

# Public Document Pack



## EXECUTIVE

**Date: Wednesday, 12 August 2020**

**Time: 2.00pm**

**Location: Virtual (via Zoom) / Autun Room**

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

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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.

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## AGENDA

### PART 1

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

#### **2. MINUTES - 8 JULY 2020**

To approve as a correct record the Minutes of the meeting of the Executive held on 8 July 2020 for signature by the Chair.

Pages 3 – 14

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

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

Overview & Scrutiny Committee – 14 July 2020

Pages 15 – 18

#### **4. CO-OPERATIVE NEIGHBOURHOODS**

To consider an update on the implementation of Co-operative Neighbourhoods, following approval of the programme by the Executive in December 2019.

Pages 19 – 54

#### **5. COVID-19 UPDATE**

To consider a verbal update / presentation on the Covid-19 pandemic.

**6. CO-OPERATIVE COMMERCIAL AND INSOURCING STRATEGY 2020-2023**

To consider the proposed Co-operative Commercial and Insourcing Strategy 2020-2023.

Pages 55 – 76

**7. URGENT PART I BUSINESS**

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

**8. 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.

**9. CO-OPERATIVE COMMERCIAL AND INSOURCING STRATEGY 2020-2023**

To consider a Part II report relating to the proposed Co-operative Commercial and Insourcing Strategy 2020-2023.

Pages 77 - 84

**10. EMERGENCY COVID-19 FUNDING SUPPORT FOR STEVENAGE LEISURE LIMITED**

To consider a request for emergency Covid-19 funding support for Stevenage Leisure Limited.

[REPORT TO FOLLOW]

**11. 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, 12 August 2020 – <http://www.stevenage.gov.uk/have-your-say/council-meetings/161153/>**

## STEVENAGE BOROUGH COUNCIL

### EXECUTIVE MINUTES

**Date: Wednesday, 8 July 2020**

**Time: 2.00pm**

**Place: Virtual (via Zoom)**

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

**Also Present:** Councillor Robin Parker CC (observer).

**Start / End** Start Time: 2.00pm  
**Time:** End Time: 5.37pm

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

There were no apologies for absence.

There were no declarations of interest.

#### **2 MINUTES - 10 JUNE 2020**

It was **RESOLVED** that the Minutes of the meeting of the Executive held on 10 June 2020 be approved as a correct record for signature by the Chair.

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

The Chair noted that the Overview & Scrutiny Committee had raised the issue of website performance, and was aware that follow up Member questions on this matter had been submitted for consideration at the Council meeting on 15 July 2020.

It was **RESOLVED** that the Minutes of the meeting of the Overview & Scrutiny Committee held on 17 June 2020 be noted.

#### **4 CORONAVIRUS (COVID-19) INCIDENT UPDATE REPORT AND RECOVERY PLAN**

The Executive considered a report providing an update on the COVID-19 crisis and the Council's response, and seeking approval to a proposed Recovery Plan.

The Strategic Director (RP) advised that the report outlined the Government's five tests and alert levels which are being used to help inform the easing of lockdown measures in England. The Government's 3 step recovery plan was then outlined, as well as the announcements which the Government had made to lift lockdown restrictions as part of this Recovery Plan.

The Executive was informed that the District Council's Network (DCN) and the Local Government Association (LGA) had been lobbying the Government on a number of issues, particularly the financial impact of Covid-19 on Local Authority finances, and the work the DCN and the LGA had been doing was highlighted in the report.

The Strategic Director (TP) referred to Sections 3.9 to 3.14 of the report, which provided graphs and data, both nationally and locally, in respect of Covid-19 cases and deaths. The data reflected the fact that there were generally low rates for Stevenage compared to the Hertfordshire average and the number of confirmed coronavirus cases per week was reducing. The report also contained an extract from the recent Public Health England Report into Covid-19 Inequalities, and the recommendations made as a result were outlined

The report also highlighted and outlined:

- the assistance which had more recently been provided by the Government for households and businesses, and an update from the LEP which suggested there would be a major economic downturn due to the virus and the potential loss of many jobs in Hertfordshire this year;
- the changing role of the Hertfordshire Local Resilience Forum as it moved to manage response and recovery, and provided an update of the current situation in Hertfordshire care homes, schools, the East and North Hertfordshire Health Trust and Operation Shield and Operation Sustain, together with the measures being taken to exit from the direct provision of food during July and how Hertfordshire residents would be supported thereafter;
- the extensive work and achievements since the last report to the Executive undertaken by the Council's eight response cells which had been set up to deal with the crisis; and
- the new arrangements for Test and Trace and Local Outbreak plans, as the Council would have a key role to play in implementing these plans and in any response to a local outbreak of Covid-19 in Stevenage.

The Strategic Director (TP) then outlined the emerging recovery plans for the both the town and the Council, which were set out for approval by the Executive at Appendices 4 and 5 to the report. It was noted that recovery would be a complex and long running process that would involve many agencies and participants from across the Borough and would be costly in terms of resources.

The following comments/questions were raised by Members during the debate on the report:

- The Chair reported that the Hertfordshire Local Enterprise Partnership (LEP) had been allocated £16.8Million from the Government's Building Back Better Fund. She was pleased to report that a number of Stevenage schemes were towards the top of the LEP's list, and so more detailed work would be progressed in support of those schemes [Note: The Chair (Councillor Taylor) declared an interest in the above matter as she was a member of the Hertfordshire LEP Board];
- The Chair advised that, despite the production of Local Outbreak Plans, only

the Government had powers to impose local lockdowns. The countywide Elected Member Engagement Board was seeking further advice from the Government regarding trigger points for the imposing and lifting of local lockdowns;

- The responsibility for enforcing Covid-19 safe business workplace environments rested with the Health & Safety Executive, who would engage local authority support if required;
- The Chair was pleased to report that the last COVID-19 patient in the Lister Hospital Intensive Care Unit had been discharged earlier in the week;
- The Chair confirmed that free parking for NHS workers would continue at Corey's Mill for the foreseeable future;
- Contrary to the Prime Minister's recent comments in this regard, the Chair wished to recognise the professionalism and commitment of staff employed in Care Homes, especially during the current pandemic;
- In relation to the COVID-19 death statistics by Ward set out in Paragraph 3.14.6 of the report, the Portfolio Holder for Neighbourhoods & Co-operative Working asked if this information could be provided to all Members. Associated with this request, the Assistant Director (Communities & Neighbourhoods) was requested to prepare a report for submission to the next Coronavirus Emergency Committee providing details of the recovery activities taking place in each Ward;
- It was noted that the Council's Business Relationship Manager had prepared and sent out a questionnaire to businesses in Stevenage requesting feedback on the impact on them of the pandemic; and
- The Chair asked that the Public Health Dashboard of COVID-19 statistical information be submitted to the next meeting of the Coronavirus Emergency Committee.

In considering information regarding the proposed reopening of Stevenage Old Town, the Executive agreed extra recommendations in respect of: potential locations for additional outdoor space and pavement seating; the provision of suitable barriers between the highway and those outdoor space/pavement seating areas; ensuring that appropriate wheelchair/pushchair access be maintained; ensuring that disabled parking facilities be protected; and the provision of 3 hours free parking in the former Waitrose Car Park for the next six months.

The Executive supported the Chair's proposed further additional recommendation that the Council's formal thanks be conveyed to the North & East Hertfordshire Hospital Trust for all that the Trust's staff had done to support Stevenage residents throughout the pandemic.

It was **RESOLVED**:

1. That the current position and the Council's response to the COVID-19 pandemic since the last report to the May 2020 Executive meeting be noted.
2. That the recovery phase approach, as set out in Section 4.13 of the report, and the Town and Council recovery plans attached at Appendices 4 and 5 to the report respectively, be approved.

3. That delegated authority be granted to the Strategic Director (TP), after consultation with the Leader, to make revisions to the Recovery Plan as required during the recovery phase.
4. That, in relation to the proposed reopening of Stevenage Old Town:
  - (i) Working co-operatively with Stevenage Old Town Business Partnership, the following locations be considered for additional outdoor space and pavement seating:
    - Space outside Lavish / Angelic
    - Around Costa Coffee / Ice Cream area;
    - Middle Row (car park North of Middle Row);
    - Northern part of the High Street.
  - (ii) Suitable barriers be provided between the highway and those additional outdoor space and pavement seating areas referred to in (i) above;
  - (iii) Appropriate wheelchair/pushchair access be maintained;
  - (iv) Disabled parking facilities be protected; and
  - (v) In order to replace lost parking capacity in the Old Town area, 3 hours free car parking be offered in the former Waitrose Car Park for the next six months, and reviewed thereafter.
5. That the Council's formal thanks be conveyed to the North & East Hertfordshire Hospital Trust for all that the Trust's staff had done to support Stevenage residents throughout the COVID-19 pandemic.

*Reason for Decision: As contained in report; and 4. To support the proposed reopening of Stevenage Old Town; and 5. To place on record the Council's thanks to the Trust.*

*Other Options considered: As contained in report.*

## **5 HOUSING FIRST APPROACH AT STEVENAGE BOROUGH COUNCIL IN RESPONSE TO THE ROUGH SLEEPING CRISIS**

The Executive considered a report on the Housing First approach at SBC in response to the rough sleeping crisis.

The Portfolio Holder for Housing, Health & Older People, assisted by the Assistant Director (Housing Development), advised that the report articulated how the Council was looking to provide sustainable long term solutions for those that have been rough sleeping or at risk of rough sleeping since 23 March 2020. The current arrangements at the Holiday Inn Express ended at the end of July 2020, and the Housing Team was working hard to ensure the provision of an alternative solution for those in hotel accommodation.

The Executive acknowledged that SBC's response to the current pandemic necessitated a change to the order of delivery to ensure that the Council was able to provide a legacy solution in the form of a Housing First type model of support - that brought good quality accommodation and wrap around support to assist vulnerable homeless people to start leading fulfilling lives. The ability to deliver this would depend on the input of partner agencies and how the detail around the potential Government funding support crystallised.

The Council's priorities, as set out in the report, were summarised into three categories:

1. Immediately: house the homeless. Completed - there were currently 182 households in Temporary and Emergency accommodation, as well as in interim Hotel placements.
2. In the medium term: to develop Support plans and build pathways into housing and support for the rough sleepers and those at risk of rough sleeping. Roughly 48 in number were being supported by No More Service and the Rough Sleeper Co-ordinators.
3. Long term: To develop long-term partnerships and a possible hostel, subject to funding and need along the lines of a Housing First model.

Members were informed that a pathway system was being developed for each client that would see them into a form of interim accommodation before hopefully securing accommodation into the private sector. Ideally this would be done prior to the end of July 2020 for the majority of the homeless clients.

The Executive was advised that, during July and August 2020, officers would work with key partners to develop a business case for a Housing First Model, including the feasibility and viability of a new hostel. It was envisaged that a further report will be presented to the Executive in September or October 2020 outlining the business case.

The Portfolio Holder for Children, Young People, Leisure & Culture, on behalf of his fellow Ward councillors, raised the matter of the apparent preponderance of units (including Houses in Multiple Occupation) being used in the St. Nicholas Ward for accommodating the homeless/rough sleepers, and felt that there should be a more equitable distribution of such units across the Borough. The Chair replied that Members needed to be in possession of the full facts and evidence in respect of this issue, and asked officers to undertake some Ward mapping work and report back on the locations of such units throughout the town.

It was **RESOLVED**:

1. That the support provided to homeless households during the Covid-19 lockdown and the challenges faced by the Council over the coming months ahead, as outlined in the report, be noted.
2. That the current service pressures developing in the Housing and No More

service within the General Fund and Housing Revenue Account, which will be monitored by the Council's Finance department and reported to the Executive as part of the quarterly budget monitoring cycle, be noted.

3. That officers be requested to develop a business case for a new Housing First Model, including the potential construction of a new hostel (as outlined in Paragraph 4.24 of the report), taking into account partner support and funding requirements.

*Reason for Decision: As contained in report.*

*Other Options considered: As contained in report.*

## **6 A CO-OPERATIVE INCLUSIVE ECONOMY CHARTER**

The Executive considered a report on a proposed Co-operative Economy Charter for the Borough.

The Portfolio Holder for Neighbourhoods & Co-operative Working advised that it was proposed to launch a Co-operative Inclusive Economy Charter in July 2020. The Charter represented one of four recommendations made in the Community Wealth Building report approved by the Executive on 11 March 2020. Since Covid-19, the profile of Community Wealth Building had increased, in particular the contribution it could make to building local economic resilience.

The Portfolio Holder for Neighbourhoods & Co-operative Working commented that the Council already undertook a number of activities that supported a Co-operative Inclusive Economy, and for the Charter, was making four key pledges, as set out in the report. These included formally considering local supply chains in procurement exercises and working with local business support programmes to develop advice for co-operatives and social enterprises.

The Executive noted that the Charter would be overseen by a cross-party Community Wealth Building Board, chaired by the Leader of the Council. This would receive reports from a working group comprising Council Officers and other stakeholders, including partners from the voluntary sector and University of Hertfordshire. It was recommended to launch the Charter in July 2020 in order to build upon the momentum of partnership working and to make a contribution to restarting the economy.

It was **RESOLVED:**

1. That the Co-operative Inclusive Economy Charter, as set out at Appendix A to the report, be approved, and that it be launched in July 2020, making an early contribution to the Council's plans for economic recovery.
2. That the proposed action plan, as set out in Paragraph 4.6 of the report, be approved.
3. That the content of the Council's pledge, as set out in Paragraph 4.8 of the report, be approved.



4. That the Charter be monitored by a single working group, reporting to a cross-party advisory Community Wealth Building Group, chaired by the Leader.
5. That the working group develop a series of metrics to help measure the impact of Community Wealth Building on the Stevenage economy.

*Reason for Decision: As contained in report.*

*Other Options considered: As contained in report.*

## **7 2019/20 ANNUAL REPORT AND PERFORMANCE OVERVIEW**

The Executive considered a report on the Council's 2019/20 Annual Report (attached as Appendix A to the report).

The Leader of the Council advised that this report provided Members with an overview of the Council's performance during 2019/20 against the outcomes and aims within the FTFC Corporate Plan programme, as well as celebrating successes across the range of Council services. It also presented a draft customer-facing Annual Report that gave information to residents about SBC's achievements over the past year and our plans for 2020/21.

Members were informed that significant progress had been made in delivering the Council's Corporate Plan and this was reflected in the successes identified across the range of Future Town Future Council (FTFC) programmes. Moving forward into 2020/21, programme sponsors had developed the key areas of focus for the coming year, and the associated deliverables were summarised in the report.

It was acknowledged that the range of projects proposed for 2020/21 represented an ambitious programme of work, particularly given the challenges currently faced. There remained considerable uncertainty as a result of these challenges and it would therefore be necessary to keep the deliverability of the FTFC programme under review during the course of the year.

The Executive noted that the report also included the suite of performance measures and targets which would be used to monitor performance across all business units in the year ahead, as set out in Appendix B to the report. In view of the current circumstances, officers proposed that 'targets' for the majority of performance measures should be set in line with actual performance at the equivalent period last year. This would help to establish the level to which Covid-19 was impacting on performance and to inform where activity and resources needed to be directed.

It was **RESOLVED**:

1. That the progress on the delivery of the Future Town Future Council (FTFC) programme and overall performance and achievements of the Council during 2019/20 be noted.
2. That the content and publication of the Council's draft Annual Report 2019/20, as set out at Appendix A to the report, be agreed.

3. That delegated authority be given to the Strategic Director (RP), following consultation with the Leader, to approve any final changes to the Annual Report prior to its publication.
4. That the Future Town Future Council deliverables for 2020/21 be noted.
5. That the suite of 2020/21 performance measures and targets, as set out in Appendix B to the report, be noted.

*Reason for Decision: As contained in report.*

*Other Options considered: As contained in report.*

## **8 4TH QUARTER REVENUE MONITORING REPORT 2019/20 - GENERAL FUND AND HOUSING REVENUE ACCOUNT**

The Executive considered a report with regard to Fourth Quarter Revenue Budget Monitoring 2019/20 (General Fund and Housing Revenue Account).

The Portfolio for Resources stated that the figures contained in the report were subject to external audit and may change. She advised that General Fund net expenditure was £2.6M underspent for the year, as explained in the report. The variances are shown in the graph at paragraph 4.2 of the report and carry forward requests were in the table at Paragraph 4.3.1. Following a contribution to balances of £2.1M, the General Fund balance at the year-end was £7Million. This contribution to balances would be used to go towards anticipated Covid-19 losses in 2020/21, which were likely to be significant.

Members noted that a review of the year end underspends compared to the 2019/20 budget had resulted in officers identifying an ongoing pressure of £15K for the 2020/21 General Fund budget.

The Portfolio Holder for Resources commented that the 2019/20 Housing Revenue Account (HRA) net deficit was £973,000 less than the budget. £390,000 was identified and requested for carry forward (as detailed in Paragraph 4.7.8 of the report). The HRA balance at the year-end was £19.8Million and total HRA balances were £53.6Million including capital reserves, of which £10Million were restricted use 1 for 1 receipts and £16.4 Million restricted to known risks, revenue overspends and repayment of debt.

The Executive was informed that the Council had investment balances of £54.8Million at the year end. Some of these balances related to provisions, creditors not yet paid, and collection fund balances held on behalf of other preceptors.

The Strategic Director (CF) undertook to draft a letter for submission to the Government's Housing Minister reinforcing SBC's continued request to him that local authorities be permitted to retain (rather than hand back to the Government) their 1 for 1 right to buy capital receipts for a longer period, to enable re-investment in the housing stock via the building of new homes.

It was **RESOLVED**:

### **General Fund**

1. That the 2019/20 actual net expenditure on the General Fund of £6,965,145 be noted, subject to the 2019/20 audit of the Statement of Accounts.
2. That carry forward requests totalling £794,510 be approved for the General Fund (Paragraph 4.3.1 of the report).
3. That the ongoing pressure from 2020/21 of £14,970 on the General Fund be approved.
4. That part of the additional 2019/20 business rate gains (£788,106) be set aside in an allocated reserve to protect the General Fund against business rate losses in 2020/21 (Paragraph 4.2.14 of the report).

### **Housing Revenue Account**

1. That the 2020/21 actual in-year deficit on the Housing Revenue Account (HRA) of £1,482,648 be noted, subject to the audit of the Statement of Accounts.
2. That the new carry forward requests totalling £390,440 be approved for the HRA (Paragraph 4.7.8 of the report).

*Reason for Decision: As contained in report.*

*Other Options considered: As contained in report.*

## **9 CAPITAL EXPENDITURE OUTTURN 2019/20**

The Executive considered a report in respect of the Capital Programme Outturn position for 2019/20.

As with the Revenue Budget outturn report, the Portfolio Holder for Resources confirmed that the figures contained in the report are subject to external audit and may change. She advised that the General Fund capital expenditure for 2019/20 was £13.140Million, £4.198Million lower than that estimated in the 3<sup>rd</sup> Quarter monitoring report, largely due to underspends on Housing Development and Regeneration scheme. The breakdown of the variances and slippage was set out in the report.

The Portfolio Holder for Resources explained that the 2020/21 General Fund capital programme has been updated accordingly, and was now forecast to be £38.589Million. She added that capital resources available to the General Fund had increased in the short term due to the release of a previously ring-fenced regeneration receipt, to remove the need for revenue financing in 2019/20 and reduce it in 2020/21. This had been reflected in the revised Medium Term Financial Strategy agreed in June 2020, approved in order to mitigate the impact of Covid-19. However, there were potential resourcing pressures due to the continuing impact of Covid-19, and officers were working on revised estimates.

In terms of the Housing Revenue Account (HRA), the Portfolio Holder for Resources advised that capital expenditure for 2019/20 was £30.387Million, £445,000 higher than that estimated in the 3<sup>rd</sup> Quarter monitoring report. This was primarily due to a higher level of spend on the refurbishment contracts than anticipated at Quarter 3, when £3.2Million of spend was slipped to 2020/21.

The Portfolio Holder for Resources stated that the 2020/21 HRA capital programme had been updated accordingly, and was now forecast to be £53.610Million, a reduction of £443,000. This reflected the decrease due to accelerated spend in 2019/20.

It was noted that capital resources available to the HRA, as at 1 April 2020, were £14.5Million, of which £10Million was restricted use 1 for 1 receipts.

It was **RESOLVED**:

1. That the 2019/20 General Fund capital expenditure outturn of £13.1Million be noted, subject to the completion of the 2019/20 external audit of accounts.
2. That the 2019/20 Housing Revenue Account (HRA) capital expenditure outturn of £30.4Million be noted, subject to the completion of the 2019/20 external audit of accounts.
3. That the funding applied to the 2019/20 General Fund capital programme be approved, as summarised in Paragraph 4.2.1 of the report.
4. That the funding applied to the 2019/20 HRA capital programme be approved, as summarised in Paragraph 4.5.1 of the report.
5. That the 2020/21 General Fund capital programme net increase of £571,000, as detailed in Appendix A to the report, be approved, comprising of:
  - £3.9Million slippage from 2019/20 (as detailed in Paragraph 4.3.8 of the report);
  - £3.3Million re-profiled into 2021/22;
  - £125,000 reduction to mitigate the impact of Covid-19 on revenue resources available to support the capital programme; and
  - an additional net reduction of £10,000 funding no longer required in 2020/21.
6. That the 2020/21 HRA capital programme net decrease of £0.4Million, due to slippage into 2019/20, be approved, as summarised in Paragraph 4.6.1 and as detailed in Appendix B to the report.
7. That the use of £15,000 from the Deferred Works Reserve for 3 CCTV cameras which need to be replaced, as set out in Paragraph 4.3.4 of the report, be approved.

*Reason for Decision: As contained in report.*

*Other Options considered: As contained in report.*

## 10 URGENT PART I BUSINESS

### Chancellor of the Exchequer's Summer Economic Statement

The Strategic Director (CF) provided the Executive with summary details of the Chancellor of the Exchequer's Summer Economic Statement, which aimed to assist various sectors in their recovery from the Covid-19 lockdown. This included:

- Job Retention Bonus – intending to reward and incentivise employers who retained their furloughed staff in employment (a one-off payment to employers of £1,000 per furloughed member of staff through to the end of January 2021) – estimated cost: £9.4Billion;
- Kickstart Scheme to stimulate the creation of six month work placements for 16 – 24 year olds – funding for each job to cover 100% of the minimum wage for 25 hours, plus associated N.I. contributions – estimated cost: £2.1Billion;
- Mixture of other measures, costing £1.6Billion, intended to boost work research skills and apprenticeships, including payments to employers who hire new apprentices from 1 August 2020 to 31 January 2021;
- Traineeships for 16 – 24 year olds – an additional £111M this year;
- Enhanced work support - £895M to double the number of work coaches in Job Centre Plus;
- Flexible Support Fund – funding increased by £150M;
- Reduction in VAT from 20% to 5% for the hospitality, accommodation and attraction sectors, to run from 15 July 2020 to 12 January 2021 – estimated cost: £4.1Billion;
- Eat out to Help Scheme – entitling diners to a 50% discount (up to £10 per head) on their meals bills at any participating restaurant/food service provider (valid Monday to Wednesday through August 2020) – estimated cost: £500,000;
- Public Sector decarbonisation – investment of £1Billion over the next year, offering grants to fund energy efficiency projects and low carbon heat upgrades;
- Social Housing decarbonisation – to help social landlords to improve the least energy efficient social-rented homes – estimated cost: £1.1Billion;
- Green Homes Grant - £2Billion, providing £2 for every £1 homeowners and landlords spend to make homes more energy efficient (up to £5,000 per household); and
- Temporary increase of the nil band on residential tax for purchase of properties (Stamp Duty) – no tax on properties sold up to £500,000, and with the tax tapered for properties in excess of £500,000.

The Leader commented that officers would need to look into the detail of the various proposals before the Council would be in a position to respond.

In respect of the situation with regard to the leisure industry, the Chair requested officers to draft a letter for submission by the Portfolio Holder for Children, Young People, Leisure & Culture to the Secretary of State for Culture, Media & Sport requesting that a fair proportion of the £1.5Billion recovery funding allocated by the

Government for theatres, galleries and museums be ring-fenced for regional theatres or, failing that, additional dedicated Government funding be allocated for this purpose.

#### **11 EXCLUSION OF PRESS AND PUBLIC**

It was **RESOLVED**:

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

#### **12 PART II MINUTES - EXECUTIVE - 10 JUNE 2020**

It was **RESOLVED** that the Part II Minutes of the meeting of the Executive held on 10 June 2020 be approved as a correct record for signature by the Chair.

#### **13 URGENT PART II BUSINESS**

None.

#### **CHAIR**

## STEVENAGE BOROUGH COUNCIL

### OVERVIEW AND SCRUTINY COMMITTEE MINUTES

Date: Tuesday, 14 July 2020

Time: 6.00pm

Place: Virtual (via Zoom)

**Present:** Councillors: Lin Martin-Haugh (Chair), Philip Bibby CC (Vice-Chair), Sandra Barr, Laurie Chester, Michael Downing, Michelle Gardner, Andy McGuinness, John Mead, Sarah Mead, Adam Mitchell CC, Robin Parker CC, Claire Parris and Simon Speller

**Start / End Time:** Start Time: 6.00pm  
End Time: 7.00pm

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

Apologies for absence were received on behalf of Councillor Sarah-Jane McDonough.

There were no declarations of interest.

#### 2 **MINUTES - OVERVIEW AND SCRUTINY COMMITTEE - 17 JUNE 2020**

It was **RESOLVED** that the Minutes of the meeting of the Overview and Scrutiny Committee held on 17 June 2020 be approved as a correct record for signature by the Chair.

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

The Committee considered the decisions on the following matters arising from the Executive meeting held on 8 July 2020.

##### **Minutes of the Executive – 10 June 2020**

Noted.

##### **Minutes of the Overview & Scrutiny Committee and Select Committees**

Noted.

##### **Coronavirus (Covid-19) Incident Update Report and Recovery Plan**

###### a. Covid-19 Data Sharing

In response to a request that Ward level Covid-19 data be provided to Ward Members, Strategic Director (RP) informed the Committee that the Council would share as much data as was permitted under Public Health England's data sharing agreement with local authorities. PHE shared some data in confidence with

Category One responders such as SBC. Officers would also provide ONS data and Ward level response data from Stevenage Helps and other sources.

Strategic Director (RP) reported that there was a lag in the supply of ONS data to local authorities. The Council would publish some unrestricted Covid-19 data on the website.

b. Primett Road Car Park

Members raised questions relating to the additional Executive recommendation to offer 3 hours free car parking in the former Waitrose Car Park (Primett Road) for the next six months, and reviewed thereafter.

Strategic Director (TP) informed the Committee that the recommendation for free parking provision at Primett Road car park was not included in the Recovery Report submitted to the Executive because the latest discussions with Hertfordshire County Council (HCC) on specific sites had taken place just the Executive meeting.

As part of Incident Management arrangements, HCC had been working through prioritised sets of proposals for different towns within the County. Movement plans for Stevenage High Street had originally been identified as the second batch of those potentially requiring work. The Council (SBC) had anticipated displacement of parking provision in the Old Town High Street as a result of social distancing, appropriate queuing, recommendations for outdoor seating and the work on the High Street. It was anticipated that there would be some displacement of parking from the High Street as part of the works. It was felt appropriate to offer the same capacity of free parking for the same duration at the under-utilised Primett Road (Old Waitrose) car park to those displaced from the High Street.

c. Outdoor Seating Licensing

A Member reported that some district councils were reluctant to take responsibility for licences of outdoor seating facilities. With regards to the Council's position on this issue, Strategic Director (TP) informed Members that he was not aware of any concerns from Licensing or wider Planning and Regulation officers surrounding the issuing of licences for outdoor seating facilities in Stevenage. SBC and HCC officers were considering the option of issuing licensing for outdoor seating for some businesses in Stevenage. Officers were keen to collaborate to ensure that business requests for outdoor seating were met.

### **Housing First Approach at Stevenage Borough Council in Response to the Rough Sleeping Crisis**

Noted.

### **A Co-operative Inclusive Economy Charter**

Members welcomed the Charter and commented that it was important to link the Charter to community and neighbourhood management work and the promotion of local purchasing. A Member sought clarification on plans to use the Charter to engage those who were not affiliated to formal organisations within the community. Assistant Director (Communities and Neighbourhoods) assured Members that the



Charter would be captured in the resumption of the Neighbourhood Management Programme and it would be used in the engagement with existing community groups or new collectives of residents.

The Assistant Director also indicated that the adoption of the Charter would lead to a review of the Council's procurement strategy to make explicit reference to community wealth building. It was noted that the Charter would be key in efforts to revive the local economy post-Covid-19.

### **2019/20 Annual Report and Performance Overview**

A Member sought clarification on the possibility of a review of the Council's Climate Emergency Strategy in light of the Covid-19 pandemic. It was noted that the pandemic had highlighted the urgency of progressing the Climate Emergency Strategy. However, social distancing requirements placed restrictions on the convening of meetings and events to discuss the Climate Emergency.

Strategic Director (TP) reported that due to the Covid-19 pandemic, the Council's Strategic Climate Change Member Group was having a wider look at the Climate Emergency Strategy. It was noted that Areas of potential that were unimaginable six months ago were now appear possible. The Council had adopted remote working arrangements wherever possible. The Council was reviewing workforce practices and building management and this was likely to lead to further reductions in the carbon footprint for Stevenage. In light of Covid-19 recommendations to minimise the use of public transport, partners in Hertfordshire were exploring ways of increasing and improving cycleways. The Strategic Director also stated that the Council was looking at projects that could benefit from the recently announced Green Homes Grant scheme.

### **4th Quarter Revenue Monitoring Report 2019/20 - General Fund and Housing Revenue Account**

In response to a question about the overspend on indirect staff costs, Strategic Director (CF) informed the Committee that these costs related to the recruitment of staff while a restructuring of the Housing and Investment Business Unit was being carried out. The recruitment process for some of the posts took longer than expected and this increased financial pressures.

### **Capital Expenditure Outturn 2019/20**

Noted.

### **Urgent Part I Business**

#### Chancellor of the Exchequer's Summer Economic Statement

The Strategic Director (CF) provided the Committee with summary details of the Chancellor of the Exchequer's Summer Economic Statement. The Council was still awaiting details of the Income Guarantee Scheme.

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

None.

5 **URGENT PART I BUSINESS**

None.

6 **EXCLUSION OF PRESS AND PUBLIC**

It was **RESOLVED**:

1. That, under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as described in paragraphs 1 to 7 of Part 1 of Schedule 12A of the Act, as amended by SI 2006 No. 88.
2. That having considered the reasons for the following item being in Part II, it be determined that maintaining the exemption from disclosure of the information contained therein outweighed the public interest in disclosure.

7 **PART II MINUTES - OVERVIEW AND SCRUTINY COMMITTEE - 17 JUNE 2020**

It was **RESOLVED** that Part II Minutes of the meeting of the Overview and Scrutiny Committee held on 17 June 2020 be approved as a correct record for signature by the Chair.

8 **PART II DECISIONS OF THE EXECUTIVE**

It was **RESOLVED** that the Part II decisions of the Executive meeting held on 8 July 2020 be noted.

9 **URGENT PART II DECISIONS AUTHORISED BY THE CHAIRMAN OF THE OVERVIEW AND SCRUTINY COMMITTEE**

None.

10 **URGENT PART II BUSINESS**

None.

**CHAIR**

**Meeting** Executive  
**Portfolio Area** Neighbourhoods & Cooperative Working  
**Date** 12th August 2020



## CO-OPERATIVE NEIGHBOURHOODS

### KEY DECISION

**Authors** Robert Read | 2504  
**Lead Officers** Rob Gregory | 2568

### 1 PURPOSE

- 1.1 This report provides an update on the implementation of Co-operative Neighbourhoods, following approval of the programme by the Executive in December 2019. The objectives of Co-operative Neighbourhoods are to coordinate services at a neighbourhood level, provide clear points of accountability, and support the activities of residents and communities who want to improve their neighbourhoods and create new opportunities. This will involve the creation of six, geographically based, Co-operative Neighbourhoods Teams.
- 1.2 The report is primarily concerned with the organisational changes that officers are making to support the community leadership role of Councillors, whose main focus will be on the wards they represent. It also sets out the direction for the Co-operative Neighbourhoods programme, which will evolve

through practice and learning and from the input of Councillors, staff, and residents. Attached to the report is a 'Guide for Councillors', to help describe the approach, and which will be further developed over time, based on learning and feedback from the months ahead. This will use a Cooperative approach, engaging and sharing learning and experience across Members, residents, community groups and Officers and will inform future arrangements.

- 1.3 Details are provided of the recent decision, taken by the Co-operative Neighbourhoods Strategic Board, to resume implementation with a revised strategy. This follows the pause in development caused by the COVID-19 pandemic. The revised strategy will see the six Co-operative Neighbourhoods Teams set up simultaneously, rather than building a prototype in one area, as previously planned. A 'whole council' approach will be taken from the start, joining up all council functions to ensure holistic neighbourhood focus and delivery. To support the expedited strategy, Strategic and Operational Leads have been appointed for each Co-operative Neighbourhoods Area.

## **2 RECOMMENDATIONS**

- 2.1 It is recommended that the Executive:
- I. considers and endorses the revised strategy for resuming the development of Co-operative Neighbourhoods.
  - II. approves the Guide for Councillors (see **appendix C**) which will be sent out to all Borough and County Councillors across Stevenage.
  - III. delegates future decisions on development of the strategy to the Strategic Director (RP), in consultation with the Co-operative Neighbourhoods Strategic Board.

### 3.0 BACKGROUND

“It contains an essential decency and a sense of community – nothing saccharin or pious, a simple responsibility of one for the other”<sup>1</sup>

- 3.1 Co-operative Neighbourhoods has long been an ambition of the Council and is one of the five strategic priorities in the Future Town Future Council Plan. There have been several attempts to implement strategies and programmes that turn ambition into action and outcomes; either through efforts to create the right culture amongst officers, the targeting of investment on priorities arising from community consultation, or through Councillor-led action to develop grass-roots plans which have the ownership of the community. The development of the Co-operative Neighbourhoods operating model recognises and sets out to learn from initiatives such as the Pin Green Community Plan and the Neighbourhood Investment Programme, building on their successes and understanding their challenges and limitations.
- 3.2 In December 2019, the Executive approved an approach which would enable senior managers to support the shift from top down, service-led delivery to an approach of supporting staff to work with each other and with the community. This would see staff not only working alongside existing community leaders and groups but would also recognise the value of everyday conversations with residents. This will help in understanding how well council services are meeting their purpose, at a community level, and how residents can be connected, supporting them to find their own ways of working on things that matter to them.
- 3.3 The outbreak of COVID-19 led to a pause in the programme’s development and a chance for reflection on how best to proceed when circumstances allow. COVID-19, though, is just one of the contexts in which Co-operative Neighbourhoods is being developed. As will be discussed later in this report, Co-operative Neighbourhoods provides a way in which communities can recover, reconnect, and build on their strengths in the next stages of the pandemic. It also provides a way in which the Council can: engage with

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<sup>1</sup> *Municipal Dreams* on the nature of Stevenage as the first New Town.  
<https://municipaldreams.wordpress.com/2013/11/05/stevenage-new-town-building-for-the-new-way-of-life/>

communities on climate change; respond to recent community concerns about racism and inequality; and ensure that community identity, resilience and representation are primary considerations in any future changes to local government.

- 3.4 The Co-operative Neighbourhoods Strategic Board, chaired by Cllr Rob Broom and made up of key officers from across council departments, met on 2<sup>nd</sup> July to consider a revised strategy for implementing Co-operative Neighbourhoods. The strategy they endorsed had also been approved by the Future Town Future Council Board, a senior officer group responsible for the strategic management of the council's corporate plan. Co-operative Neighbourhoods will: provide a structure to support recovery from the impact of COVID-19; play a central role in the Council's Transformation Programme; and support the Council, working with residents, to define the 'new normal' - based on building Co-operative Neighbourhoods and a Co-operative Town.
- 3.5 The impact of Covid-19 in Stevenage has demonstrated the value of Co-operative Neighbourhoods, bringing into sharp focus the role of neighbourliness, community, resilience, and the importance of connectivity. It has shown the vital importance of frontline district council services and the responsiveness, flexibility, and problem-solving skills of staff. 'Stevenage Helps' has underlined the importance of the Council's community leadership role – including providing direct support to over 600 vulnerable people - and the importance of co-production, planning, organisation and collaboration at a neighbourhood level.
- 3.6 The response built on the strengths of communities, whilst ensuring that the vulnerable were supported. Co-operative principles meant that, rather than focusing on thresholds and data analysis, the service prioritised listening and responding to demand, seeing callers as citizens and contributors to the Borough who, at this time, needed some extra help. The provision of support was accompanied by the co-production of sustainable, individually tailored, longer term solutions.
- 3.7 The further development of Co-operative Neighbourhoods, which had been about to 'go live' in the prototype area at the beginning of April 2020, was

paused due to COVID-19. However, during the current pandemic, co-operative neighbourhoods have undoubtedly been seen in action, including the example in paragraphs 3.10 and 3.11 below.

- 3.8 Resumption of the programme will begin in the certain knowledge that its three principles - co-ordination of services, establishing clear points of accountability and supporting the activities of residents and communities who want to improve their neighbourhoods and create new opportunities – will increase the resilience of both the community and the Council and their ability to deal with what comes next.
- 3.9 It is clear that the longer term impact of the current crisis will require a response that prioritises social and economic well-being, provides an antidote to the effects of ‘social distancing’ and offers the connectivity that enables people and communities to recover and thrive.
- 3.10 The crisis has also demonstrated that Co-operative Neighbourhoods is not an end in itself. Its real value is as an integral part of a broader, often complex system of people, community activity, services, local and national government, and commerce. An example of how this ‘systems approach’ manifested itself during the pandemic began with the response by the Council’s regeneration partner, Reef.
- 3.11 Reef facilitated connection with Groop, a “socially focused business”, who had developed an App providing a ‘community management platform’. By working with Groop, ‘Stevenage Helps’ was able to develop the App, not only to maintain details and connection with community volunteers, but also to ‘case manage’ calls and process requests for help. The App will prove useful well beyond the pandemic, in helping to connect the Council with the volunteers who will be part of the co-operative model. In the same way, volunteers will also be connected to each other. It demonstrates how community-based work and new technology can be mutually supportive and why Co-operative Neighbourhoods will be a vital part of the Council’s Transformation Programme.

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

- 4.1 Developing Co-operative Neighbourhoods requires an understanding of how the Council's services, ambitions and plans as a whole manifest themselves at neighbourhood level. The crisis provides an impetus to reinvigorate a co-operative approach which sees communities as equal players in visioning the future, as well as designing and delivering services. The Council's community leadership role will bring key partners that make up the 'system' to work closer together. This will happen at a strategic level, through 'Stevenage Together' and the 'Recovery Task Force', but also at an operational and neighbourhood level, with partners becoming an integral part of the Co-operative Neighbourhoods Teams.
- 4.2 Much of the impetus for the development of Co-operative Neighbourhoods has been the desire to respond to demand more proactively, in a joined-up way, to solve problems and provide support. Whilst this will remain a key part of its role in the future, the plans for resumption bring an opportunity to give a clearer *purpose* for Cooperative Neighbourhoods. This will also help to define what the council's collaboration with communities and partners, in the long term, is looking to *create*.
- 4.3 The new purpose for Co-operative Neighbourhoods, endorsed by the Board and against which the success of its implementation will be measured, is set out below.
- 4.3.1 The purpose of Cooperative Neighbourhoods is to provide area-based structures that enable Officers and Ward Councillors to work together with community stakeholders.** Co-operative Neighbourhoods provides the means by which:
- I. The Council's staff and elected Members engage with **residents** on what matters to them, visions the future, and plans what needs to be done to get there together
  - II. **Residents** are supported to develop projects and activities that help to build connected, cohesive, and supportive communities



- III. **Councillors and Residents** are invited and encouraged to be involved at all stages of the planning, design and delivery of projects and services which impact on them and their neighbourhood
- IV. **Staff** from across the council come together to deliver services and projects collaboratively, involving and responding to issues raised by residents and finding sustainable, co-produced, solutions to problems
- V. **Staff** gain knowledge of how well services are achieving their purpose by understanding the everyday experiences of residents
- VI. **Staff** and managers use the knowledge gained about services to drive continuous improvement, not only in delivering their purpose and effectiveness, but in their efficiency and economy
- VII. The Council engages its **partners** to support the activities and build on the strengths of residents and communities who want to improve their neighbourhoods and create new opportunities. They will respond to the needs of individuals and communities, and build a shared vision of the future
- VIII. A **co-operative and collective** relationship between the public sector, citizens and elected representatives will be forged, in which all are clear about organisational and individual responsibilities, as well as the “responsibility of one for the other”

#### **4.4 Revised Strategy for resuming the development phase of Cooperative Neighbourhoods**

- 4.4.1 The current situation, of adjusting to life with covid-19, presents an opportunity to review what is of greatest importance for the Council over the next period. There is an interconnectedness about the Council’s priorities and activities and building Co-operative Neighbourhoods provides an opportunity to link them together. That way, for example, regeneration, becoming a place of choice, meeting housing need, tackling climate change, and community wealth building are thought of and managed at a neighbourhood level, ensuring that they relate to the everyday experience of residents.
- 4.4.2 In order to expedite the implementation of Co-operative Neighbourhoods so that it contributes fully to recovery and transformation, whilst responding to the new operating environment, the Co-operative Neighbourhoods Strategic

Board has agreed changes to the delivery strategy and project plan as set out below.

#### **4.5 Changes to the Project Plan**

- 4.5.1 Co-operative Neighbourhoods Teams will be set up and become fully operational simultaneously, across all six areas at once, rather than building a prototype in one area as originally planned.
- 4.5.2 Whilst the advanced preparation undertaken in Housing and Investment, SDS and Communities & Neighbourhoods will mean that those services will still lead the roll-out, Co-operative Neighbourhoods will now be developed as a whole council approach, joining up all functions of the Council: strategic and operational; proactive and responsive; front-line and support; and community based, regulatory and statutory services.
- 4.5.3 Whilst there will continue to be great emphasis placed on putting change and decision making in the hands of frontline staff, there will, in the first instance, be a greater level of strategic and operational leadership required. Strategic and Operational Leads have been appointed for each Co-operative Neighbourhoods Area (See **appendix A**).
- 4.5.4 The role of the two 'Leads' will not be to 'line-manage' staff in the teams, to resolve individual service issues or respond to day to day enquiries. The role will be to encourage a problem-solving approach in the teams, drawing on experience and expertise from a wide variety of services and backgrounds - where necessary they will remove barriers to progress. Crucially, they will help build the confidence of staff, enabling them to make decisions and to take control and responsibility for their own work, as well as being responsible to their colleagues.
- 4.5.5 Between now and the end of September 2020, the focus will be on three key elements of the strategy to develop Co-operative Neighbourhoods.
  - 1. Setting up the Co-operative Neighbourhoods **Structures** in each of the 6 areas.
  - 2. **Analysis** of all existing demand for services and all current and planned activity in the 6 neighbourhoods.

3. The first stage in the development of **Community Plans**. At this stage, the plans will be limited to setting out existing activity and known plans for investment and projects specific to each neighbourhood. This is a preliminary stage in the development of Community Plans to give visibility to existing and planned activity in neighbourhoods. For each neighbourhood they will set out:
- Current plans for investment and improvements
  - Planned community projects and activities
  - The issues that have been prioritised with Ward Councilors and the community, that the Co-operative Neighbourhoods Team will work on together over the next period. In the first instance, these will largely be the work of staff in consultation with Councillors, but future development of the plans will ensure they are more community led.
  - Corporate priorities that will include neighbourhood based work as part of the delivery strategy
  - Priorities identified with the community for possible action in the future. Again, In the first instance, these will largely be the work of staff in consultation with Councillors, but future development of the plans will ensure they are more community led.

#### **4.6 Further development of Community Plans**

- 4.6.1 By the end of September, plans will only be at their first, or preliminary stage. Initial discussions will take place with Ward Councillors in early September, but this is only intended as the beginning of a continuous process to establish Community Plans as co-productions of the Council (Councillors and staff) and the community, ensuring that they are jointly owned.
- 4.6.2 The Strategic and Operational Leads will agree, with Ward Councillors, how they will work together to ensure that the Plans reflect the immediate issues raised by residents, as well as longer-term aspirations. Although they will begin as summaries of the priorities, projects and investments of the council, they will, in the future, also include the plans of other public sector bodies.

Crucially, they will reflect the way in which communities themselves are shaping their neighbourhoods and are supported to work together on what matters most to them.

- 4.6.3 The Plans and the process for producing them are not designed to be the work of officers working to standardised mechanisms and timetables for consultation with Councillors and the community. Instead, they are designed to encourage and reflect a more dynamic, co-operative approach in which the Plans are co-produced by all of those with a stake in the area. Whilst they are designed to capture short to medium-term aspirations, they can be built on by Ward Councillors and communities who want to exert greater levels of influence and control – see 4.6.6.
- 4.6.4 Although there will be a standardised way of presenting the Plans, the process for producing and reviewing them will vary from area to area, reflecting local agreement. However, over the course of the first twelve months of Co-operative Neighbourhoods, the Plans will become established and will represent a vision for the area which is clear about everybody's role in making it happen.
- 4.6.5 Community Plans are not the same as Neighbourhood Plans, which were introduced by the 2011 Localism Act. Neighbourhood planning is a statutory right, which communities in England can elect to use, giving them direct power to choose where they want new homes, shops and offices to be built, what those new buildings should look like and what infrastructure should be provided. If adopted, Neighbourhood Plans have the same legal status as a local plan and form part of the statutory development plan.
- 4.6.6 Community Plans have no statutory basis but can provide a less formal way for communities to influence what happens in their area across a range of issues. They can act as a starting point for more detailed, aspirational plans for neighbourhoods or parts of neighbourhoods where there are more focused place-based programmes, such as regeneration schemes, or where there is a local desire from communities for greater levels of control or influence over decision making. They can also open up discussion and

provide a way of enabling and supporting communities that are interested in taking the more formal steps of applying for a Neighbourhood Plan.

4.7 **Appendix B** shows the key project milestones for the development phase of Co-operative Neighbourhoods.

#### 4.8 **The role of Councillors**

4.8.1 The role of Members, as community leaders, advocates for their neighbourhoods and first port of call for many residents, will be vital to the success of Co-operative Neighbourhoods. A guide for Members is set out in **appendix C**.

#### 4.9 **Other options considered**

4.9.1 With regard to other options, consideration was given to continuing the implementation in line with the strategy agreed by the Executive in December 2019. However, resetting the timetable would mean a further six months from recommencement to implementation. Continuation of the original strategy would also have required further reliance on a project management approach.

4.9.2 The revised strategy has the advantage of greater speed, making up for pausing of the programme due to COVID-19. It will ensure that the structure for Co-operative Neighbourhoods is in place to support the community in the aftermath of COVID-19. Increasing the amount of senior management support will give it increased resilience and direction in the early stages of the programme's development and allow it to move more quickly from being a project to being a functioning operating model. It will also enable Co-operative Neighbourhoods to be more closely aligned with the Transformation Programme; developing new ways of working, use of IT and the potential to make savings through more efficient, effective, and economical ways of working. It can galvanise the efforts of the whole Council in aligning strategy and delivery around a primary strategic objective - Building Co-operative Neighbourhoods.

4.9.3 For the reasons set out, both the Future Town Future Council Board and the Co-operative Neighbourhoods Strategic Board supported the change in approach.

#### **4.10 Further Appendices**

4.10.1 **Appendix D** shows the Communication Plan for the first year of Co-operative Neighbourhoods.

4.10.2 **Appendix E** shows the draft template for Community Plans.

### **5 IMPLICATIONS**

#### **5.1 Financial Implications**

5.1.1 The initial development of Cooperative Neighbourhood teams will be cost neutral, in that it will be delivered by existing budgeted staff and resources.

5.1.2 In the future, once Co-operative Neighbourhoods is established, consideration should be given to the way in which budgets are set, which could move to an area and activity-based method of service delivery and investment. However, careful attention and consideration will also need to be given to any impact that changes have on any specific service charges.

5.1.3 It is expected that Cooperative Neighbourhoods will improve the efficiency and economy of service delivery, with the potential for savings arising from collaboration, driving out waste, reducing failure demand and exploration of alternative delivery options.

5.1.4 There may be a need to consider 'invest to save' initiatives that would support more effective area working, for example, training and development, enhanced IT, or adaptations to enable the use of community buildings as offsite workspaces. Growth requests will be submitted as part of the Financial Security budgeting process.

5.1.5 Should the programme require additional funding, growth bids will be submitted as part of the Financial Security budgeting process.

#### **5.2 Legal Implications**

5.2.1 There are no specific legal implications identified at this stage

### **5.3 Risk Implications**

- 5.3.1 A Project Risk Register forms part of the Project Plan and is reviewed with the Project Sponsor and by the Co-operative Neighbourhoods Strategic Board.

### **5.4 Policy Implications**

- 5.4.1 Future development of policies will need to determine how they relate to and impact on the different neighbourhoods of Stevenage

### **5.5 Environmental Implications**

- 5.5.1 Co-operative Neighbourhoods will be one of the means through which the Council will help residents to think about tackling climate change in their local environment. It is anticipated, therefore, that there will be positive environmental implications, in that Cooperative Neighbourhoods will enable greater engagement and opportunities for conversations with residents on environmental issues and support environmental based voluntary work.

### **5.6 Staffing and Accommodation Implications**

- 5.6.1 Staff will begin to relate both to their service structures and professional disciplines, as well as orienting their thinking and activity to the neighbourhood structure. For some staff this will involve increased presence in communities and greater engagement with residents. Much of the preparation for this change was anticipated in the recent Business Unit Reviews.
- 5.6.2 Some managers and staff may take on additional specific leadership responsibilities, such as Strategic Lead, Operational Lead, or leadership of collaborative projects or partnerships.

### **5.7 Human Resources Implications**

- 5.7.1 As above, but it should specifically be noted that the neighbourhood teams will operate without traditional hierarchical management structures. This will provide an opportunity for staff at all levels to develop leadership roles covering specific activities. A comprehensive Organisational Development

strategy needs to accompany the progression of Cooperative Neighbourhoods.

## **5.8 Equalities and Diversity Implications**

- 5.8.1 With the Council having agreed to form an Equalities Commission, Co-operative Neighbourhoods will provide a way in which many of the outcomes can be progressed. Cooperative Neighbourhoods will have positive equality and diversity implications, through a focus on greater engagement of residents and enabling the development of stronger communities. Building capability and extending networks can bring specific benefits for those experiencing disadvantage. It will aim to ensure that residents get the support they need, as well as being helped to help themselves. It will also enable greater focus on prevention and early intervention.
- 5.8.2 It will be essential to ensure that all voices are heard and that those who often find themselves excluded are supported to play a full part in the life and future of the community. An ongoing Equality Impact Assessment will build on the Full Inclusion Report produced following the recent community mapping exercise. This has started to give the Council far greater information about the spatial dimension of the Borough's diversity and the current picture relating to issues of equality.

## **5.9 Service Delivery Implications**

- 5.9.1 These are set out in the report.

## **5.10 Community Safety Implications**

- 5.10.1 It is anticipated that Co-operative Neighbourhoods will have positive implications for community safety, with a focus on community engagement and strengthening, early help, prevention and improved partnership working and case conferencing. Community Safety Officers are assigned to patches which also provides an operational link to the Police.



## **5.11 Information Technology Implications**

- 5.11.1 There will be a need for fast and effective IT support and new hardware/software considerations to assist the model. In the first instance there will be a need for technology that is able to connect teams remotely and to collect neighbourhood information in a way that is visible to all. Moving forward there will be a need to investigate how IT can help teams to have a full picture of what is happening across all services and IT platforms.

## **5.12 Safeguarding Children Implications**

- 5.12.1 See Community Safety implications. In addition, safeguarding considerations will follow the SBC policy with relevant frontline staff and responsible officers identified.

## **5.13 Other Corporate Implications**

- 5.13.1 The development and progression of Co-operative Neighbourhoods needs to be managed in tandem with other parts of the Council's transformation agenda. The nature of Co-operative Neighbourhoods means that change needs to happen from the front end of service delivery and community engagement and will require a scheme of delegated decision making to match. This needs to follow on from the experience of staff attempting to bring about the desired changes to engaging, responding, and planning.
- 5.13.2 There is an opportunity through Co-operative Neighbourhoods to enhance the youth work provision and this will be developed in partnership with the Youth Council.

## **APPENDICES**

- A Strategic and Operational Leads**
- B Updated Timetable for introducing Co-operative Neighbourhoods**
- C Co-operative Neighbourhoods – A Guide for Councillors**
- D Communications Plan**
- E Draft Community Plan Template**

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**Appendix A – Draft list of Strategic and Operational Leads – Subject to ratification by Co-operative Neighbourhoods Strategic Board on 5th August 2020**

<b>Co-operative Neighbourhoods Area</b>	<b>Strategic Lead Job Title &amp; Service</b>	<b>Operational Lead Job Title &amp; Service</b>
Bedwell & Pin Green	Assistant Director - Housing & Investment	Community Safety Manager, Communities & N'hoods
Chells & Manor	Assistant Director – Digital & Transformation	Culture, Wellbeing and Leisure Services Manager, Communities & N'hoods  Operations Manager – Providing Homes, Housing & Investment
Longmeadow & Roebuck	Strategic Director (TP)	Service Delivery Manager – Repairs & Voids, SDS
Old Town, Symonds Green & Woodfield	Strategic Director (RP)	Environmental Policy & Development Manager, SDS
Shephall & Bandley Hill	Assistant Director - SDS	Customer Services Manager, Corporate Projects, Technology and Customer Services  Operations Manager – Improving Homes, Housing & Investment
St Nicholas & Martins Wood	Assistant Director – Communities & Neighbourhoods	Operations Manager – Managing Homes, Housing & Investment

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## Appendix B – Updated Timetable for introducing Co-operative Neighbourhoods

By 14th August

All services will supply information about what plans they have for investment, improvements and projects in each of the 6 Co-operative Neighbourhoods Areas



By 4th September

All Co-operative Neighbourhoods Teams will have held an initial "virtual" team meeting. Staff will have the chance to share their knowledge and experience of the area and what they see as the priorities for working together.

The team will discuss the information that is available about demand in the area. They will discuss the plans Services have for investment, improvements and projects in the area. Finally, they will discuss training, development and support they need to be a successful team



By 11th September

The Strategic and Operational Leads, along with the Community Development Officers will meet with the Ward Councillors for each Co-operative Neighbourhoods Area to discuss the contents of the First Stage Community Plans



By 26th September

A First Stage Community Plan will be produced for each area showing existing and currently planned activity in each area



Following the First Stage Community Plans

Teams will agree how often they meet and will continue to develop next stages of the plans to reflect aspirations and activities of a wide range of community stakeholders. Teams will work together to address the issues they have prioritised and implement the investment, improvement plans and projects. They will look at new ways of working together and with Councillors and residents to improve the area and deliver better and more efficient services.

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### Co-operative Neighbourhoods – A Guide for Councillors

“Many different people and many varied services contribute to the welfare of local communities. But councillors are uniquely placed to develop strategies, shape thinking and take an active lead locally because they alone have been democratically elected to represent the interests of the people and the council”. (Local Government Association - A councillor’s workbook on community leadership; Oct 2017)<sup>1</sup>

The community leadership role played by Ward Councillors will be central to the success of Co-operative Neighbourhoods. Ward Councillors are both part of the Council and also deeply connected with and part of the community. The LGA’s workbook on Community Leadership sets out three reasons why this aspect of a Councillor’s role is now more important than ever:

- There is a primary responsibility to consult and involve all the stakeholders in their community – localism and devolution is about giving more say and power to local communities.
- Good leadership can help to improve the reputation of councillors and build trust among residents – in an era of tight fiscal constraint and public service reform, councils, and those elected to serve them need to do all they can to demonstrate that they are delivering value for money by keeping their residents well informed.
- To enable capacity building so that communities are empowered to solve their own problems without the need for costly statutory sector provision or intervention. This is not just about the need to save money – although that is undoubtedly a driving force – but is about the need to recognise that society is changing with a more connected population demanding greater participation in shaping the lives of their own communities.

#### What is ‘Co-operative Neighbourhoods’?

Co-operative Neighbourhoods is a partnership between council staff, Ward Councillors and the community. Its objectives are to coordinate services at a neighbourhood level, provide clear points of accountability, and support the activities of residents and communities who want to improve their neighbourhoods and create new opportunities. This will involve the creation of six, geographically based, Co-operative Neighbourhoods Teams, which will bring

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<sup>1</sup> *Councillor workbook: community leadership*. Local Government Association, October 2017. Available at <https://www.local.gov.uk/councillor-workbook-community-leadership>

## Appendix C - Co-operative Neighbourhoods – A Guide for Councillors

staff together from different parts of the Council to work as one team, focussed on that locality.

Co-operative Neighbourhoods is a way of working. It will provide a framework to support Councillors in maximising the effectiveness of their community leadership role.

As things progress, we want to add more people to the partnership – including other public sector staff such as those from the Police, County Council and Health.

### What will 'Co-operative Neighbourhoods' do?

Officers and Ward Councillors will work together, with other community stakeholders, to develop a Cooperative Neighbourhoods culture through which:

- I. The Council's staff and elected Members engage with **residents** on what matters to them, visions the future, and plans what needs to be done to get there together
- II. **Residents** are supported to develop projects and activities that help to build connected, cohesive, and supportive communities
- III. **Councillors and Residents** are invited and encouraged to be involved at all stages of the planning, design and delivery of projects and services which impact on them and their neighbourhood
- IV. **Staff** from across the council come together to deliver services and projects collaboratively, involving and responding to issues raised by residents and finding sustainable, co-produced, solutions to problems
- V. **Staff** gain knowledge of how well services are achieving their purpose by understanding the everyday experiences of residents
- VI. **Staff** and managers use the knowledge gained about services to drive continuous improvement, not only in delivering their purpose and effectiveness, but in their efficiency and economy
- VII. The Council engages its **partners** to support the activities and build on the strengths of residents and communities who want to improve their neighbourhoods and create new opportunities. They will respond to the needs of individuals and communities, and build a shared vision of the future
- VIII. A **co-operative and collective** relationship between the public sector, citizens and elected representatives will be forged, in which all are clear about organisational and individual responsibilities, as well as the "responsibility of one for the other"



## **Appendix C - Co-operative Neighbourhoods – A Guide for Councillors**

### **What are the six Neighbourhoods?**

Each 'neighbourhood' is a combination of two or three Borough Council wards. The six neighbourhoods are:

- Bedwell & Pin Green
- Chells & Manor
- Longmeadow & Roebuck
- Old Town, Symonds Green & Woodfield
- Shephall & Bandle Hill
- St Nicholas & Martins Wood

These neighbourhoods provide simple and manageable geographic and administrative boundaries, but it should be recognised that they do not necessarily accord with the way residents think of their community. Residents' definitions are more likely to be individually conceived, flexible and multi-faceted, reflecting the many different aspect of people's lives. This needs to be a key consideration in the way that the Council responds to what matters to residents rather than relying on fixed notions of what make a community.

### **How will 'Co-operative Neighbourhoods' be managed?**

Co-operative Neighbourhoods will not replace the existing management and service structures. It will though, add value by providing a framework to support greater collaboration between services. The Council wants to enable its staff to use their strengths, knowledge, and experience to make a difference to communities - by making informed decisions, resolving issues more quickly and helping to bring about sustainable improvements.

The emphasis will be on collaboration, not only across teams, but also between different levels of the organisation. Whilst there will be no formal management arrangements in the Co-operative Neighbourhoods Teams, each one will be supported by a 'Strategic Lead' and an 'Operational Lead'. These roles will be filled by existing managers. They will be key points of contact for Ward Councillors in support of their community leadership role and ensure that 'Co-operative Neighbourhoods' responds to the needs of the local community.

### **How will I know who is in my Co-operative Neighbourhoods Team?**

Information on each Co-operative Neighbourhoods Team will be available electronically. In addition to information about the neighbourhood and Ward Councillors, it will list the Strategic and Operational Lead as well as details of all the staff that make up the team.

## Appendix C - Co-operative Neighbourhoods – A Guide for Councillors

### How will Co-operative Neighbourhoods work in practice?

There will be no 'one size fits all' approach to Co-operative Neighbourhoods. It will be up to the teams themselves, working with Ward Councillors and the local community, to find ways of working which meet the purpose of Co-operative Neighbourhoods set out above, whilst responding to the particular strengths and needs of each neighbourhood. There will, however, be certain things that will be common to each team.

- The **structure** of Strategic Lead, Operational Lead and team members drawn from across the Council
- **The use of data** from different sources to ensure a greater understanding of the specifics of each neighbourhood. This will include demographic, service performance, health, employment, crime and anti-social behaviour and environmental data
- A focus on understanding the **everyday experiences** of residents in the neighbourhood, what matters to them, their aspirations, and concerns
- The gathering together of information about **investment and projects specific to each neighbourhood**, so that all involved can have knowledge about, support and add value to each other's work.
- **Communicating** on a regular basis – with each other, as a team, with Ward Councillors and with community groups
- Setting out what will be happening in the neighbourhood in a **Community Plan**. The 'first stage' of these Plans, to be put together by the end of September 2020, will be largely made up of what is already known about council activity and plans in the neighbourhood. However, as Co-operative Neighbourhoods progresses, it is important that the Plans reflect the aspirations and actions of Ward Councillors and communities, so everyone has ownership over them.

### How will Community Plans develop after the 'first stage'?

The Strategic and Operational Leads will agree, with Ward Councillors, how they will work together to ensure that the Plans reflect the immediate issues raised by residents, as well as long-term aspirations for the area. Although they will begin as summaries of the priorities, projects and investments of the Council, in future they will include the plans of other public sector bodies. Crucially, they will reflect the way in which communities themselves are supported to work together on what matters most to them.

## **Appendix C - Co-operative Neighbourhoods – A Guide for Councillors**

The Plans and the process for producing them are not designed to be the work of officers working to standardised mechanisms and timetables for consultation with Councillors and the community. Instead, they are designed to encourage and reflect a more dynamic, co-operative approach in which the Plans are co-produced by all of those with a stake in the area. Although there will be a standardised way of presenting the Plans, the process for producing and reviewing them will vary from area to area, reflecting local agreement. However, over the course of the first twelve months of Co-operative Neighbourhoods, the Plans will become established and will represent a vision for the area which is clear about everybody's role in making it happen.

Whilst they are designed to capture short to medium-term aspirations, they can be built on by Ward Councillors and communities who want to exert greater levels of influence and control.

Community Plans are not the same as Neighbourhood Plans, which were introduced by the 2011 Localism Act. Neighbourhood planning is a statutory right, which communities in England can elect to use, giving them direct power to choose where they want new homes, shops and offices to be built, what those new buildings should look like and what infrastructure should be provided. If adopted, Neighbourhood Plans have the same legal status as a local plan and form part of the statutory development plan.

Community Plans, on the other hand, have no statutory basis, but can provide a less formal way for communities to influence what happens in their area across a range of issues. They can act as a starting point for more detailed, aspirational plans for neighbourhoods or parts of neighbourhoods where there are more focused place-based programmes, such as regeneration schemes, or where there is a local desire from communities for greater levels of control or influence over decision making. They can also open up discussion and provide a way of enabling and supporting communities that are interested in taking the more formal steps of applying for a Neighbourhood Plan.

### **How will I report issues and raise concerns on behalf of residents under the Co-operative Neighbourhoods way of working?**

Co-operative Neighbourhoods is built on the principles of staff being more embedded in communities, accountability and building relationships with residents. The Strategic and Operational Leads, supported by members of the Co-operative Neighbourhoods Team, will decide with Ward Councillors how they will work together to make progress on developing their Community Plan. Getting to know individual members of the team will be important in creating a culture in which staff, Ward Councillors and the community are equal partners.

## **Appendix C - Co-operative Neighbourhoods – A Guide for Councillors**

The Council though is also implementing strategies to encourage electronic communication and 'self-serve' as the most efficient way of managing transactions. Both approaches are important and can support each other and will be developed collaboratively. A balance between the two will need to be struck as both strategies are rolled out.

In recognition of this, and particularly while staff are learning and developing new ways of working, every effort should be made to ensure day to day service requests and complaints are channelled through the existing mechanisms, i.e. online, the Customer Service Centre and through Yoursay. Work will naturally be generated by staff being closer to communities and picking up on issues. However, routing service requests, enquiries and complaints through existing mechanisms will help service managers to maintain some control over the flow of work that goes to frontline staff in neighbourhood teams and ensure that they are manageable. The teams need to be given time and space to experiment, learn from what they are doing and develop more responsive, collaborative, efficient and effective ways of working.

It is important to note that Strategic and Operational Leads will not be responsible for resolving day to day service delivery issues within the neighbourhood. Where the issue cannot be resolved by the staff in the Co-operative Neighbourhoods Team responsible for that particular service, issues should be escalated to their line manager, rather than the Strategic or Operational Lead.

Community Plans will contain far more than repairs, maintenance and plans for physical improvements in the area. However, these will undoubtedly form an important element and getting this right will help to build the confidence and trust of the community. Further guidance will be provided which sets out the way in which both day to day issues and planned improvements will be dealt with, as well as how programmes agreed as part of the Council's budget and capital programme will be managed locally.

As Co-operative Neighbourhoods develops and closer working relationships are built between officers, Ward Councillors and the community, these processes will no doubt change. The important thing is that all those involved, including Ward Councillors, have a chance to learn from their experiences and influence how things develop in the future.

### **How can my Community Leadership role help Co-operative Neighbourhoods to be a success?**

“Community leadership is about councils, both councillors and officers, enabling local communities to determine their own future. It is not traditional, top-down leadership,

## Appendix C - Co-operative Neighbourhoods – A Guide for Councillors

but involves councillors and officers using all the tools at their disposal to engage communities in making their own difference. It promotes a partnership of shared commitment to promote a shared vision for the locality". (Local Government Association - A councillor's workbook on community leadership)

The LGA's workbook on Community Leadership sets out very clearly the vital role that Councillor's will bring to the Co-operative Neighbourhoods Team.

"The central concern for councils and councillors remains to promote the social, economic and environmental wellbeing of their areas, achieving sustainable communities. The key role is to:

- provide for local communities – articulation of aspirations, needs and priorities
- co-ordinate the actions of public, private, voluntary and community organisations
- shape and focus existing and future activities of these organisations to meet community needs."

It was noted earlier that there would be no prescribed way in which Co-operative Neighbourhoods would operate, beyond some common expectations set out above. Officers, Ward Councillors and the community will find their own way of having discussions, finding out what is going on and agreeing plans for the future. However, the LGA's booklet provides some extremely useful pointers that are very compatible with the ethos of Co-operative Neighbourhoods.

"Whether you are working at the ward or whole council level, to produce a community strategy there must be a process of community planning. Key stakeholders must be involved in this process. These could be large groups like the police, health authorities and schools, or smaller ones, such as voluntary groups, local businesses, and community groups. Partnerships of all kinds are at the heart of community planning and neighbourhood renewal agendas. While, multi-agency in their composition, their purpose is to bring together statutory, non-statutory, private, voluntary and community organisations for the purpose of promoting and improving residents' quality of life. Having an agreed strategy can provide a framework for different organisational processes and mobilising a wide range of agencies, organisations and community interests. Partnerships should:

## **Appendix C - Co-operative Neighbourhoods – A Guide for Councillors**

- build consensus around an agreed vision for the future
- see their own interests in the context of a bigger picture
- encourage the development of sustainable communities
- identify conflicting objectives and needs
- build trust and closer working relationships, where appropriate
- develop a clear understanding of each partner's roles and responsibilities
- review existing partnership and consultation arrangements
- share data and analysis
- share resources and provide a coordinated response to community priorities
- shape and focus existing and future activities of agencies
- produce a community strategy”

### **As a Co-operative Council, “we support councillors to know their community and lead their community”**

Co-operative Neighbourhoods is a new venture for all of us but it builds on the traditions and values of Stevenage and the Borough Council. The key to its success will be how we all work, learn, plan, make a difference and celebrate together!

## Stevenage Borough Council

### Communications Plan: Cooperative Neighbourhoods

#### Context

This is the next stage in the development of Cooperative Neighbourhoods programme. The Borough has been divided into six localities for this programme, with the objective of coordinating services at a neighbourhood level and supporting the growth of local initiatives created by residents, communities, partners and engaging with the different groups living and working within Stevenage.

The development of Cooperative Neighbourhoods serves to strengthen Stevenage’s commitment to Cooperative Council Principles.

Cooperative Neighbourhood Management is one of the five key strategic objectives of Stevenage Borough Council’s ‘Future Town Future Council’ Co-operative Corporate Plan. This model will maximise the benefits of localised and collaborative service delivery and community engagement.



Our Cooperative Neighbourhoods is a key part of a suite of policies coming forward that addresses how we work alongside communities, for example our upcoming community centre review and community wealth building initiative.

It is important to engage staff (our ambassadors) as well as our residents and local community to demonstrate the direction of travel we have achieved through work we’ve done so far.

This communications plan will explain how SBC will share its progress with internal and external audiences.

This programme will begin its roll out from October 2020.

#### Key Messages (to be approved)

- We will commence using our unique co-operative approach to work closely with our key stakeholders (residents, community groups, voluntary sector and so on.)
- We will engage, respond and plan the way we collaborate on projects to improve our neighbourhoods and Town Centre.
- Council services will work together to ensure the Cooperative Neighbourhood offer is to be designed with residents not designed for residents.

## Appendix D - Co-operative Neighbourhoods – Communication Plan

### Audiences

Residents  
 Employees (especially Frontline Staff)  
 Voluntary groups / third sector  
 Schools and Colleges  
 Businesses  
 Members

### Communications activities – Q2 2020/21

Date	Action	Audience	Channel	Input	Status
Week 3 July 2020	Briefing for ADs & Ops Managers	ADs & Ops Managers	E-mail	RR draft and to be sent by TBC	Complete
12 <sup>th</sup> August 2020	Update paper to Executive	Executive	Paper and virtual meeting	RR to draft paper	Paper drafted
12 <sup>th</sup> August 2020	Social media messaging post Exec decision	All residents	Social media	RR and Comms to draft	Being drafted
Week 3 August 2020	Briefing for all staff attached to Co-operative Neighbourhoods Teams	All staff in CN Teams	e-mail update with guide to working in CN Teams	RR drafting text	Text drafted
Week 1 September 2020	Launch of Intranet pages for each CN area	All staff	E-mail update	Comms to create Intranet pages for each CN area.	Outline for intranet pages drafted and information being gathered
Week 1 September 2020	Development of 1 page guide to Co-operative Neighbourhoods for residents	All residents	Web pages, social media	Project Manager/Comms	To be drafted
Week 2 September 2020	Launch of Co-operative Neighbourhoods and the first stage of Community Plans	Members, 'Community Leaders', wider community	Press release, virtual video launch, Social Media and 'virtual meetings' Launch of competition to design Community Plan front pages	Comms and Community Development	In planning
December 2020	External comms – letting the public know how the council will engage with them to discuss and improve the look, feel and	Public	Chronicle Special	All	To be agreed by Chronicle Editorial Board



## Appendix D - Co-operative Neighbourhoods – Communication Plan

	experience of being part of the Stevenage community.				
Spring 2021	Short highlights video	Public	Intranet Social media CE summer roadshow	Comms	
Spring/Summer 2021	Peer to Peer comms	CCIN, LGA, DCN, Trade Press	Feature Articles, Case studies, showcases	Comms, Communities & Neighbourhoods	

### Measurement / Evaluation

The following measurements and evaluation will help understand the success of this communications activity, its reach to target audiences and sharing of key messages.

- Articles on intranet website click-throughs and number of views / comments to intranet
- Employee engagement levels and feedback
- Number of visitors to the launch stall at Leadership Forum

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## St Nicholas & Martins Wood – Community Plan

2020 –

**Part 1: Investment - What plans are there for improvements in St Nicholas & Martins Wood?**

Where will the improvements be?	What sort of improvements will be carried out?	When is this due to start?	When is it due to be completed?	How can residents get involved?	Who should residents contact for more information?

**Part 2: What community projects and activities are planned in St Nicholas & Martins Wood?**

Where will be the projects take place?	What are the projects aiming to do?	Who can get involved?	When is it due to start?	When is it due to be complete?	How can residents get involved?	Who should residents contact for more information?

**Appendix E - Draft Community Plan Template**

**Part 3: What issues have been prioritised with the community in St Nicholas & Martins Wood that the Co-operative Neighbourhoods Team will work on together?**

<b>Where is the issue that needs addressing?</b>	<b>What is the issue that needs addressing?</b>	<b>Why is this a priority?</b>	<b>Who will take a lead on this</b>	<b>When will this start?</b>	<b>How can residents get involved?</b>	<b>Who should residents contact for more information?</b>

**Part 4: The Council, in consultation with the community, has several priorities that it wants to involve local residents in making progress on? What will be happening in in St Nicholas & Martins Wood in the future to help achieve the goals that have been set?**

<b>What is the Council priority?</b>	<b>Why is it important in St Nicholas &amp; Martins Wood?</b>	<b>What will be happening to make a difference?</b>	<b>Who will take a lead on this</b>	<b>When will this start?</b>	<b>How can residents get involved?</b>	<b>Who should residents contact for more information?</b>

**Appendix E - Draft Community Plan Template**

**Part 5: What priorities have been identified with the community in St Nicholas & Martins Wood for possible action in the future?**

Location	What has been prioritised?	Why is this a priority?	How will this be taken forward	Who will be responsible for looking at what may be possible?	How can residents get involved?	Who should residents contact for more information?	When will there be further information about what will happen?

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**Meeting** EXECUTIVE  
**Portfolio Area** Resources  
**Date** 12 August 2020  
**Author** Nadia Capuano x2377  
**Contributors** Steve Dupoy x2833  
Senior Leadership Team



## CO-OPERATIVE COMMERCIAL AND INSOURCING STRATEGY 2020-2023

### KEY DECISION

#### 1. PURPOSE

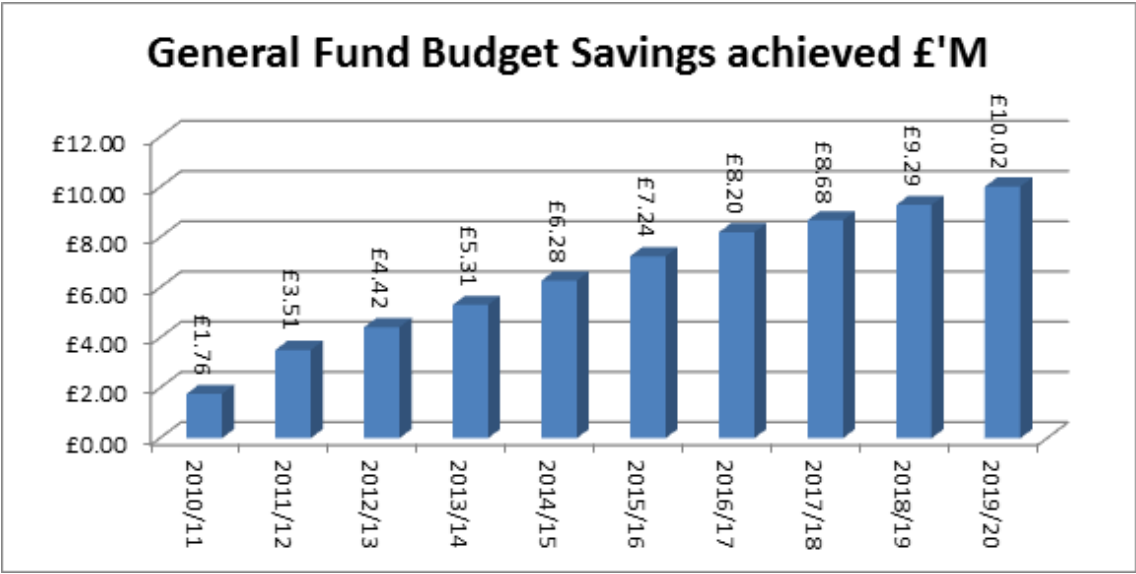
- 1.1 This report seeks the approval of the Co-operative Commercial and Insourcing Strategy 2020-2023.
- 1.2 The council recognises that by progressing with a Co-operative Commercial and Insourcing Strategy it will create additional sustainable income streams. In turn it will be able to offer greater protection and safeguarding around jobs and key services provided for the community and will support post-Covid recovery.
- 1.3 The strategy outlines the council's approach to operating more commercially. This will be achieved through maximising opportunities to insource services, the delivery of business process improvements and the generation of new or enhanced sources of revenue. Alongside this, a commercial competency framework and commercial culture will be developed to support future workforce planning.

**2 RECOMMENDATIONS**

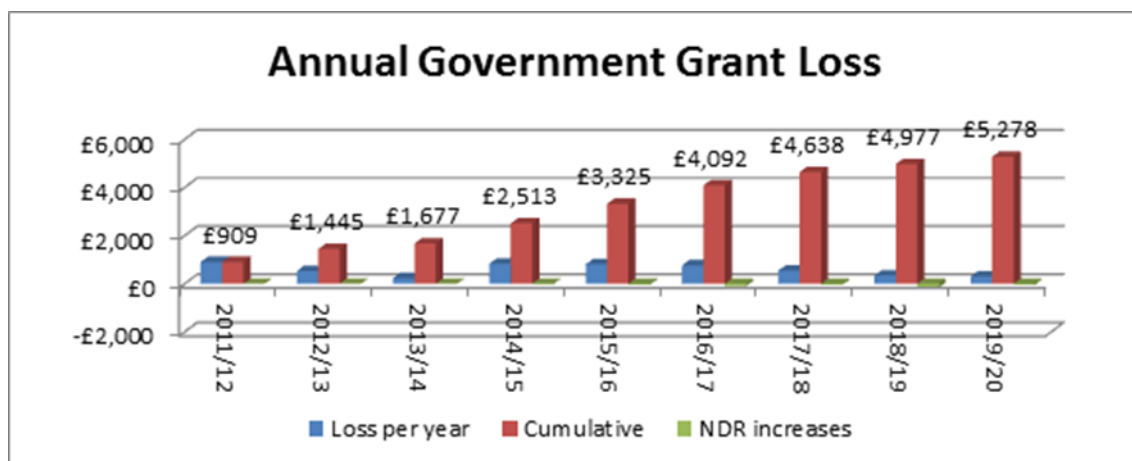
- 2.1 That the Co-operative Commercial and Insourcing Strategy for 2020-2023, as appended to this report, be approved and reviewed on an annual basis.
- 2.2 That the establishment of the Commercial and Investment Executive Committee be approved and the Terms of Reference for this Committee, as shown at paragraph 4.9 of the report, be agreed.
- 2.3 That the Assistant Director (Stevenage Direct Services) be given delegated authority to approve any final changes required to the strategy, following consultation with the Executive Member for Resources.

**3 BACKGROUND**

3.1 Prior to March 2020, local authorities across the country were in testing financial circumstances, with future funding for local authorities being unpredictable and the rise in demand for council services being accompanied by a reduction in resources. The council has made £10m of cumulative savings over the last ten years and absorbed central government grant losses of £5.3m in 2019/20.



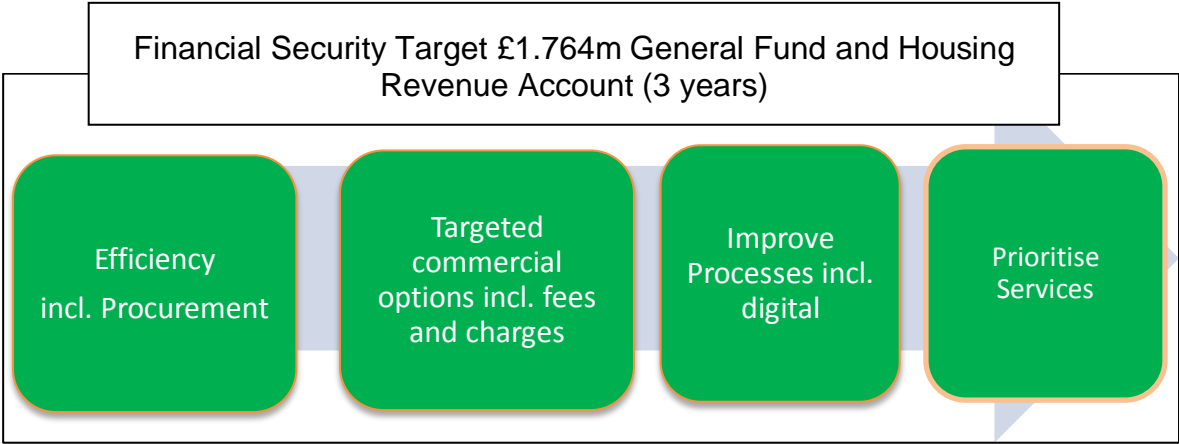




- 3.2 These existing challenges have been compounded by the impact of the Covid-19 pandemic, which has affected the economy and had a significant impact on local government finances.
- 3.3 The United Kingdom's GDP (gross domestic product) fell 20.4 percent in April 2020, its worst-ever monthly fall, after the country went into lockdown in response to the crisis. The official data from the Office for National Statistics showed no area of the economy was left unscathed after the government imposed tight controls on business and social life to limit the spread of the disease. As of July 2020, as the UK slowly emerges from the crisis, the national economic outlook looks unclear and economists predict that the effects of the pandemic will endure beyond 2020/21.
- 3.4 Councils in both deprived and affluent areas face serious financial risks from the Covid-19 crisis as income from fees and charges fall and costs grow. It is likely that the challenges and pressures on the council's resources will continue into the future, with many influences being beyond the council's control.
- 3.5 New thinking is needed to refocus the way local authorities operate to protect and improve services for their communities. One way of mitigating against financial pressures is to explore commercial opportunities and operate in a more entrepreneurial way. As a co-operative council, the focus of commercial activity will be on co-operative solutions where possible.
- 3.6 The council recognises the need to reassess services in order to understand how they can deliver savings and generate revenue. It recognises that doing this will help to secure the future delivery of sustainable services for the community and that the council will need to adapt its culture, thinking and ways of working in order to do this.

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

- 4.1 As outlined in BD1: Summary of Financial Tables, General Fund, (savings in the General Fund and still to be identified) taken from revised MTFS (Medium Term Financial Strategy) of June 2020; the council is forecasting a revenue budget gap of an average of £440k per year between 2021/22 and 2024/5, amounting to an additional requirement to find £1.76m over this period, subject to additional Covid-19 funding support from the government. These forecasts will be reviewed as part of the MTFS update to be considered by the Executive in September 2020.
- 4.2 In order to address future budget gaps and mitigate pressures, there is the need to generate sustainable new income streams, which will then be built into the council’s MTFS moving forwards to reduce the likelihood of reducing or cutting services.
- 4.3 The council’s Financial Security priority has four work streams to achieve financial stability for the council so that it maintains a prudent level of balances, while at the same time being able to deliver on Future Town Future Council (FTFC) aims, including regeneration of the town centre, housing delivery and co-operative neighbourhood management. The figure below shows the connection between the council’s Financial Security priority and targeted commercial activity.



- 4.4 This approach will support services in reducing the cost of delivery and where possible, enable them to achieve break even positions where possible and appropriate. The council will actively seek new commercial opportunities that provide a financial return, and will review existing investments with a view to maximising the commercial return from them.
- 4.5 The strategy builds on the council’s existing history of entrepreneurial activity, evidenced in areas such as housing development. It seeks to harness the skills and mind-set employed in these projects and develop them across the organisation as a whole, creating a commercial culture.

- 4.6 The council will ensure that all commercial investments, actions and decisions are ethical in nature and have a positive impact on the community, delivering additional social value and contributing to community wealth building where possible. Priority will be given to ventures where there is already existing expertise, capability and knowledge.
- 4.7 Appendix B: Strategy on a Page, references the links with existing council strategies, outlines the vision, mission and principles of the strategy and highlights the four priority areas of commercial activity for progression between 2020- 2023.
- 4.8 The guiding principles and methodology of the Co-operative Commercial and Insourcing Strategy are based on:
- Using the co-operative council’s framework and undertaking work through the Co-operative Council Innovation Network (CCIN) where possible.
  - Generating increased income from new and existing sources and considering options to sell commercial services externally.
  - Improving processes and efficiency; reviewing financial performance, fees and charges, the cost of delivering services and the ability to offer new enhanced services.
  - Insourcing and bringing services back in-house; insourcing will be the default position and opportunities to bring services back in-house will continue to be explored and progressed.
  - Developing a commercial culture to ensure that innovative ideas are nurtured and are given the right environment to develop.
  - Embedding social value considerations into commercial activity and supporting community wealth building in Stevenage, ensuring that there is a positive impact on the local economy.
  - Reviewing the existing commercial property portfolio and exploring opportunities within the existing estate. Future proposals will be measured against agreed investment criteria.
  - Risk management; there is the acceptance that the council may have to take more risk than it has done previously in order to achieve financial resilience and appropriate mitigations will be put in place.
  - Governance; commercial ideas and investment decisions will be considered and approved at the Commercial and Investment Executive Committee (CIEC), comprising of Executive member representatives.
- 4.9 The details around the governance of commercial ideas and investment decisions are outlined as follows:

**Terms of Reference: Commercial and Investment Executive Committee**

- 4.9.1 Membership: Chairman - Portfolio Holder for Resources and four members of the Executive.
- 4.9.2 Quorum – Three
- 4.9.3 Purpose - The purpose of the Committee is to enable the organisation to oversee and support the development of co-operative commercial and insourcing programmes of work. The Committee will provide commercially focused strategic thinking and direction and will encourage the organisation to work efficiently, achieving value for money, and delivering the Co-operative Commercial and Insourcing Strategy.

Terms of Reference:

- 4.9.4 To exercise delegated authority to review and approve new income streams and commercial business cases (including those that are key decisions).
- 4.9.5 To consider and approve financial resources where necessary to progress commercial projects.
- 4.9.6 To approve schemes of up to £5m where the budget is already established. In the event that a new budget needs to be approved, the amounts delegated to the Executive apply.
- 4.9.7 To encourage the development of new opportunities through establishing a risk appetite that stimulates the evaluation of new emerging markets and opportunities.
- 4.9.8 To consider and approve documents relating to the Co-operative Commercial and Insourcing Strategy and regularly review the strategy.
- 4.9.9 To scrutinise and ensure the delivery of approved business cases and all aspects of the Co-operative Commercial and Insourcing Strategy.
- 4.9.10 To provide strong, strategic leadership to build a robust commercial culture.
- 4.9.11 To maintain an oversight of all income generating functions through the reporting of key performance indicators.
- 4.9.12 To review key commercial arrangements including contracts, contract and performance management processes and major service developments. The Committee will track the progress of such developments and provide guidance and steer, as appropriate.
- 4.10 Members of the Overview and Scrutiny Committee were consulted on the Co-operative Commercial and Insourcing Strategy on 21 July 2020.  
The option of outsourcing as a commercial route was raised and it was explained that insourcing is the default policy position and that the commercial viability of all proposals will be assessed. With regards to a question raised around the membership of the Commercial and Investment Committee; as a Committee of the Executive, membership is limited to members of the Executive only.

## **5. IMPLICATIONS**

### **5.1 Financial Implications**

The strategy seeks to improve the financial performance of service areas, reduce costs and bring services back in house where possible. The financial implications of such an approach are therefore anticipated to be positive but may in the short term require increased investment in order to make savings or generate income in the longer term. On occasions when potential 'pump prime' funds are required the necessary approval processes will be followed.

### **5.2 Legal Implications**

5.2.1 The council has a number of options available to it when considering the best commercial approach in any given situation. These include:

- Carrying out the service as before, but in a more streamlined manner.
- Contracting out service provision to the private or third sectors (itself or in conjunction with another authority or using an arrangement procured by another contracting authority, where appropriate).
- Bringing services that have previously been contracted out back in-house.
- Providing the services in partnership with another public body.
- Establishing a local authority wholly owned vehicle to take advantage of trading opportunities with individuals or the private sector.
- Establishing joint venture vehicles in partnership with a private or public sector body, whether or not in conjunction with a services contract.
- Ceasing to provide the service (where there is no statutory obligation to do so).

5.2.2 The council will need to consider the most appropriate route forwards, utilising cost / benefit analysis and being mindful of the various legal constraints that exist in relation to each option.

### **5.4 Risk Implications**

5.4.1 In order to create sustainable revenue streams to help protect council services and ensure ongoing resilience, the council may need to accept more risk than in previous times. Risk management is one of the guiding principles of the strategy. Risks across all areas, from property investments to the commercial expansion of current services, will be mitigated through efficient and proportional regard to governance, policy, management, processes and systems to ensure robust decision-making, performance and success of commercial enterprises, contracts and

partnerships. The council anticipates that its future commercial portfolio will be diverse in nature, with risk spread across different sectors and in different areas. The table in Appendix A, 5.2.3 of the strategy (Appendix A), contains a high level overview of the potential risks identified around commercial investments and the mitigation measures that will be put in place.

## **5.5 Human Resources Implications**

5.5.1 The strategy requires the council to provide targeted training and guidance to existing staff to further develop commercial acumen. In addition, the strategy has implications for recruitment practises, performance monitoring and the potential for different pay structures moving forwards as the expectations around commercial skills and application develop further. At present the dedicated commercial management resource is one person and it is anticipated that some growth will be required in order to suitably resource the strategy and achieve the outcomes going forward. This will form part of a growth bid within the financial strategy report to be presented at Executive in November 2020.

## **APPENDICES**

- A Co-operative Commercial and Insourcing Strategy 2020-2023
- B Strategy on a Page: Co-operative Commercial and Insourcing Strategy

## **BACKGROUND DOCUMENTS**

- BD1 Summary of Financial Tables, General Fund.  
Summary of Financial Tables, Housing Revenue Account
- BD1 Medium Term Financial Strategy, Revised June 2020
- BD2 Corporate Plan, Future Town, Future Council
- BD3 February Executive Budget Report, General Fund
- BD4 Property Investment Strategy

## **APPENDIX A: CO-OPERATIVE COMMERCIAL AND INSOURCING STRATEGY 2020-2023**

### **1.1 Co-operative Commercial and Insourcing Strategy Overview**

- 1.1.1 Stevenage Borough Council (“the council”) recognises that it is operating in a rapidly changing environment, with increasing financial challenges, which is expected to become more demanding in future years.
- 1.1.2 In the last decade, against the backdrop of austerity, £10m of cumulative savings have been made. In addition, the council have made investments via the FTFC (Future Town, Future Council) programme in regeneration, building new homes, improving council homes, supporting neighbourhoods and improving services for customers.
- 1.1.3 The future delivery of sustainable services will be predicated on the council’s ability to secure additional income streams and transform how services are structured and provided. There is the need to be prudent and efficient but also to use a commercial approach to generate income, manage costs and generate funding for vital services. The council wants to meet these challenges, exceed them, and thrive; to become a leading council that is financially self-sufficient, delivering high quality services with, and for, its customers and communities.
- 1.1.4 The council are therefore striving to secure a surplus out of necessity and for the greater good of the borough. An innovative approach is required in response to the loss of the RSG (Revenue Support Grant), increasing inflationary costs, the funding gap created by the impact of the Covid-19 crisis and the delivery of Members ambitions associated with the cooperative corporate plan; FTFC. The strategy forms a key part of the council’s Recovery Plan and supporting the revival of the local economy in Stevenage. There is significant risk in doing nothing and standing still.
- 1.1.5 As a co-operative council, the focus will be on cooperative solutions and where possible work will be undertaken through the Co-operative Council Innovation Network (CCIN).
- 1.1.6 The council accepts that it will need to adapt its culture, thinking, and ways of working. It will require greater innovation, financial flexibility, commercial awareness, prudent risk management and the effective use of new technologies. Commercialisation will need to be embraced and delivered throughout the organisation, with opportunities identified and realised universally wherever possible.
- 1.1.7 The council has been undertaking commercial activity in different forms for many years. Examples of this include the town centre regeneration partnership with MACE, Queensway redevelopment partnership with Reef and the Business and Technology Centre. This commercial and insourcing strategy has been developed to not only consolidate the council’s existing commercial activity, but also provide a framework, with clearly defined aims and objectives, for new commercial projects and the

delivery of future commercial activity. It seeks to outline how these will be achieved and define what success looks like.

- 1.1.8 Legislation provides the council with the power (subject to limitations) to charge for discretionary services; to trade with other public bodies and to trade with the private sector via a company. All proposals under this strategy will include a consideration of the legal implications and the most appropriate method of achieving the council's objectives within the legislative framework. Depending on the approach taken, the council may be able to trade with a view to generating surpluses, rather than simply recovering costs.

## **1.2 Strategic Aims**

- 1.2.1 The Co-operative Commercial and Insourcing Strategy supports the overall council objectives and corporate aims by:

- Protecting services and jobs and supporting the delivery of the FTFC programme.
- Delivering efficient, effective in-house services that have the ability to be flexible and adapt, as has been demonstrated during the Covid-19 pandemic
- Moving towards becoming a financially self-sufficient council by operating in a more commercial, business-like manner.
- Generating income whilst remaining focussed on the core purpose of supporting and delivering with and for our communities.
- Developing and embedding a commercial culture and mind-set throughout the entire organisation at all levels.
- Improving commercial leadership, awareness and competency.
- Considering appropriate trading opportunities, utilising robust business plans and financial risk assessments to ensure effective and informed decisions.

- 1.2.2 The council recognises that by progressing with a Co-operative Commercial and Insourcing Strategy it will be able to offer greater protection and safeguarding around jobs, services and the broader offer to the community.

## **1.3 Rationale**

- 1.3.1 Local authorities and the public sector generally are operating in an increasingly challenging environment, with significant financial pressures, reducing resources, increasing customer demand and greater market competition for services.
- 1.3.2 In June 2020, as the United Kingdom started to emerge from the Covid-19 global pandemic, economists have commented that the impact of the Covid-19 pandemic will likely endure beyond 2020/2021. The Bank of



England reported this could lead to the 'sharpest recession' on record, reporting that the coronavirus impact could see the economy shrink by 14% in 2020. The financial impact of the crisis on the council has been significant, particularly in relation to reduced income from fees and charges and increased homeless costs, leading to a considerable funding gap.

- 1.3.3 The council is forecasting a budget target of an average of £440k per year between 2021/22 and 2024/5, amounting to an additional requirement to find £1.76m over this period, subject to additional Covid-19 funding support from the government. The challenges and pressures on the council's resources will continue into the future, with many influences being beyond the council's control.
- 1.3.4 The council's FTFC and Connected to Our Customer (COC) plans will change the way the council transacts with its customers, and will deliver more modern and efficient practices and procedures. These programmes are targeted to deliver cumulative savings of approximately £929k by 2022/23.
- 1.3.5 Commercialisation and the generation of sustainable new income streams need to be achieved in order to address future budget gaps and pressures. These need to be built into the council's Medium Term Financial Strategy (MTFS) moving forwards if it is to avoid the prospect of having to reduce or cut services.
- 1.3.6 The council recognises the need and requirement to take a more commercial approach to future proof its operation, and facilitate a culture that maximises opportunities to thrive.
- 1.3.7 Given the economic uncertainty moving forwards, the council accepts that there is the need to be flexible in approach and that some opportunities will be designed to be scalable and to grow or be expanded over a period of time in line with changing demands and markets.

#### **1.4 Definition of Commercialism**

- 1.4.1 The council defines commercialism as the ability to manage services well and efficiently and be innovative in generating vital funds to be able to protect vital services and deliver the best value for our communities and customers.
- 1.4.2 Commercialism does not just mean making a surplus, but also includes:
  - Understanding and considering the whole life cost of policy decisions, including market impact and benefits realisation
  - Improving efficiency of service delivery; reducing costs, layers and streamlining processes
  - Using insight data and technology to help modernise services; finding innovative ways to better support residents and service users and the town

- Maximising value for money from contractual relationships, including the consideration of insourcing services
- Making robust decisions on a consistent basis with evidence and a sound business case
- Considering new and innovative ways of generating income
- Accepting some risk, and accepting that some ideas may not succeed
- Being mindful of the need for the risks to be spread across the portfolio of opportunities and ensuring resilience when considering the exposure to costs against reward
- Taking an investment based approach to the use of financial resources, including assessing the return from the investment in terms of financial return, delivery of the council's priorities and added value to our communities
- Being honest about current performance and knowing whether services are market ready
- Being prepared to invest now for a return in the future
- Demonstrating that the council is open for business and driving inward investment into the borough

1.4.3 This means making sound and clear decisions in using our resources, investing public funds to become more efficient and to generate income for the council to sustain services and deliver improved services where possible. This will affect different parts of the council in different ways and to varying degrees, acknowledging that some services do not have as much scope for commercialisation as others.

1.4.4 However, commercial principles can be applied to most operations and must be considered when reviewing all policy objectives and direction. It will involve physical, technical and cultural change with strong and effective leadership and management at all levels throughout the organisation and links with the wider transformation agenda.

## **1.5. Outcomes**

1.5.1 The commercial work stream will evolve over time and as commercial programmes of work and business cases are developed, the anticipated income will be fed into the MTFs. As we enter the recovery phase of Covid-19, future demand for services remains unclear. However, the council will continue to seek to grow its revenue through commercial, ambitious, and innovative investments, developments and cost reduction of its services through more efficient ways of working.

1.5.2 Delivery of this commercial strategy will support the council to:

- Develop into a more cohesive and ambitious, economically efficient organisation

- Become a partner of choice for the community and commercial sectors by demonstrating its commercial awareness and effective delivery of services
- Be a desirable and respected employer that invests in its staff and attracts and develops the next generation of public sector officers
- Become a leader in its field, delivering high quality, efficient and effective services with and for its communities and customers

## **2.0 COMMERCIAL APPROACH TO INCOME GENERATION**

### **2.1 Core Principles & Methodology**

- 2.1.1 This strategy applies whenever we spend money with external suppliers, enter into or manage our commercial arrangements, generate income or make a commercial decision.
- 2.1.2 The council has enterprising staff, partners and members - their skills need to be harnessed and developed to help achieve the commercial strategy. We will invest in staff training to enhance staff skills and raise the level of commercial expertise across the organisation.
- 2.1.3 The council accepts that it may need to take more risk than in recent times in order to achieve its ambitions and commercial success. This means accepting that not all commercial activity will deliver the anticipated returns, and that some of that risk will be mitigated by a robust approach to diversification. This risk also should be balanced with an efficient and proportional regard to governance, policy, management, processes and systems to ensure robust decision-making, performance and success of commercial enterprises, contracts and partnerships. This approach will ensure that the council adheres to its statutory responsibilities and that public money continues to be appropriately invested and accounted for.

### **2.2 Organisation Wide Commercialisation Objectives**

#### **2.2.1 Improving Processes and Efficiency**

- 2.2.2 The financial performance of individual service areas (such as the indoor market, cemetery services, allotments) will be reviewed to identify the level of subsidy or surplus generated, and the appropriate policy approach (e.g. to target a loss making service to achieve a break-even position).
- 2.2.3 Each business unit will seek to enhance productivity and yield by reviewing where appropriate; fees & charges, processes, the cost of delivering services and the potential to deliver new added value services. Teams will be given tools and approaches to help them put in place efficiency measures and improve productivity.

- 2.2.4 Business unit reviews of fees and charges will feed into a wider review of fees and charges. It is anticipated that for some business units, this may lead to the creation of premium pricing options. In this model, such as garages, the higher payments received for premium products / services will be used to maintain the standard offer for those that pay at the lower price points.
- 2.2.5 Attention will be given to tightening contract management processes across the council. This will involve establishing robust terms and conditions during the tendering phase and ensuring that appropriate management provisions are included to plan for contract management from the outset. Clear performance frameworks will be implemented in order to mitigate against non-delivery and under-performance and contracts will be monitored, maintained and adapted accordingly. The Commercial and Investment Executive Committee will monitor the performance of contracts and capture lessons learnt to feed into an enhanced approach to contract management across the organisation.
- 2.2.6 This work will be done in conjunction with a commercialisation task force, which will comprise of a group of like-minded skilled and experienced officers, working with each service as a critical friend to help generate ideas, review contracts and maximise commercialisation and income generating opportunities. It is anticipated that the commercialisation task force will grow over time.

### **2.3 Income Generation Objectives**

- 2.3.1 The Commercial and Investment Executive Committee, comprising of members of the Executive, will provide a forum to consider and debate broader income generation ideas, including external investment proposals.
- 2.3.2 Opportunities to generate increased income for the council and sell commercial services externally will be considered across the whole council and in a variety of service areas.
- 2.3.3 Proposals will be measured against agreed investment criteria, in order to ensure they meet the required returns and objectives and so that public money is invested proportionately and with due regard to procurement and governance procedures.
- 2.3.4 All projects will be undertaken in accordance with approved procurement and governance procedures in order to manage risk and ensure compliance.

### **2.4 Insourcing Objectives**

- 2.4.1 The council will continue with its commitment to use in-house services to deliver council operations, and insourcing will be the council's default position, other than when there is sufficient evidence that this is not an option.

- 2.4.2 All services provided to, or on behalf of the council by external suppliers or third parties will be reviewed to establish if an opportunity exists to enhance service delivery or achieve better value by delivering services directly. Where possible, business units will be developed to deliver work that is currently contracted out to others.
- 2.4.3 Attention will be given to whether opportunities exist to join up work streams across the council and break down silo approaches when procuring services and managing contracts.
- 2.4.4 An insourcing road map lists known contracts and potential insourcing opportunities and details timescales for their consideration.
- 2.4.5 The council's Repairs and Voids Service has an insourcing roadmap, outlining the status and progress of the services due to be considered for insourcing. In 2019/2020, the spend on contractors for Decent Homes works was £237,596. By the first quarter of 2020/21 the external expenditure in this area was under £10,000 (all of which was for gas works), due to the undertaking of works in-house. Similarly, the compliance contract which has a budget of £315k per annum has recently been bought back in-house. This approach will be expanded into other areas of the council and the road map will be subject to further iterations, with insourcing opportunities being reviewed on a case by case basis in line with the strength of the business case.
- 2.4.6 Each opportunity will be detailed within an updated commercialisation action plan with progress reported and monitored by SLT and the Commercial and Investment Executive Committee.

## **2.5 Social Value Objectives**

- 2.5.1 Projects and opportunities will also seek to identify social value, which could include aspects such as meeting housing needs, cultural and wellbeing benefits and enhancing local training and employment opportunities.
- 2.5.2 By embedding social value considerations into commercial activity, the council will support community wealth building in Stevenage, to ensure that there is a positive impact on the local economy.
- 2.5.3 On occasion, this may mean that upfront costs may be higher but that the outcomes for residents and the community will be greater.
- 2.5.4 As part of the annual accounts process the council will submit a statement outlining the social value that has been delivered.

## **2.6 Commercial Culture Objectives**

- 2.6.1 To enable the council to operate in a more business-like way, there is a need to ensure that staff are equipped with the right skills to deliver.
- 2.6.2 Careful consideration will be given to creating the right environment within the organisation to nurture innovative ideas and develop them into robust project proposals. This will involve the following activities:

- Undertaking a skills and culture audit
- Delivering targeted training to increase commercial awareness and skill sets
- Designing a communications campaign to draw in ideas from staff and generate new ideas
- Producing a framework for the development of new propositions
- Creating a commercial resource centre containing tools, guidance and case studies
- Capturing lessons learned as and when encountered
- Adopting a project management approach for the implementation of the programme
- Ensuring new proposals have the right level of support
- Starting at the very beginning of the journey – recruiting the right people with the right attitudes/ acumen where possible, and mainstreaming this into job descriptions and person specifications where appropriate.

### **3.0 BUSINESS UNIT SPECIFIC OBJECTIVES**

3.1 Commercial activity will take place across the council, with Key Performance Indicators (KPIs) being set for business units and reporting back on a regular basis to the Commercial and Investment Executive Committee.

### **3.2 Commercial Property Portfolio**

3.2.1 In 2017 the council approved a Commercial Property Investment Strategy which was targeted to make a contribution to the General Fund of an estimated £200,000 per year (1.6% of total General Fund rental income), in order to help create renewed confidence and send positive message to other investors. To date one property has been purchased and properties being investigated are currently on hold during the pandemic, with the losses included the shortfall for 2020/21. It is also anticipated that there will be changes for borrowing legislation which will need to be understood and taken account of in due course.

3.2.2 Therefore, in the short term the delivery of investment in commercial property primarily to deliver economic sustainability in Stevenage will be refocused. Work will be undertaken to review the existing commercial portfolio and explore opportunities within the existing estate, taking the form of a commercial asset audit. The wider regeneration benefits from such opportunities will be a key consideration.

### **3.3 Finance & Treasury Management**

3.3.1 The council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing

Requirement), has not been fully funded by taking loans out with the Public Works Loan Board (PWLB). Instead the council's reserves, balances and cash flow have been used. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered. Caution will therefore continue to be adopted with treasury operations moving forwards.

- 3.3.2 The council does not borrow in advance of need and borrowing decisions will be based on robust business cases. All transactions will be accounted for in accordance with proper practice.

### **3.4 Housing Development**

- 3.4.1 The council recognises the importance of affordable council housing and is mindful of the wider housing crisis which requires more private housing to be built. It recognises that the development of private housing stock can generate returns that could allow more council houses to be built. The creation of a Wholly Owned Housing Company (WOC) will be progressed and there will be a corresponding review of spin off opportunities and insourcing opportunities that sit within the WOC structure. It is anticipated that the WOC will be used as a best practise example of an insourcing model within the council. Other housing development activity will involve investigating the optimisation of planning opportunities and identifying and progressing low risk and high return private sale schemes.

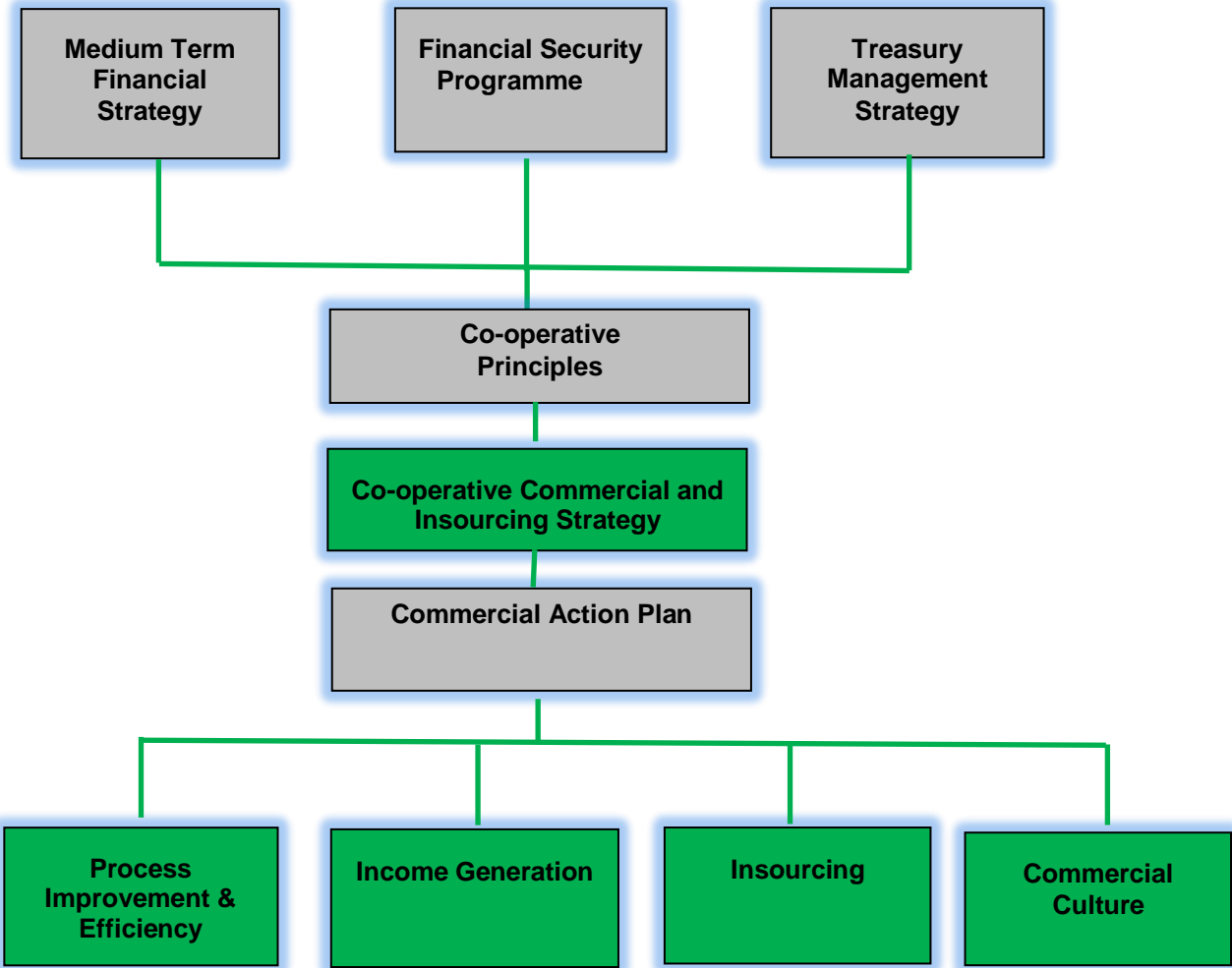
### **3.5 Commercial Services**

- 3.5.1 Commercial activity will include:
- A reduction of garage voids to increase income and the Garage Improvement Programme (GIP).
  - The opportunity to sell a 'Total Waste Solutions' service to potential key accounts will be explored. This would involve the expansion of the current skips and RoRos (Roll-on, Roll-off) offer provided by SDS and would allow the council to offer additional services that could be managed through an approved supply chain.
  - In the Repairs and Voids service, work around insourcing opportunities will continue at pace.
  - Investigation will be undertaken into the feasibility of creating a WOC to serve the community's needs and provide commercial services where capable.
  - The example of Oxford Direct Services and others will be explored. This model seeks to expand the services that the council provides and combines elements of commercialism with public sector heritage. It centres around the development of a business that balances purpose and profit, whilst delivering positive social, environment and economic impacts for the community.

**4.0 GOVERNANCE**

4.1 The linkage and relationship of the Co-operative Commercial and Insourcing Strategy and Commercial Delivery Plan with the council’s overall strategic objectives and financial security effort is shown in Figure 1:

**Figure 1. Commercialisation Hierarchy**



4.2 The objectives of the Co-operative Commercial and Insourcing Strategy will be delivered through a high level delivery plan. The success of the delivery of the plan will be measured by a series of key deliverables and performance indicators as part of the Performance Management Framework.

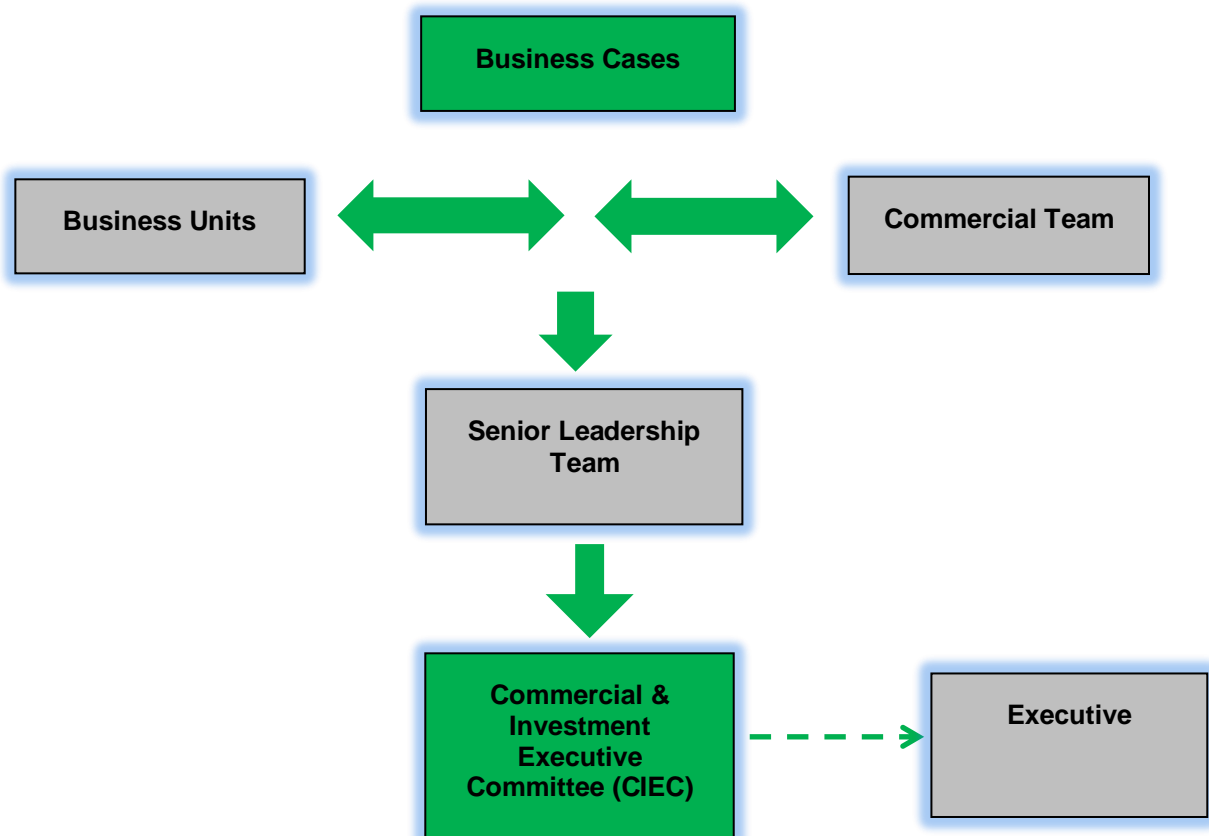
4.3 One of the guiding principles of the Co-operative Commercial and Insourcing Strategy is risk management. Risks will be managed in line with the principles of the council’s risk management procedures, commercialisation is identified on the Strategic Risk Register and all key risks associated with the commercialisation and insourcing agenda



across the organisation will be identified on business unit or project risk registers as appropriate.

- 4.4 The council will adopt a commercial approach across the organisation. All officers and members will be encouraged to share their ideas through the Commercial and Investment Executive Committee (C&I Committee). This forum will be made up of Executive member representatives akin to the Housing Regeneration & Development Executive Committee.

**Figure 2. Approval of Commercial Business Cases**



Only where necessary

- 4.5 The CIEC will provide a mechanism for ideas within internal services and those with external partners and customers to be evaluated swiftly, using a robust early assessment criteria model and fully costed business case approach. This will allow the council to identify and take forward the right projects, measure efficiencies, deadlines and income.
- 4.6 Generally, investment decisions and approvals will be made by the CIEC under delegated authority from the Executive. All decisions and approvals will be conditional on the council's agreed investment criteria being satisfied and will be subject to existing scrutiny procedures. The CIEC's terms of reference define the extent of its remit. All decisions

exceeding this remit will be considered by CIEC which will then make recommendations to the Executive.

## **5.0 INVESTMENT CRITERIA**

5.1 In the longer term, when appropriate, investments will ideally meet the target of a six (6%) per cent gross rate of return (yield). However, target returns lower than 6% will be considered depending on borrowing and investment rates and the calculated level of associated risk. The targeted rate of returns are in place to meet the £200k annual contribution to the General Fund identified in the Property Investment Strategy, following the approval of the capital budget of £15m.

5.1.1 When calculating viability, the investment criteria will take into account the following factors:

5.1.2 Known costs

- Interest on the loan. This is based on the available loan options available at the point of investment/purchase. Normally, this will be via the PWLB (Public Works Loan Board). Currently (June 2020), the interest rate that SBC can borrow over 25 years is around 2.25%. However, this rate does vary on a daily basis, so may be higher or lower at the actual time of investment.
- Minimum Revenue Provision (the minimum amount that must be charged to an authority's revenue account each year for the financing of capital expenditure). This calculation is based on the life of the asset and will vary accordingly. On an investment with a 50 year life (which sits at the upper limit of investment life), MRP would equate to an additional 2% per year.

5.1.3 The method of calculating the MRP can be changed by the Council which may reduce MRP costs in the early years of investment, whilst increasing in the latter years. This could be done with long leases with guaranteed rent increases at fixed points during the lease. However, overall, the total MRP payable over the length of the loan will still average 2% per annum.

5.1.4 Other associated costs

- Repair costs
- Energy efficiency improvements
- Bad debt provision for non-payment of rent
- Void property charges (including empty property business rates)
- The cost of rent reviews (where rent free periods may be given to attract tenants, or the time taken searching for a new tenant if a property becomes vacant)

**5.2 Risk Profile**

- 5.2.1 The council will focus on resilience and consideration will need to be given to whether exposure to further debt will outweigh potential reward.
- 5.2.2 Risk mitigation will be essential for protecting council income streams from property investments, both from rent defaults and more systematic risks such as movements in markets. Property risks will be managed by undertaking due diligence for each acquisition and assessing the long-term viability of the type of investment through horizon scanning. In the longer term, property risks may be managed by diversifying the portfolio, in terms of property length, location, lease length or yield.
- 5.2.3 The table below outlines the risk mitigation measures that will take place in relation to commercial investments and contract management:

Risk Area	Risk Mitigation	Likelihood	Impact
An investment fails	Approval and monitoring through CIEC, Regular review, Horizon scanning, Diversifying the portfolio (type, location, lease length, yield) Increase savings targets in MTFS, Lessons learnt	Medium	Medium
An investment does not perform against the business case	Thorough research, Understanding the market/demand, Horizon scanning, Scrutiny by CIEC, Review options, Diversify the portfolio, Lessons learnt	Medium	Medium
A contract under-performs	Robust terms and conditions, Appropriate contract management provision, Performance management frameworks, Lessons learnt	Medium	Medium
Insufficient knowledge held in-house	Internal culture and skills audit leading to targeted learning and development plans, Buy-in specialist resource	Medium	Low

## APPENDIX B: Strategy on a Page

**Our Vision: (ambition)**

To meet current challenges by becoming a co-operative, leading, financially self-sufficient council delivering sustainable, high quality services with and for its customers and communities.

**Our Mission: (what we aim to do)**

To develop into a more co-operative, cohesive and ambitious, economically efficient organisation, become a partner of choice for the community and commercial sectors, develop the next generation of public sector officers and become a leader in its field delivering high quality, efficient, effective and timely services.

**Our Values: (how we will work)**

Excellent	Caring	Responsive	Innovative	One Team	Straight forward
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**Our Principles: (what will guide us)**

Commercial Awareness	Innovation	Financial Flexibility	Risk Management	Use of new technology
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**Our Priorities (what is our focus)**

Business Process Improvement	Income Generation	Insourcing	Commercial Culture
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**Priorities informed by:**

Medium Term Financial Strategy  
 Financial Security Programme  
 Treasury Management Strategy

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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