally satisfactory' in the Food Hygiene Rating Scheme that assesses the hygiene, structure and confidence in management of the premises.
- 3.89 New licensing regulations were introduced on 1 October 2018 for Houses in Multiple Occupation (HMO). Mandatory licensing is no longer limited to just HMOs of 3 or more storeys. The requirement for the HMO to be occupied by 5 or more persons, from 2 or more households, remains unchanged.
- 3.90 To date, 177 additional properties are the subject of a licence application; this is in addition to 48 that were licensed prior to October 2018. Despite the change in legislation the Council are still achieving 96.89% of HMO's being broadly compliant with the Housing Health and Safety Rating System (Housing Act 2004).

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Stevenage Direct Services (SDS)

- 3.91 Coveted green flag awards continue to fly at Fairland's Valley Park, Hampson Park and Town Centre Gardens. The Green Flag Award scheme recognises and rewards well managed parks and green spaces. Council officers worked together with the volunteer groups of each park to maintain the parks and successfully retain the awards.
- 3.92 Refuse from Stevenage households is now collected in bulk from Cavendish Road following new arrangements agreed with Hertfordshire County Council. Collection crews no longer need to travel to tip waste collected resulting in reduced time to complete collection rounds and associated financial savings (estimated £90k).
- 3.93 Repairs satisfaction surveys are currently recorded via text message. Customers advised a 96.13% satisfaction level with the service provided for April 2018 to March 2019.
- 3.94 In 18/19, average end-to-end completions for all categories of repair (routine, urgent and emergency) have been within target timescales and have been consistent throughout the year.
- 3.95 The repairs service continues to monitor revised service delivery arrangements introduced to ensure that the materials required are available at the time of repair and performance has improved because of this (ECH-Rep4: Percentage repairs fixed first time, April 2018 to March 2019 target 95%, achieved 98.68%).
- 3.96 The time taken to re-let standard general needs voids has significantly improved compared to performance in 2017/18:
- Voids General Needs: The time taken to re-let standard general needs voids, April 2018 to March 2019: target 32 days, achieved 27.86 days.



Figure 3: Voids GN – The time taken to re-let standard general needs voids

- 3.97 Collaborative working between officers of the Repairs Team, Tenancy and Lettings continues to improve, supported by the move of the Repairs Team to Daneshill House.

Place Theme – Areas for Improvement

Major Works Voids Re-let Times

3.98 Rental income loss associated with void properties at March 2019 is marginally below the budgeted position for the year, which is positive. This however remains an area of improvement focus until performance demonstrates that all re-let times are within target, with a particular focus on major works voids:

- Voids General Needs Major Works: The time taken to re-let major works general needs voids, April 2018 to March 2019: target 65 days, achieved at 31/3/19 80.67 days.

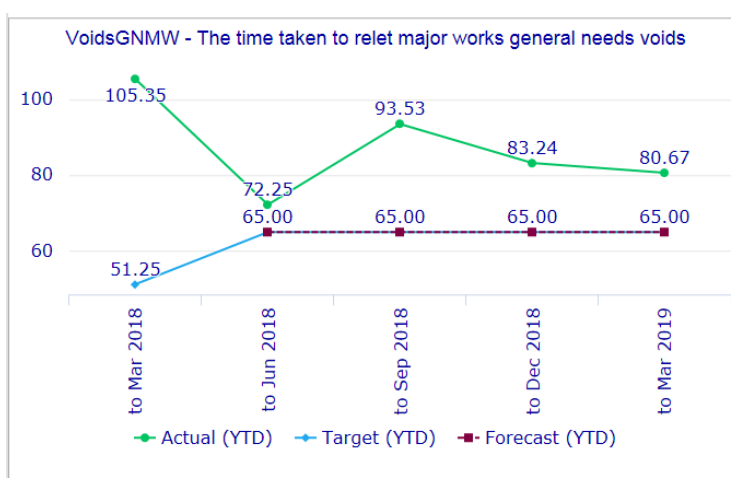


Figure 4: Voids GNMW – The time taken to re-let major works general needs voids

It should be noted that latest figures for this measure (May 2019) show an improvement since the year end, with re-let times being well below the 65 day target.

- 3.99 Void properties continue to be assessed to determine where there is potential to redesign property layout to improve future demand; to determine whether a property needs to be removed from management; and to identify those properties that will continue to be advertised.
- 3.100 Further work to improve the Housing Repairs service is ongoing. Plans include working more efficiently by reviewing processes, working collaboratively and becoming more digital making use of technology.
- 3.101 The ultimate aim of the improvement programme is to ensure that the Repairs function is operating successfully and serving its customers well. This will enable repairs to take on further work in house when deemed appropriate in due course.

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Household Waste Sent for Re-use, Re-cycling and Composting

- 3.102 The percentage of household waste sent for reuse, recycling and composting is currently estimated to be just under the target (39% estimate against a target of 40%). The actual data will not become available until July 2019 and, depending on the outcome, this may become a further area for improvement during 2019/20. An update will be given within the Quarter 1 report.
- 3.103 In the last quarter, two hundred and seventy households were invited to participate in a pilot for the use of recycling bags instead of the blue and black boxes currently provided. A survey was sent out to all households in the trial areas and approximately 40% of households responded to the survey. 54% of respondents preferred the bags to the boxes and SBC collection crews also reported that they found the bags as being easier to use. Additional feedback has been taken into consideration and further options are being explored.
- 3.104 SDS is currently working with WRAP (Waste and Resources Action Plan) who will be undertaking some work which will include consideration of how the Council can increase its recycling figures.

Transformation and Support Theme

- 3.105 The Transformation and Support Theme incorporates the following Business Units:
- Corporate Projects, Customer Services and Technology
 - Corporate Services and Transformation
 - Finance and Estates

Transformation and Support Theme - Highlights

Customer Services

- 3.106 The Council regularly appears in the top ten performing Councils nationally for customer satisfaction with the Customer Service Centre (CSC) walk-in and telephony services (captured through Govmetric). Customers like how they are treated by advisers and appreciate the time given to them during a call. Overall satisfaction with the CSC was 88.5%.
- 3.107 The proportion of calls to the CSC that were resolved by the CSC adviser that initially answered the call was 64.3%.
- 3.108 A new CSC staffing model was developed and implemented for 2018/19. This provides opportunity to grow posts to support the stabilisation of performance, the development of skills in the team and support for new working practices relating to transformation projects. The new resource model has enabled proactive planning of training and coaching to improve efficiency for telephone, walk-ins and email channels.
- 3.109 The percentage of complaints progressing to stage two and three that are upheld (Cust1) improved significantly:

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- The percentage of complaints that progressed to stage 2 or 3 and were upheld April 2018 to March 2019: target 40%, achieved 34.6% (i.e. 37 complaints upheld out of a total of 107 escalated to stages 2 or 3).

Technology

- 3.110 Ensuring our IT infrastructure and core services are resilient and high performing remains a top priority for the ICT Partnership. A number of ICT improvement projects have been delivered to further strengthen resilience across the partnership. This includes extending the new telephony system across the entire ICT partnership and a new back-up power supply for the Council's data centre.
- 3.111 IT security has also been high on the agenda throughout 2018/19. The Council now has a new Security & Network team, working on all data security improvements. The ICT Partnership achieved its PSN re-certification in 2019 and the team continue to treat data protection, security and protection as the highest priority.
- 3.112 A new P2P microwave link is being procured and will be installed during the Summer. This will remove the single point of failure between Cavendish Road and Daneshill House and will ensure ongoing connection between the sites.
- 3.113 The necessary hardware and software required to upgrade the Council's Operating System to Windows 10, improve our hosted desktops and enable the rollout of Office 365 has been procured. The installation, adoption and deployment of the new hardware and software together with an array of further infrastructure enhancements is planned to be delivered during 2019/20. This will result in improved IT performance and services for both customers and officers.
- 3.114 During 2018/2019 enhanced ICT governance arrangements were put in place which included the introduction of a new Programme Management Office (IT PMO) and ICT Steering Group that jointly control, prioritise and support the timely delivery of IT projects across the Partnership. The IT PMO has provided the required capacity and capabilities to effectively deliver an array of IT projects across the partnership.
- 3.115 Work is well underway on the development and adoption of a single ICT strategy and investment programme for the ICT Partnership covering the next three years. This will set a clear direction for the service and provide a key reference point for timely future funding decisions. The adoption of a single IT strategy across the two councils will also be critical to the delivery of the Council's digital transformation ambitions, whilst a strategic agreement with East Herts District Council on a joint IT platform, will enhance the customer experience.

Corporate Services and Transformation

- 3.116 The HR and Payroll system, 'MyView', has now been live for two years (April 2017). The system has provided staff with opportunities to update contact

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information, access payslips and request leave. In 2018/19 self-service requests for mileage and expenses claims were added to the system. Future developments include the establishment of a learning and development module, which will be explored in the next financial year. Information is used by Human Resources to maintain accurate information and is providing more accurate performance data.

- 3.117 The Council's Human Resources team continue to work with service managers to ensure that all Council staff appraisals and objective setting meetings are completed (to include new officers appointed). The rate of completion for staff appraisals is now 99.8%.
- 3.118 Agency Usage: The use of agency staff has achieved target at March 2019. The primary reasons for the use of agency staff are to ensure continuous service delivery where there are staff vacancies or sickness absence.
- Pe2: Agency usage as a percentage of total workforce, April 2018 to March 2019: target 12%, achieved 11.9%.

Finance and Estates

- 3.119 To support robust financial management a range of procurement and contract management training was delivered to council officers during 2018/19.
- 3.120 Housing Benefit Claims and changes are now being processed in just 5.96 days and have consistently improved during 2018/19:
- Time taken to process Housing Benefit new claims and change events (NI181): April to June 2018 achieved 10.35 days, July to September achieved 8.88 days, October to December achieved 8.12 days, January to March 2019 achieved 5.96 days.

Transformation and Support Theme – Areas for Improvement

Customer Services

- 3.121 Service delivery through the Customer Service Centre (CSC) was identified as a focus for improvement (spotlight) at March 2018 Executive. This focus has been retained until performance demonstrates further improvement across the full set of CSC measures. Performance in relation to a number of CSC measures is given below:
- CSC4: Percentage of telephone calls to the Customer Service Centre answered within 20 seconds, April 2018 to March 2019: target 55%, achieved 49.6%.
 - CSC12: Percentage of calls abandoned in the Customer Service Centre, April 2018 to March 2019: target 6%, achieved 14.3%.
 - CSC5: Percentage of walk-in customers to the Customer Service Centre served within 20 minutes, April 2018 to March 2019: target 80%, achieved 75%.

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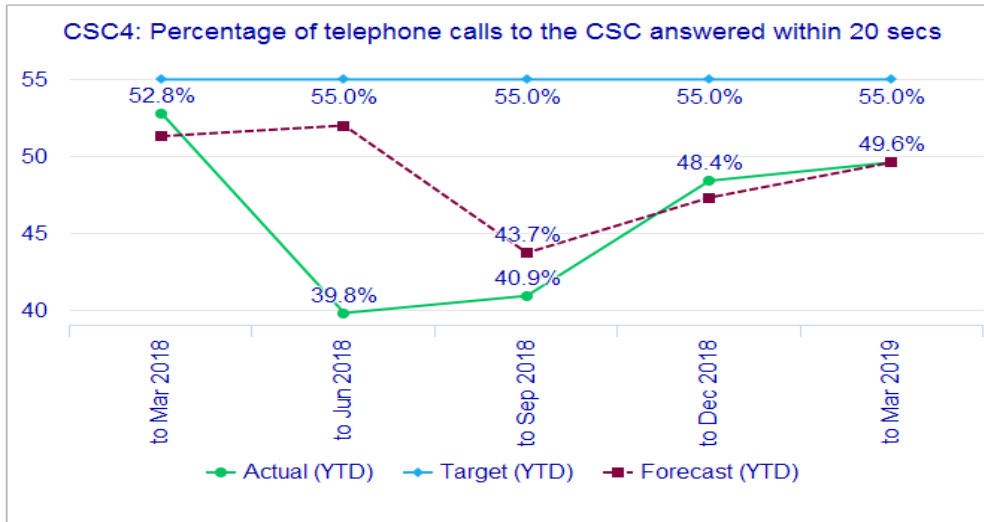


Figure 5: CSC4 – Percentage of telephone calls to the CSC answered within 20 seconds

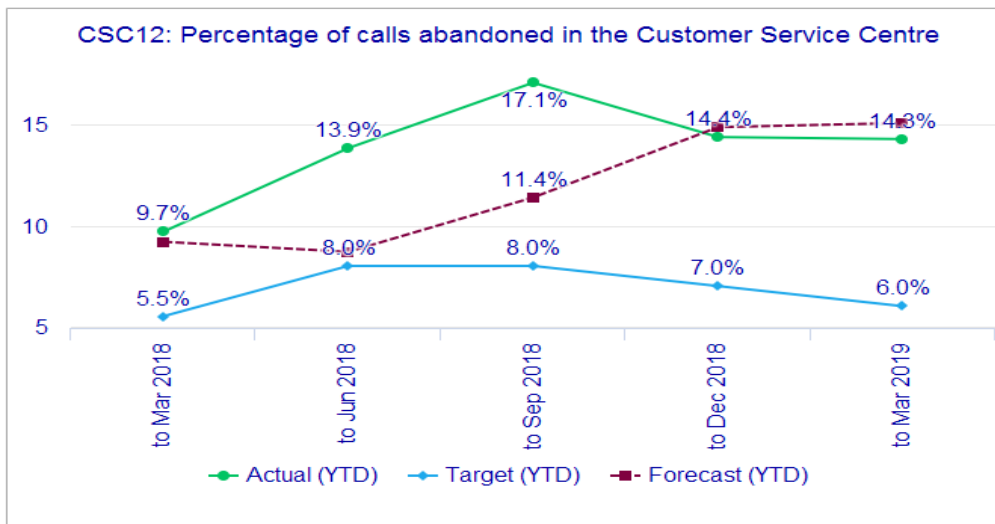


Figure 6: CSC12 – Percentage of calls abandoned in the Customer Service Centre.

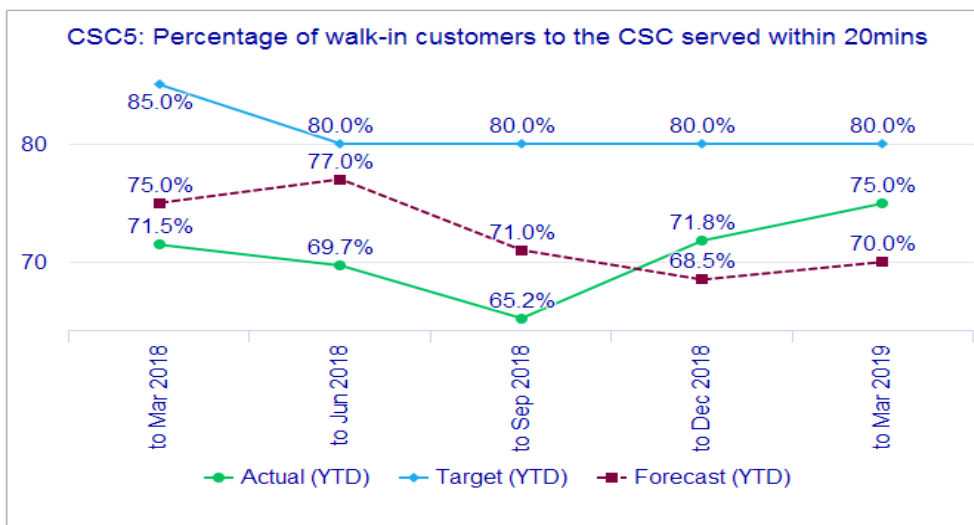


Figure 7: CSC5: Percentage of walk-in customers to the CSC served within 20 minutes

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It should be noted however that performance has improved since the year end, with all the above measures being on track to meet targets at the end of Quarter 1 of 2019/20.

3.122 Customer Service Centre (CSC) 'walk-in' performance improved due to upskilling of advisers for the Benefit Service phone line, which gave more flexibility in using specialist resource for the walk-in service. Future plans to further reduce waiting time during 2019/20 include pilots for appointments based services for some service areas.

3.123 Plans to stabilise and sustain future CSC performance include:

- A continued focus on improving capacity of the service:
 - Further work to improve our approach to recruitment, including a review of the person specification, design of recruitment campaigns and assessment centres.
 - Implementation of a Workforce Management System to provide quicker forecasting and scenario planning to improve resource management.
- Implementation of a revised service delivery model, resulting from the following:
 - Along with all other services, the CSC will be reviewing how it operates, maximising new technology and new ways of working.
 - The implementation of digital self-service will mean that customer advisers will need to adapt the way they work to provide assisted and mediated access for customers. This facility is critical as it demonstrates digital skills to the customers which are critical life skills these days in a digital age.
 - The CSC will play a significant role in the Council's channel shift ambitions – moving simple transactional contacts online and removing avoidable contacts. This will release capacity and skill sets to provide quality conversations and in-depth services for those most in need.

Sickness Absence

3.124 The management of sickness absence was identified as a focus for improvement (spotlight) at March 2018 Executive. This focus has been retained until revised policy and practice indicates a sustained reduction on levels of sickness absence. The year-end position is shown below:

- Pe4a: Sickness Absence rate threshold for twelve months to March 2019 per fte: target 8 days, achieved 8.86 days.

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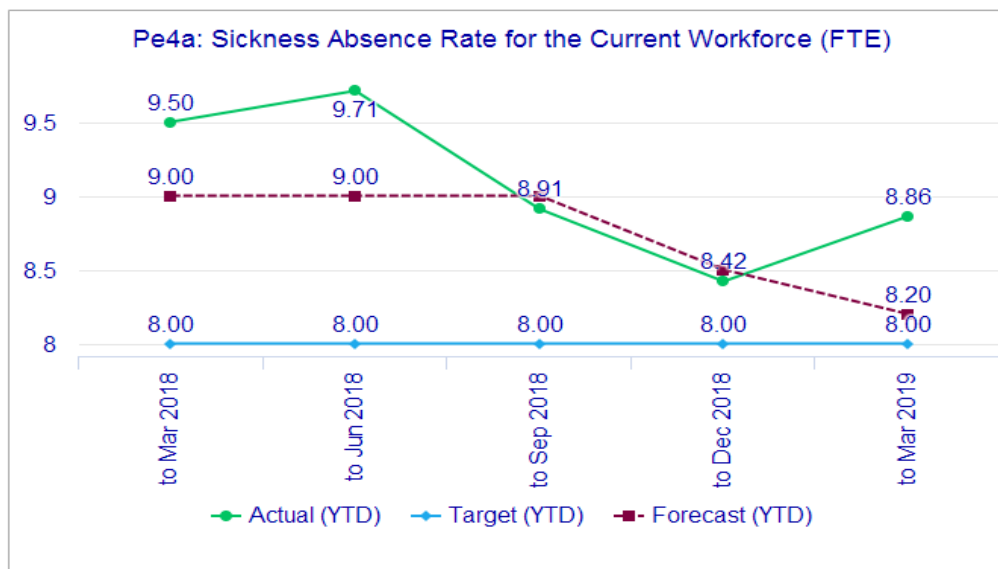


Figure 8: PE4a: Sickness Absence rate for the current workforce (days per fte)

- 3.125 At the end of quarter 4, average sickness absence within 6 of the 9 business units was below the corporate target of 8 days. The three business units that were above target were Stevenage Direct Services (11.68 days), Finance and Estates (11.06 days) and Housing and Investment (9.12 days). HR business partnering support is continuing to be targeted at these business units and other service teams that have high levels of sickness absence to effectively review sickness absence information and ensure compliance with the application of the recently revised Absence Management Policy.
- 3.126 A programme of training is continuing to be delivered to provide managers with the skills to effectively manage sickness absence. Sickness absence is now recorded using the HR system, 'MyView' and this has improved the accuracy of performance reported. This will provide managers with access to real time sickness information to support absence management.
- 3.127 There has been an increase in the number of long-term complex health conditions being managed. This has required a stronger focus on long-term absence management, which now accounts for 59% of sickness absence.
- 3.128 The Council is also in the process of preparing to implement the services of a third party sickness absence provider, who will provide a nurse led sickness reporting facility for all employees, which will provide advice and challenge on fitness for work to both individuals and managers and ensure consistency of approach/advice on sickness absence.
- 3.129 Realistic but differential stretch targets are to be applied to the nine business units during 2019/20 to help ensure the corporate target of 8 days is achieved.

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4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1 Performance and Achievements of the Council during 2018/19

4.2 The information presented in this report is taken from a review of the year's Corporate and Future Town Future Council performance measures and the information supplied from each service. It aims to give Executive an overview of the achievements the Council has made this year despite continued austerity and reflects our need for continued improvements in some areas to ensure the Council is fit for the future.

4.3 Annual Report Purpose and Content

4.4 The Annual Report 2018/19 (Appendix 2) emphasises the co-operative approach of the Council to service design and delivery. It highlights how the Council has been able to continue to meet the needs of the community despite the tough economic challenges the Council has faced and it outlines the progress against the transformation programme Future Town Future Council.

4.5 The document reflects on the achievements against the Corporate Plan 'Our Co-operative Council: Future Town Future Council' over the last year as well as giving a brief summary of what the Council aims to achieve in the forthcoming year to deliver the Corporate Plan, supporting the annual review of outcomes and priorities.

4.6 The Senior Leadership team and Service Managers have been consulted to determine the appropriate content and to suggest the key achievements for the Annual Report.

4.7 The Annual Report will be published on the Council's website and will be promoted through social media and the Chronicle magazine.

4.8 Council Performance Measures 2019/20

4.9 The impact of the broad transformation being applied across the Council has been considered when determining appropriate measures and targets to monitor performance throughout 2019/20. The full suite of 2019/20 measures and targets can be seen in Appendices 3a and 3b.

4.10 Performance Improvement Plans

4.11 A number of areas have been identified in Section 3 of this report where a particular focus on improvement is required and outline plans have been set out. The Executive is recommended to note and endorse these improvement plans.

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5 IMPLICATIONS

5.1 Financial Implications

5.1.1 There are no direct financial implications from the recommendations contained in this report. However, officers responsible for improvement activity identified will need to identify and consider any future resourcing needs.

5.2 Legal Implications

5.2.1 There are no direct legal implications from the recommendations contained in this report. However, officers responsible for improvement activity identified will need to identify and consider any resulting legal implications.

5.3 Risk Implications

5.3.1 There are no direct significant risks to the Council in agreeing the recommendation(s). Officers responsible for developing performance improvement plans will need to consider any risk implications from the improvement activity identified.

5.3.2 The Council has an embedded approach to risk management that mitigates any adverse effect on delivery of the Council's objectives and internal control processes and also provides good governance assurance.

5.4 Equalities and Diversity Implications

5.4.1 An Equality Impact Assessment was completed for the Corporate Plan Our Co-operative Council: Future Town Future Council. This helped to determine any negative, positive or disproportionate impact our outcomes and priorities might have on people in terms of their protected characteristics under the Equality Act 2010. Furthermore officers responsible for improvement activity identified within this report will need to identify and consider any resulting Equality implications.

5.5 Policy Implications

5.5.1 The Council's Corporate Plan is the keystone in the Council's policy framework. It sets out the Council's strategic priorities and informs the corporate improvement and change programmes.

5.5.2 The Corporate Plan impacts on some Council services and its priorities should be reflected in all relevant Business Unit planning processes.

5.5.3 The Annual report 2018/19 highlights the Council's co-operative approach to services. It ensures the Council continues to communicate its improvement priorities and co-operative vision to the people of Stevenage.

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BACKGROUND PAPERS

- Council Corporate Plan: Our Co-operative Council; Future Town Future Council December 2016 Council
- Executive Report March 2019 – Corporate Performance for Quarter 3








APPENDICES

- Appendix 1: Council Performance Measures 2018/19
- Appendix 2: Council Annual Report 2018/19
- Appendix 3A: 2019/20 Performance Measures & Targets (Current)
- Appendix 3B: 2019/20 Performance Measures (New)

Executive Report Appendix One

Key to Performance Status

Symbols

-  Red Status - Focus of improvement
-  Amber Status - Initial improvement activity identified
-  Green Status - Any variance from target manageable
-  Green Plus Status - Exceeding expectations
-  New measure - Performance results not required
-  No data results
-  Missing value

	Corporate Theme	Target to 31/03/18	Actual to 31/03/18	Status at 31/03/18	Target to 30/06/18	Actual to 30/06/18	Status at 30/06/18	Target to 30/09/18	Actual to 30/09/18	Status at 30/09/18	Target to 31/12/18	Actual to 31/12/18	Status at 31/12/18	Target to 31/03/19	Actual to 31/03/19	Status at 31/03/19	Target to 30/06/19
NI15b: The rate of violence against the person (victim based crime) per 1,000	Customers	33.07	33.58	★	8.50	?	?	17.00	?	?	26.00	?	?	33.07	?	?	10.00
CS8: Anti-social behaviour per 1,000 population	Customers	33.10	37.75	▲	10.50	8.21	☆	22.00	?	?	31.00	?	?	35.00	?	?	8.00
CS9: Criminal damage per 1,000 population	Customers	9.13	12.86	▲	3.50	?	?	6.70	?	?	9.80	?	?	12.00	?	?	2.50
VGC1: Percentage of dwellings with a valid gas certificate	Customers	100.0%	100.0%	★	100.0%	100.0%	★	100.0%	100.0%	★	100.0%	100.0%	★	100.0%	100.0%	★	100.0%
Assets5b: Percentage of assets known to be health and safety compliant (as per SBC definition)	Customers			»			»	100.00%	91.70%	▲	100.00%	97.00%	▲	100.00%	91.00%	▲	100.00%
Assets5a: Percentage of assets known to be health and safety compliant (Statutory)	Customers			»			»	100.00%	90.00%	▲	100.00%	98.00%	▲	100.00%	91.00%	▲	100.00%
BV66a: Rent collection rate	Customers	98.8%	98.9%	★	93.6%	94.4%	★	96.3%	96.8%	★	97.8%	98.6%	★	98.7%	99.1%	★	93.6%
BV213: Homelessness preventions	Customers	360.0	231.0	▲	90.0	101.0	☆	180.0	182.0	★	270.0	279.0	★	360.0	399.0	☆	90.0
ECHFL-IW1: Percentage of tenants satisfied with internal works completed (for the current quarter)	Customers	80.0%	44.0%	▲	80.0%	93.9%	☆	80.0%	94.3%	☆	80.0%	95.7%	☆	80.0%	96.0%	☆	80.0%
ECHFL1: Percentage of Homes maintained as decent	Customers	75.4%	75.8%	★	77.2%	77.3%	★	79.8%	80.0%	★	82.6%	82.6%	★	75.3%	75.4%	★	76.9%
NI156: Number of households in temporary/emergency accommodation at end of period	Customers	110.00	46.00	☆	100.00	60.00	☆	100.00	65.00	☆	100.00	61.00	☆	100.00	73.00	☆	75.00
ECHFL-EW1: Percentage of tenants satisfied with external works completed (for the current quarter)	Customers	85.0%	95.5%	★	90.0%	93.9%	★	90.0%	89.0%	★	80.0%	89.7%	★	80.0%	91.2%	★	80.0%
FS3 (Futsav1b): Percentage of GF savings identified to meet three year target	Future Town, Future Council	62.6%	63.2%	★	21.1%	30.3%	☆	39.8%	78.7%	☆	47.4%	81.6%	☆	69.9%	83.0%	☆	21.1%
CTOC1: Percentage of customer complaints responded to within deadline	Future Town, Future Council	95.00%	94.40%	★	95.00%	83.66%	▲	95.00%	88.02%	▲	95.00%	89.66%	▲	95.00%	90.45%	●	95.00%
EAA1: Customer satisfaction with CSC customer service	Future Town, Future Council	90.0%	89.0%	★	90.0%	89.7%	★	90.0%	88.4%	★	90.0%	88.4%	★	90.0%	88.5%	★	90.0%
FS2a (LACC2): Percentage HRA approved savings removed from HRA for current year	Future Town, Future Council			»	91.00%	91.15%	★	91.00%	86.70%	★	91.00%	86.70%	★	91.00%	86.70%	★	91.00%
FS1a (LACC1): Percentage GF approved savings removed from GF budget for current year	Future Town, Future Council			»	98.00%	98.64%	★	92.00%	89.90%	★	92.00%	89.90%	★	92.00%	89.90%	★	98.00%
WebSat1: Customer satisfaction with Council website	Future Town, Future Council			»	0.11	0.24	☆	0.11	0.26	☆	0.15	0.28	☆	0.20	0.28	☆	0.11
FS4 (Futsav2b): Percentage of HRA savings identified to meet three year target	Future Town, Future Council	41.3%	40.6%	★	2.5%	5.2%	☆	29.3%	56.6%	☆	33.5%	54.3%	☆	46.3%	56.0%	☆	2.5%
HDD1d: Number of affordable homes delivered (gross) by the Council (since 2014)	Future Town, Future Council			»	133.00	134.00	★	148.00	149.00	★	148.00	168.00	★	160.00	173.00	★	179.00

	Corporate Theme	Target to 31/03/18	Actual to 31/03/18	Status at 31/03/18	Target to 30/06/18	Actual to 30/06/18	Status at 30/06/18	Target to 30/09/18	Actual to 30/09/18	Status at 30/09/18	Target to 31/12/18	Actual to 31/12/18	Status at 31/12/18	Target to 31/03/19	Actual to 31/03/19	Status at 31/03/19	Target to 30/06/19
HDD1b (formerly NB1) - New Build Spend v Budget of development activity that is contracted	Future Town, Future Council	95.0%	97.9%	★	90.0%	96.3%	★	90.0%	95.5%	★	90.0%	97.7%	★	90.0%	98.2%	★	90.0%
CNM2g: Garage Voids as a percentage of stock	Future Town, Future Council	12.00%	12.06%	★	12.00%	12.62%	●	12.00%	12.62%	●	12.00%	12.81%	●	12.00%	10.70%	★	12.00%
EoCrec: Time to recruit	Future Town, Future Council			»	45.00	34.50	☆	45.00	38.50	☆	45.00	42.00	★	45.00	40.00	☆	45.00
EoC4a: Percentage of apprentices in post as percentage of workforce.	Future Town, Future Council	2.3%	1.6%	●	2.5%	1.4%	▲	2.5%	2.7%	☆	2.5%	3.0%	☆	2.5%	2.4%	★	2.3%
Compl4: Percentage of stage 2 & 3 complaints upheld fully or partially (Housing)	Future Town, Future Council	40.00%	51.28%	▲	40.00%	44.00%	●	40.00%	38.30%	★	40.00%	43.08%	●	40.00%	39.51%	★	40.00%
NI191: Residual household waste per household (kgs)	Place	510.00	522.00	●	133.00	134.95	★	254.00	246.36	★	386.00	371.00	★	519.00	510.00	★	135.00
NI192: Percentage of household waste sent for reuse, recycling and composting	Place	43.0%	38.0%	▲	42.1%	43.6%	★	43.5%	42.0%	★	41.5%	37.0%	▲	40.0%	39.0%	★	42.0%
Rep Cost1: Average responsive repair cost per dwelling	Place	275.69	327.07	▲	80.25	59.77	☆	160.50	146.03	☆	240.75	222.17	☆	321.00	316.42	★	81.77
Rep-Time3: Average end to end repairs time (days) - Routine Repairs	Place			»	20.00	14.84	☆	20.00	10.83	☆	20.00	9.81	☆	20.00	9.82	☆	20.00
Rep-Time1: Average end to end repairs time (days) - Emergency Repairs	Place			»	1.00	0.28	☆	1.00	0.45	☆	1.00	0.47	☆	1.00	0.52	☆	1.00
Rep-Time2: Average end to end repairs time (days) - Urgent Repairs	Place			»	5.00	4.97	★	5.00	4.50	☆	5.00	3.99	☆	5.00	3.87	☆	5.00
VoidsGNMW - The time taken to relet major works general needs voids	Place	51.25	105.35	▲	65.00	72.25	▲	65.00	93.53	▲	65.00	83.24	▲	65.00	80.67	▲	65.00
BTC1a: New jobs created through Business Technology Centre	Place			»	10.00	51.00	☆	30.00	87.00	☆	70.00	121.00	☆	125.00	188.00	☆	60.00
BTC1b: New business start up in Business Technology Centre	Place			»	5.00	30.00	☆	15.00	49.00	☆	30.00	58.00	☆	52.00	86.00	☆	20.00
ELL1a: Percentage of Houses in Multiple Occupation (HMO) that are broadly compliant	Place			»			»			»	92.50	87.50	▲	92.50	96.89	☆	92.50
NI157a: Percentage of major planning applications determined in 13 weeks	Place	60.0%	90.0%	☆	60.0%	100.0%	☆	60.0%	100.0%	☆	60.0%	100.0%	☆	60.0%	100.0%	☆	60.0%
VoidsGN: The time taken to relet standard general needs voids	Place	26.00	32.11	▲	32.00	29.89	☆	32.00	27.49	☆	32.00	27.32	☆	32.00	27.86	☆	32.00
NI157c: Percentage of other planning applications determined within 8 weeks	Place	80.0%	96.8%	☆	80.0%	96.4%	☆	80.0%	96.8%	☆	80.0%	97.0%	☆	80.0%	96.8%	☆	80.0%
NI184: Food establishments in the area broadly compliant with food hygiene law	Place	95.0%	96.0%	★	95.0%	97.0%	★	95.0%	96.0%	★	95.0%	94.2%	★	95.0%	95.1%	★	95.0%
ECH19p3: Percentage repairs appointment made and kept	Place	95.00%	96.98%	★	95.00%	96.23%	★	95.00%	95.76%	★	95.00%	99.26%	★	95.00%	98.68%	★	95.00%

	Corporate Theme	Target to 31/03/18	Actual to 31/03/18	Status at 31/03/18	Target to 30/06/18	Actual to 30/06/18	Status at 30/06/18	Target to 30/09/18	Actual to 30/09/18	Status at 30/09/18	Target to 31/12/18	Actual to 31/12/18	Status at 31/12/18	Target to 31/03/19	Actual to 31/03/19	Status at 31/03/19	Target to 30/06/19	
+	ECH-Rep4: Percentage repairs fixed first time	Place	90.00%	83.82%	▲	87.50%	89.35%	★	87.50%	92.13%	★	87.50%	97.47%	☆	87.50%	97.47%	☆	87.50%
+	ECHFL5: Percentage of Repairs service customers satisfied (telephone survey)	Place	95.00%	94.05%	★	90.00%	89.84%	★	90.00%	93.44%	★	90.00%	96.07%	★	90.00%	96.13%	★	90.00%
+	NI157b: Percentage of minor planning applications determined within 8 weeks	Place	65.0%	94.9%	☆	65.0%	89.5%	☆	65.0%	90.2%	☆	65.0%	90.2%	☆	65.0%	88.8%	☆	65.0%
	CSC13a: Percentage of calls to the CSC resolved within the CSC (by CSC advisors)	Transformation and Support			»	65.00%	64.20%	★	65.00%	64.20%	★	65.00%	65.10%	★	65.00%	64.30%	★	65.00%
	CSC4: Percentage of telephone calls to the CSC answered within 20 secs	Transformation and Support	55.0%	52.8%	●	55.0%	39.8%	▲	55.0%	40.9%	▲	55.0%	48.4%	▲	55.0%	49.6%	▲	50.0%
	CSC5: Percentage of walk-in customers to the CSC served within 20mins	Transformation and Support	85.0%	71.5%	▲	80.0%	69.7%	▲	80.0%	65.2%	▲	80.0%	71.8%	▲	80.0%	75.0%	●	75.0%
	Cust1: Percentage complaints progressing to stage 2 and 3 that are upheld or partially upheld	Transformation and Support	40.0%	43.7%	●	40.0%	38.2%	★	40.0%	37.3%	★	40.0%	38.6%	★	40.0%	34.6%	☆	40.0%
	Pe1: Total Human Capital - measures Workforce Stability	Transformation and Support	85.0%	89.0%	★	85.0%	85.6%	★	85.0%	86.0%	★	85.0%	84.0%	★	85.0%	84.9%	★	85.0%
	Pe6: Appraisal completion to meet corporate deadlines	Transformation and Support	100.0%	100.0%	★	100.0%	73.3%	▲	100.0%	90.1%	▲	100.0%	99.1%	★	100.0%	99.8%	★	100.0%
	Pe4a: Sickness Absence Rate for the Current Workforce (FTE)	Transformation and Support	8.00	9.50	▲	8.00	9.71	▲	8.00	8.91	●	8.00	8.42	★	8.00	8.86	●	8.00
	NI181: Time taken (days) to process housing benefit new claims and change events	Transformation and Support	10.00	7.16	☆	14.00	10.35	☆	12.00	8.88	☆	11.00	8.12	☆	9.00	5.96	☆	12.00
	BV9: Percentage of council tax collected	Transformation and Support	96.5%	96.4%	★	33.0%	33.7%	☆	61.0%	60.8%	★	89.0%	90.0%	☆	96.8%	96.2%	★	33.0%
	BV10: Percentage of non-domestic rates due for the financial year received by the authority	Transformation and Support	98.5%	98.6%	★	36.0%	36.4%	☆	62.0%	61.6%	★	89.0%	88.2%	★	99.0%	98.9%	★	36.0%
	Pe2: Agency Usage as a percentage of total workforce	Transformation and Support	10.0%	11.1%	●	10.0%	13.0%	▲	10.0%	14.4%	▲	10.0%	11.5%	▲	12.0%	11.9%	★	12.0%
	CSC12: Percentage of calls abandoned in the Customer Service Centre	Transformation and Support	5.5%	9.7%	▲	8.0%	13.9%	▲	8.0%	17.1%	▲	7.0%	14.4%	▲	6.0%	14.3%	▲	10.0%

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Another successful year for Stevenage



Message From Sharon Taylor - Leader - Stevenage Borough Council

to follow on publication



Message From Matt Partridge - Interim Chief Executive - Stevenage Borough Council

to follow on publication



Future Town Future Council

Future Town Future Council is delivering key improvements that our residents told us they want to see.

Included in this programme are plans to regenerate the town centre, provide housing that works for all, make services more accessible, and invest in our town's neighbourhoods.

Co-operative Council

The Stevenage Way

Our co-operative principles promote and support the close working relationships the council has with the town's residents and organisations. We are keen to include genuine input from our communities and partners in the services we deliver and we want to continue to support services that are led by them.

This year the council has undertaken flagship projects to demonstrate its commitment to co-operative working. Our new community

engagement framework sets out the dynamic ways in which the council will engage with communities across Stevenage, and also acts as a practical resource for use across the council and by our partners. Through it we are clear in our aspirations to improve people's lives and the quality of public services. By continuing to listen and involve community groups and residents in shaping the town.

Here are just a few examples of how we have worked co-operatively this year:

We worked with the Youth Council to increase its membership and give them further responsibilities to represent the youth of Stevenage.



Stevenage Youth Council helped to distribute donation bins to two schools in the town for the Red Box Project which tackles the issue of period poverty.



We supported residents with the restoration and improvements to the Oval Community Garden.



A very successful volunteering day was held at Bandle Hill playcentre, with Glaxo Smith Kline, the neighbourhood wardens and play staff. This included removing a tree house, painting a sandpit, planting and clearing the grounds in preparation for a new tree house.



In 2019/20 we will:

Further develop our work nationally to share the way that we work with our communities in Stevenage, through the Enabling Social Action Programme and the Co-operative Council Innovation Network

Develop the way the council supports community wealth building in Stevenage, to ensure what we do and the goods we buy have a positive impact on the local economy

Regenerating Our Town

A development agreement has been signed with our town centre regeneration developer Mace which means we can continue with the ambitious development of the town centre (SG1).



Reef Group has started redeveloping Queensway North. The development consists of new retail and restaurant space, a gym, new offices, an innovation and technology centre and 116 apartments.



Market Place has been transformed into a play space for families in the town, as well as creating an attractive space to relax and enjoy the town centre.

More than **600**

people attended our event to showcase our new bus interchange plans and share views on the designs.

22

Events were held in the town centre including Continental Street Food Market, Stevenage International Day and the Christmas Market.



30 new wayfinding signs have been installed across the town.



We held an event to publicly launch our cultural strategy, Stevenage Re-imagined. It focuses on cultural engagement and making Stevenage an attractive destination for all.

In 2019/20 we will:

Begin the first phase of the town centre regeneration (SG1). Continue works on the Town Square Public Realm and North Block in the town centre delivering new retail and commercial facilities, updated shop fronts, new paving and new seating areas.

Launch a new marketing brand, Stevenage Even Better and open the visitor centre to celebrate and promote the regeneration of the town.

Develop further heritage and arts initiatives across the town as part of our cultural strategy.

Consult on more detailed designs for a new bus interchange. Review our transport strategy - **Future Town, Future Transport.**

Building New Homes

This financial year we have focussed on building new affordable and private homes.

42

Affordable homes were delivered at Wedgewood Way and the Twin Foxes pub site.

This brings the total since 2014 up to

173



Other schemes planned include homes at Symonds Green, Shephall Way and North Road. Together these will deliver

59

new homes.

Proposals for the new housing development Kenilworth Close were given planning permission. Demolition can now begin for the new scheme. Consultations took place with local residents to keep them informed of progress with positive feedback.



Developments at Ferrier Road, Burwell Court and Ditchmore Lane are on site and will deliver

39

more homes for the town.

The holding direction on the Stevenage Borough Local Plan was lifted on 25 March 2019 after 497 days. The plan was adopted by the Council in May 2019. This will mean we can continue with our exciting vision for the town, including the provision of a range of housing schemes.



In 2019/20 we will:

Complete and let 54 new homes across a range of planned schemes and 11 private sale homes.

Start work on 298 new homes across a range of planned schemes.

Secure a developer for the Kenilworth Close site and commence work on site including on the flagship older persons housing scheme.

Continue to work with partners to enable the delivery of affordable homes.

Look at other potential areas of council development across the town.

Managing and Improving Our Homes

Our new Asset Management Strategy provides the framework to ensure that Stevenage customers' homes are fit for purpose, sustainable and in thriving and desirable neighbourhoods.

We

started our

£45m

programme of improvements to council flat blocks

Completed

17 new electrical rewires

112 new external wall insulations

103 heating installations

Our housing options and income teams have used new processes and technology to:

Prevent **399** individuals and families from becoming homeless

Achieve **99.1%** rent collection and our lowest ever rent arrears

Increase court fee collection to **£27,400** last year

95 new roofs

Brought **702** homes up to a decent standard



275 new bathrooms

188 new kitchens

Our Repairs team did more than **21,900** repairs

381 new windows

374 new doors

Work has begun on a Housing for Older People Strategy for Stevenage. We have consulted with over **270** residents and professionals so far, but are still seeking your views on how we provide housing and support for Stevenage residents in their later years.



We are celebrating **100 years** of social housing with a variety of events for our long standing residents.

New licensing regulations were introduced on 1 October 2018 for Houses in Multiple Occupation (HMO). Over **200 private sector properties** are subject to these regulations and nearly 97% meeting the required standards.

In 2019/20 we will:

Launch new online services to improve opportunities for housing customers to 'self-serve'.

Give our staff the tools to work out in the community.

Continue to deliver improvements to our flatblocks

Appoint new contractors to deliver the Council's Decent Homes programme.

Launch our Housing for Older People Strategy and Homelessness and Rough Sleeper Strategy.

Improving Stevenage Neighbourhoods

We have made neighbourhood improvements in St Nicholas and Martinswood with over £30,000 worth of enhancements improving paths, street signs, verges and litter-bins.



Our Waste and Recycling teams have collected over **10,000 tonnes** of recyclable material from **37,160** properties.

7 play areas have benefitted from improvements following consultation with local children.

We've completed works to eight garage sites as part of a **£9m** improvement programme

Our neighbourhoods

We have started to establish neighbourhood groups to make sure we work with residents on improvements to their neighbourhood.

We have maintained the three green flag awards this year for our parks at Fairland's Valley Park, Hampson Park and Town Centre Gardens.



Our four Neighbourhood Wardens have been working across the town talking to communities to tackle local issues..



In 2019/20 we will:

Begin developing plans for co-operative neighbourhood management in parts of the town.

Continue to invest in and make improvements to neighbourhoods across the town, specifically Longmeadow and Bedwell.

Begin consulting with residents in Old Town and Roebuck to find out what improvements they want to see.

Make improvements to play areas in Old Town and Roebuck. Continue to improve our garages across the town.

Engage with other partners in working co-operatively with communities.

Community and Safety

We have renewed our Community Safety Strategy and working closely with our partners it continues to keep our residents safe. As a result, our Community Safety Team have issued:

24

Community Protection Notice Warnings (CPNW)

13

Community Protection Notices (CPN)

7

Fixed Penalty Notice's for Fly-tipping

Here are examples of our achievements this year:



51 Clients have been prevented from being homeless by Stevenage Against Domestic Abuse (SADA)

23 Homeless clients have been helped by the No More Service

74 New referrals to the No More Service that supports people affected by alcohol, drugs or offending.

£100k of funding won to support victims of domestic abuse

- AWARDS**
- 2 TPAS awards for Excellence in Community Action
 - ASB Team finalist Housing Hero Awards for front line team of the year
 - White Ribbon accreditation award
 - Short listed for the TPAS Central Region award for Team of the Year



SADA expansion to North Herts

Delivered **12** community events, including Bat Walks, Teddy Bears Picnic, Wildlife Walkabout, Great British Spring Clean.

Green Space Volunteers gave **1,200** hours (equivalent to around £13,000) for activities including events, butterfly surveys, coppicing and the creation of wildflower meadows.

The council worked with the Rotary Club and pupils & staff from three schools to plant **5,000** crocus bulbs across three sites.

In 2019/20 we will:

Begin work on an arts and culture space in the North Block improvements in the town centre.

Continue to work with the Police and other partners to reduce anti-social behaviour and support young people.

The council became the first local authority in Hertfordshire to sign up to the Modern Slavery Charter.

Healthy Living, Leisure and Play

In Stevenage over 1,300 children and their families joined us to celebrate National Play day

Over **3,360** children and young people are registered to use the playcentres and holiday playschemes.



67,043 visits to Stevenage Arts and Leisure Centre including gyms, classes, badminton, squash and bowls.

visits to Stevenage Arts and Leisure Centre including gyms, classes, badminton, squash and bowls.

228,359 visits to Stevenage Swimming Centre including casual swims, lessons and classes.

visits to Stevenage Swimming Centre including casual swims, lessons and classes.



TOUR SERIES



The Council successfully hosted the Tour Series over the late May bank holiday as part of the Stevenage Cycling Festival. The event was televised on ITV with an estimated 10,000 people in attendance.

11,845 people taking part in activities at Fairland Valley Park Sailing Centre including school engagement, events, functions and water sports.

healthy hub
Stevenage

has now reached over **14,000** visitors accessing 20 different services and support groups provided by the council and 35 different partner organisations.

Stevenage
CYCLING FESTIVAL

Stevenage Cycling Festival – engaged over 750 people in led rides, courses, workshops and events and included the launch of Stevenage Cycle Hub.

59th
Stevenage DAY

was held on 17 June on King George V Playing Fields, with an estimated **30,000** people attending over the course of the day.

In 2019/20 we will:

Deliver the 60th Anniversary of Stevenage Day.
Explore opportunities to improve our leisure facilities.

Continue to work with our health and community partners to deliver the Healthy Stevenage Strategy.



We won an Excellence in Public Health Award for creating the town's first Health and Wellbeing Strategy.

Delivering Excellence For You

We maintained a balanced budget this year despite central government funding being reduced. We are now looking at new ways to save money and identify income opportunities, to make us financially secure for the future.

We are working hard to improve the accessibility of our services and the customer experience.

The Customer Service Centre continues to be busy

Revenues and Benefits customers can now access online self-serve options.

Over **25,400** customers served on the counter

More than **179,600** made to our call centre

Over **124,700** online transactions were made with us this year

Over **8,300** over **5,800** over **1,200**

88.5% rated our service as "Good"

A new and modern Council website is being developed to meet customer needs.

We exceeded our targets for responding to customer service requests across a number of areas, such as...

5.96 days
Average time taken to process Housing Benefit claims and changes

9.82 days
Average time taken to complete routine repairs

We continue to strive to make Stevenage Borough Council a great place to work.

We have **15** apprentices

We have been awarded the Armed Force Covenant Silver Award, recognising us as an employer of choice for ex-service personnel and reservist employees.

In 2019/20 we will:

Look at more innovative ways to deliver services, aiming to improve the customer experience, increase productivity and make us less reliant on government funding.

Launch an improved website which is customer friendly and is accessible to use on mobile devices.








Introduce a new system to enable our waste and recycling teams to work more efficiently.

Develop staff skills to equip us for the future.

Executive Report Appendix 3a: 2019/20 Measures and Targets (Current)

Key to Performance Status

Symbols

-  Red Status - Focus of improvement
-  Amber Status - Initial improvement activity identified
-  Green Status - Any variance from target manageable
-  Green Plus Status - Exceeding expectations
-  New measure - Performance results not required
-  No data results
-  Missing value

	Corporate Theme	Actual to 30/06/18	Status at 30/06/18	Actual to 30/09/18	Status at 30/09/18	Actual to 31/12/18	Status at 31/12/18	Actual to 31/03/19	Status at 31/03/19	Target to 30/06/19	Target to 30/09/19	Target to 31/12/19	Target to 31/03/20
NI15b: The rate of violence against the person (victim based crime) per 1,000	Customers	?	?	?	?	?	?	?	?	10.00	17.00	28.00	35.00
CS8: Anti-social behaviour per 1,000 population	Customers	8.21	☆	?	?	?	?	?	?	8.00	20.00	28.00	33.00
CS9: Criminal damage per 1,000 population	Customers	?	?	?	?	?	?	?	?	2.50	5.70	8.80	10.00
VGC1: Percentage of dwellings with a valid gas certificate	Customers	100.0%	☆	100.0%	☆	100.0%	☆	100.0%	☆	100.0%	100.0%	100.0%	100.0%
Assets5b: Percentage of assets known to be health and safety compliant (as per SBC definition)	Customers		➤	91.70%	▲	97.00%	▲	91.00%	▲	100.00%	100.00%	100.00%	100.00%
Assets5a: Percentage of assets known to be health and safety compliant (Statutory)	Customers		➤	90.00%	▲	98.00%	▲	91.00%	▲	100.00%	100.00%	100.00%	100.00%
BV66a: Rent collection rate	Customers	94.4%	☆	96.8%	☆	98.6%	☆	99.1%	☆	93.6%	96.3%	97.8%	98.7%
BV213: Homelessness preventions	Customers	101.0	☆	182.0	☆	279.0	☆	399.0	☆	90.0	180.0	270.0	360.0
ECHFL-IW1: Percentage of tenants satisfied with internal works completed (for the current quarter)	Customers	93.9%	☆	94.3%	☆	95.7%	☆	96.0%	☆	80.0%	80.0%	80.0%	80.0%
ECHFL1: Percentage of Homes maintained as decent	Customers	77.3%	☆	80.0%	☆	82.6%	☆	75.4%	☆	76.9%	79.4%	81.5%	76.1%
NI15c: Number of households in temporary/emergency accommodation at end	Customers	60.00	☆	65.00	☆	61.00	☆	73.00	☆	75.00	75.00	75.00	75.00
ECHFL-EW1: Percentage of tenants satisfied with external works completed (for the current quarter)	Customers	93.9%	☆	89.0%	☆	89.7%	☆	91.2%	☆	80.0%	80.0%	80.0%	80.0%
FS3 (Futsav1b): Percentage of GF savings identified to meet three year target	Future Town, Future Council	30.3%	☆	78.7%	☆	81.6%	☆	83.0%	☆	21.1%	39.8%	47.4%	69.9%
CTOC1: Percentage of customer complaints responded to within deadline	Future Town, Future Council	83.66%	▲	88.02%	▲	89.66%	▲	90.45%	●	95.00%	95.00%	95.00%	95.00%
EAA1: Customer satisfaction with CSC customer service	Future Town, Future Council	89.7%	☆	88.4%	☆	88.4%	☆	88.5%	☆	90.0%	90.0%	90.0%	90.0%
FS2a (LACC2): Percentage HRA approved savings removed from HRA for current year	Future Town, Future Council	91.15%	☆	86.70%	☆	86.70%	☆	86.70%	☆	91.00%	91.00%	91.00%	91.00%
FS1a (LACC1): Percentage GF approved savings removed from GF budget for current year	Future Town, Future Council	98.64%	☆	89.90%	☆	89.90%	☆	89.90%	☆	98.00%	92.00%	92.00%	92.00%
WebSat1: Customer satisfaction with Council website	Future Town, Future Council	0.24	☆	0.26	☆	0.28	☆	0.28	☆	0.11	0.11	0.15	0.20
FS4 (Futsav2b): Percentage of HRA savings identified to meet three year target	Future Town, Future Council	5.2%	☆	56.6%	☆	54.3%	☆	56.0%	☆	2.5%	29.3%	33.5%	46.3%
HDD1d: Number of affordable homes delivered (gross) by the Council (since 2014)	Future Town, Future Council	134.00	☆	149.00	☆	168.00	☆	173.00	☆	179.00	183.00	212.00	225.00

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	Corporate Theme	Actual to 30/06/18	Status at 30/06/18	Actual to 30/09/18	Status at 30/09/18	Actual to 31/12/18	Status at 31/12/18	Actual to 31/03/19	Status at 31/03/19	Target to 30/06/19	Target to 30/09/19	Target to 31/12/19	Target to 31/03/20
HDD1b (formerly NB1) - New Build Spend v Budget of development activity that is contracted	Future Town, Future Council	96.3%	★	95.5%	★	97.7%	★	98.2%	★	90.0%	90.0%	90.0%	90.0%
CNM2g: Garage Voids as a percentage of stock	Future Town, Future Council	12.62%	●	12.62%	●	12.81%	●	10.70%	★	12.00%	12.00%	12.00%	12.00%
EoCrec: Time to recruit	Future Town, Future Council	34.50	☆	38.50	☆	42.00	★	40.00	☆	45.00	45.00	45.00	45.00
EoC4a: Percentage of apprentices in post as percentage of workforce.	Future Town, Future Council	1.4%	▲	2.7%	☆	3.0%	☆	2.4%	★	2.3%	2.3%	2.3%	2.3%
Compl4: Percentage of stage 2 & 3 complaints upheld fully or partially (Housing)	Future Town, Future Council	44.00%	●	38.30%	★	43.08%	●	39.51%	★	40.00%	40.00%	40.00%	40.00%
NI191: Residual household waste per household (kgs)	Place	134.95	★	246.36	★	371.00	★	510.00	★	135.00	250.00	380.00	520.00
NI192: Percentage of household waste sent for reuse, recycling and composting	Place	43.6%	★	42.0%	★	37.0%	▲	39.0%	★	42.0%	43.0%	41.0%	40.0%
Rep Cost1: Average responsive repair cost per dwelling	Place	59.77	☆	146.03	☆	222.17	☆	316.42	★	81.77	163.54	245.30	327.07
Rep-Time3: Average end to end repairs time (days) - Routine Repairs	Place	14.84	☆	10.83	☆	9.81	☆	9.82	☆	20.00	20.00	20.00	20.00
Rep-Time1: Average end to end repairs time (days) - Emergency Repairs	Place	0.28	☆	0.45	☆	0.47	☆	0.52	☆	1.00	1.00	1.00	1.00
Rep-Time2: Average end to end repairs time (days) - Urgent Repairs	Place	4.97	★	4.50	☆	3.99	☆	3.87	☆	5.00	5.00	5.00	5.00
VoidsGNMW - The time taken to relet major works general needs voids	Place	72.25	▲	93.53	▲	83.24	▲	80.67	▲	65.00	65.00	65.00	65.00
BTC1a: New jobs created through Business Technology Centre	Place	51.00	☆	87.00	☆	121.00	☆	188.00	☆	60.00	120.00	180.00	240.00
BTC1b: New business start up in Business Technology Centre	Place	30.00	☆	49.00	☆	58.00	☆	86.00	☆	20.00	40.00	60.00	80.00
ELL1a: Percentage of Houses in Multiple Occupation (HMO) that are broadly compliant	Place		»		»	87.50	▲	96.89	☆	92.50	92.50	92.50	92.50
NI157a: Percentage of major planning applications determined in 13 weeks	Place	100.0%	☆	100.0%	☆	100.0%	☆	100.0%	☆	60.0%	60.0%	60.0%	60.0%
VoidsGN: The time taken to relet standard general needs voids	Place	29.89	☆	27.49	☆	27.32	☆	27.86	☆	32.00	32.00	32.00	32.00
NI157c: Percentage of other planning applications determined within 8 weeks	Place	96.4%	☆	96.8%	☆	97.0%	☆	96.8%	☆	80.0%	80.0%	80.0%	80.0%
NI184: Food establishments in the area broadly compliant with food hygiene law	Place	97.0%	★	96.0%	★	94.2%	★	95.1%	★	95.0%	95.0%	95.0%	95.0%
ECH10p3: Percentage repairs appointment made and kept	Place	96.23%	★	95.76%	★	99.26%	★	98.68%	★	95.00%	95.00%	95.00%	95.00%

	Corporate Theme	Actual to 30/06/18	Status at 30/06/18	Actual to 30/09/18	Status at 30/09/18	Actual to 31/12/18	Status at 31/12/18	Actual to 31/03/19	Status at 31/03/19	Target to 30/06/19	Target to 30/09/19	Target to 31/12/19	Target to 31/03/20
+ ECH-Rep4: Percentage repairs fixed first time	Place	89.35%	★	92.13%	★	97.47%	☆	97.47%	☆	87.50%	87.50%	87.50%	87.50%
+ ECHFL5: Percentage of Repairs service customers satisfied (telephone survey)	Place	89.84%	★	93.44%	★	96.07%	★	96.13%	★	90.00%	90.00%	90.00%	90.00%
+ NI157b: Percentage of minor planning applications determined within 8 weeks	Place	89.5%	☆	90.2%	☆	90.2%	☆	88.8%	☆	65.0%	65.0%	65.0%	65.0%
CSC13a: Percentage of calls to the CSC resolved within the CSC (by CSC advisors)	Transformation and Support	64.20%	★	64.20%	★	65.10%	★	64.30%	★	65.00%	65.00%	65.00%	65.00%
CSC4: Percentage of telephone calls to the CSC answered within 20 secs	Transformation and Support	39.8%	▲	40.9%	▲	48.4%	▲	49.6%	▲	50.0%	52.0%	55.0%	55.0%
CSC5: Percentage of walk-in customers to the CSC served within 20mins	Transformation and Support	69.7%	▲	65.2%	▲	71.8%	▲	75.0%	●	75.0%	78.0%	80.0%	80.0%
Cust1: Percentage complaints progressing to stage 2 and 3 that are upheld or partially upheld	Transformation and Support	38.2%	★	37.3%	★	38.6%	★	34.6%	☆	40.0%	40.0%	40.0%	40.0%
Pe1: Total Human Capital - measures Workforce Stability	Transformation and Support	85.6%	★	86.0%	★	84.0%	★	84.9%	★	85.0%	85.0%	85.0%	85.0%
Pe6: Appraisal completion to meet corporate deadlines	Transformation and Support	73.3%	▲	90.1%	▲	99.1%	★	99.8%	★	100.0%	100.0%	100.0%	100.0%
Pe4a: Sickness Absence Rate for the Current Workforce (FTE)	Transformation and Support	9.71	▲	8.91	●	8.42	★	8.86	●	8.00	8.00	8.00	8.00
NI181: Time taken (days) to process housing benefit new claims and change events	Transformation and Support	10.35	☆	8.88	☆	8.12	☆	5.96	☆	12.00	12.00	10.00	10.00
BV9: Percentage of council tax collected	Transformation and Support	33.7%	☆	60.8%	★	90.0%	☆	96.2%	★	33.0%	61.0%	88.0%	96.8%
BV10: Percentage of non-domestic rates due for the financial year received by the authority	Transformation and Support	36.4%	☆	61.6%	★	88.2%	★	98.9%	★	36.0%	61.0%	89.0%	99.0%
Pe2: Agency Usage as a percentage of total workforce	Transformation and Support	13.0%	▲	14.4%	▲	11.5%	▲	11.9%	★	12.0%	12.0%	12.0%	11.0%
CSC12: Percentage of calls abandoned in the Customer Service Centre	Transformation and Support	13.9%	▲	17.1%	▲	14.4%	▲	14.3%	▲	10.0%	10.0%	8.0%	8.0%

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Executive Report Appendix 3b: 2019/20 Measures (New Measures, Baseline Only)

These measures will be baseline for 2019/20 so that accurate targets can be set for 2020/21

	Corporate Theme	Planning Pattern
Co-operative Neighbourhood Management: CNM1: % agreeing that their neighbourhood has improved as a consequence of CNM programme	Future Town, Future Council	Annual
Co-operative Neighbourhood Management: CNM3: Number of opportunities created to co-produce improvements	Future Town, Future Council	Quarterly
Cooperative Neighbourhood Management : CNM4: Number of volunteering hours supporting council services	Future Town, Future Council	Quarterly
Cooperative Neighbourhood Management : CNM5: Additional social value secured as part of CNM programme	Future Town, Future Council	Quarterly
Cooperative Neighbourhood Management : CNM6: Targeted increase in number of community led social action projects supported	Future Town, Future Council	Quarterly
Cooperative Neighbourhood Management : CNM7: Number of individual residents directly engaging in SBC led community engagement activities	Future Town, Future Council	Quarterly
Corporate Projects, Customer Services & Technology : CSC1: CSC cost per contact	Future Town, Future Council	Monthly

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Meeting Executive Committee

Portfolio Area Housing, Older People & Health / Resources

Date 10 July 2019



APPOINTMENT OF A PRINCIPAL CONTRACTOR AT SYMONDS GREEN

KEY DECISION

AUTHOR – ASH AHMED EXT. 2805

CONTRIBUTORS – SIMON NUTTALL EXT. 2968

LEAD/CONTACT OFFICERS – ASH AHMED EXT. 2805

1 PURPOSE

- 1.1 To seek approval to delegate authority for the appointment of a principal contractor of the development site at 145 Scarborough Avenue in the Symonds Green ward (the “**Site**”), which is also known as the Symonds Green Scheme (the “**Scheme**”). This will ensure an expedient tender award process and allow for a quicker mobilisation on the Site.

2 RECOMMENDATIONS

- 2.1 That the Executive notes the scheme concept objectives as developed by the Council’s Housing Development team in consultation with the Executive Housing Development Committee throughout 2018/19.
- 2.2 That the Deputy Chief Executive be given delegated authority to award and finalise the terms of the contract with the winning bidder after an officer

panel has concluded an evaluation of tenders received and having consulted the Portfolio Holder: Housing, Health and Older People.

3 BACKGROUND

- 3.1 The Site has been subject to ongoing designs since January 2018. During this period the design proposal has evolved from an initial Scheme concept of nine homes, to a consented scheme for 29, one, two & three bedroom apartments set within a traditional urban street scene that blends into the environment without being overbearing.
- 3.2 Following ongoing consultation with the Housing Development Executive Committee, three separate consultations with local residents and advice from the Planning department, a final scheme of 29 properties, comprising a mix of one, two and three bed flats was submitted as a detailed planning application in February 2019.
- 3.3 Planning permission for the Scheme was granted on the 30 May 2019, as per Background Document 1.
- 3.4 PSW Building Consultancy were appointed following a competitive process in March 2019 to act for the Council as the employers agent for the scheme (the “**Employer’s Agent**”), and have been working in consultation with our internal Housing Investment team to produce a set of employers requirements which will determine the technical standards at which the development will be built at the Site.
- 3.5 The Employer’s Agent role brings external expertise in the fields of construction, site management and quantity surveying, and acts as the Council’s contract administrator for the Scheme.
- 3.6 The procurement documents for the Scheme were put out to tender on 30 May 2019 with the following proposed time frames:

Procurement Stage/Action	Dates
Invitation to Tender issued	30/05/19
Deadline for Tenderer Queries	12 noon 14/06/19
Deadline for Tenderer Clarifications to be published	(responses within 3 days of a query)
Tender Submission Date (by 12 noon on)	28/06/19
Evaluation Period	Two weeks
Decision to award (subject to call – in)	12/07/19
End of call – in period/Intention to Award the Contract Announced	30/07/19

- 3.7 The Scheme is an entirely social rented development, and the capital expenditure will contribute towards forecast spend on retained one for one receipts. This amplifies the benefits of achieving a rapid start on site as it ensures more receipts can be utilised and kept within the Council, rather than being returned to Central Government.

- 3.8 An ancillary issue relating to the Scheme is that it may feature in a proposal for a bid relating to Community Co-operative funding. The result of the bid may give rise to further considerations being needed in relation to the long term management of the Scheme. However, this will not affect the construction process nor the award of a contract for this Scheme.

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

- 4.1 The contract will be let on an industry best practice standard JCT design and build contract , which was used previously to deliver the Council's schemes at Twin Foxes House, Burwell Court, Ditchmore Lane, and Gresley Way. This contract type is also recommended by the Employer's Agent who will be the contract administrator.
- 4.2 Through the delivery of these four previous contracts for works of this nature which were procured between 2015 and 2019 officers have developed their experience in this type of contract and are confident that the Council's specifications and pricing models are robust, accurately reflect the Council's standards and requirements and do not appear to lend themselves towards bidder gaming or collusion.

Additional mitigation will include robust contract management arrangements in conjunction with our internal Housing and Investment team, and our appointed Employers Agent and Clerk of Work Service who will monitor performance on quality and programme on a weekly basis.

Procurement Route

- 4.3 Officers considered the following 2 approaches to the procurement of works for the Scheme:
- Competitive procurement process; or*
Call-Off from an existing Framework.
- 4.4 For the competitive procurement process, officers considered the open and restricted procedures. The key features of each procedure are as follows:
- Open procedure – any interested organisation may bid; both selection and award criteria are included in the evaluation process and the successful bidder is selected on the pre-determined criteria, typically price and quality. The open procedure does not include a pre-qualification stage.*
- Restricted procedure – a shortlist of potential bidders are selected through a pre-qualification process. The shortlisted bidders are then invited to tender and the successful bidder is selected on the pre-determined criteria, typically price and quality.*
- 4.5 Call-Off from an existing framework, whilst offering time savings, was felt not to offer best value for money and would have potentially prevented small to medium-sized firms from being able to bid on this contract.

- 4.6 The procurement approach to these contracts will seek to enhance community wealth building by appealing to local based small to medium enterprises through an open tender process.
- 4.7 It was therefore felt that by conducting an open procedure, it would lead to best outcome in terms of price as it would provide the most competitive environment to suppliers and also encourage local small to medium-sized firms to bid.
- 4.8 The split of quality and price in this instance is a 60% quality weighting against a 40% price weighting. This is in line with the Housing Development team's standard principal contractor procurement route, and ensures our developments are built to a high standard without disregarding value for money considerations.
- 4.9 The quality aspect of the procurement exercise requires potential suppliers to provide evidence across the below key themes:
- Ability to programme works and expedite completion
 - Ability to mitigate project and programme risk
 - Provide relevant previous experience
 - Provide details of how they will provide social value

5. IMPLICATIONS

5.1 Financial Implications

- 4.10 The budget for the entire scheme is £4.6m (four-million, six hundred thousand pounds) and this has been approved in the HRA capital strategy previously seen by members. This budget includes works costs as well as associated costs such as architects and employer's agents as well as various survey works and planning costs.
- 4.11 It is expected that cost for the contract for the build of the Site will be approximately £4m.
- 4.12 There is a risk that should all the tenders come in over the OJEU threshold, the procurement would be non-compliant and an OJEU level tender would have to be prepared.

4.13 Legal Implications

4.14 Procurement route

- 4.15 The open procedure which is being used for this procurement is subject to the Public Contract Regulations 2015. The contract contained within the tender documents for this procurement is based on the standard JCT Design and Build Contract terms and conditions, with amendments.

4.16 Powers to develop

The Council has the power to develop HRA sites using the power contained in section 9 Housing Act 1985 which provides power to the Council to provide housing accommodation by, amongst other things erecting houses on land acquired for that purpose. The Council also has power under section 2 of the Local Authorities (Land) Act 1963 to erect any building and construct or carry out works on land where the development is for the benefit or improvement of its area.

4.17 Equality Impact Assessment

4.18 A full equality impact assessment has been completed and is available as a background document. The assessment shows that the scheme has an overall positive impact as the scheme increases the ability of people with limited housing options in Stevenage to live independently and allows them to live in high quality and safe accommodation. This enhances their opportunities in society and helps to enable them to live comfortably without fear of abuse or discrimination. The scheme is able to be delivered as a fully social rented scheme as a result of the anticipated capital receipts at North Road.

5 BACKGROUND DOCUMENTS

BD1 - 19/00136/FPM - 145 SCARBOROUGH AVENUE, STEVENAGE

BD2- Equality Impact Assessment

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