

Public Document Pack



EXECUTIVE

Date: Wednesday, 16 March 2022

Time: 2.00pm

Location: Council Chamber, Daneshill House, Danestrete, Stevenage

Contact: Ian Gourlay (01438) 242703

committees@stevenage.gov.uk

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

AGENDA

PART I

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

2. MINUTES - 2 FEBRUARY 2022 AND 9 FEBRUARY 2022

To approve as a correct record the Minutes of the meetings of the Executive held on 2 February 2022 and 9 February 2022 for signature by the Chair.

5 – 26

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 – 25 January 2022

Overview & Scrutiny Committee – 9 February 2022

Overview & Scrutiny Committee – 15 February 2022

Pages 27 – 40

4. COVID-19 UPDATE

To consider an update on the Covid-19 pandemic.

5. TOWNS FUND BUSINESS CASE - STEVENAGE ENTERPRISE CENTRE

To consider and approve the Towns Fund Business Case for the Stevenage Enterprise Centre project.

Pages 41 – 146

6. EQUALITIES, DIVERSITY & INCLUSION POLICY AND STRATEGY

To consider a proposed Equalities, Diversity and Inclusion Policy and Strategy.
Pages 147 – 178

7. CORPORATE PERFORMANCE - QUARTER 3 2021/22

To consider the Quarter 3 Corporate Performance report 2021/22.
Pages 179 – 238

8. APPROVAL OF THE DISCRETIONARY 'ENERGY REBATE' SCHEME

To consider a proposed Discretionary 'Energy Rebate' Scheme.
Pages 239 – 242

**9. 3RD QUARTER REVENUE BUDGET MONITORING REPORT 2021/22 -
GENERAL FUND AND HOUSING REVENUE ACCOUNT**

To consider the 3rd Quarter Revenue Budget Monitoring report 2021/22 for the
General Fund and Housing Revenue Account.
Pages 243 – 256

10. 3RD QUARTER CAPITAL PROGRAMME MONITORING REPORT 2021/22

To consider the 3rd Quarter Capital Programme Monitoring report 2021/22 for the
General Fund and Housing Revenue Account.

[REPORT TO FOLLOW]

11. EXCLUSION OF PRESS AND PUBLIC

To consider the following motions –

1. That under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as described in Paragraphs 1 – 7 of Part 1 of Schedule 12A of the Act as amended by Local Government (Access to Information) (Variation) Order 2006.
2. That Members consider the reasons for the following reports being in Part II and determine whether or not maintaining the exemption from disclosure of the information contained therein outweighs the public interest in disclosure.

12. PART II MINUTES - EXECUTIVE - 2 FEBRUARY 2022

To approve as a correct record the Part II Minutes of the meeting of the Executive held on 2 February 2022 for signature by the Chair.
Pages 257 - 260

13. WRITE OFFS

To consider an update regarding a potential rent arrears debt write off, and to approve a housing benefit debt write off.

Pages 261 - 268

14. URGENT PART II BUSINESS

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

NOTE: Links to Part 1 Background Documents are shown on the last page of the individual report, where this is not the case they may be viewed by using the following link to agendas for Executive meetings and then opening the agenda for Wednesday, 16 March 2022 – <http://www.stevenage.gov.uk/have-your-say/council-meetings/161153/>

Agenda Published 8 March 2022

This page is intentionally left blank

STEVENAGE BOROUGH COUNCIL

EXECUTIVE MINUTES

Date: Wednesday, 2 February 2022

Time: 2.00pm

Place: Council Chamber, Daneshill House, Danestrete

Present: Councillors: Sharon Taylor OBE CC (Chair), Lloyd Briscoe (Part II only), John Gardner, Richard Henry, Jackie Hollywell and Jeannette Thomas.

Start / End Start Time: 2.00pm
Time: End Time: 3.49pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were submitted on behalf of Councillors Mrs Joan Lloyd (Vice-Chair), Rob Broom, Phil Bibby CC (observer) and Robin Parker CC (observer).

There were no declarations of interest.

2 TOWNS FUND BUSINESS CASE - NEW TOWNS HERITAGE CENTRE

The Executive considered a report seeking approval of the Towns Fund Business Case in respect of the New Towns Heritage Centre Project.

Prior to the consideration of this item, the Chair welcomed Mr Adrian Hawkins OBE (Chair of the Stevenage Development Board) to the meeting and invited him to address the Executive.

Mr Hawkins stated that a vast amount of work had gone into preparing the Stevenage Town Deal bid and, once successful, the Business Cases for the various projects. The Development Board had been involved throughout this process, and had wholeheartedly supported the two projects now before the Executive. Both facilities would be provided for the use and enjoyment of residents in the town and beyond. He thanked the SBC Officers, particularly the Regeneration Team, for their support in preparing the Business Cases for the Town Deal projects, some of which were complex.

The Portfolio Holder for Environment & Regeneration advised that the New Towns Heritage Centre project involved the provision of an exciting new heritage, museum and cultural offer in the heart of the town centre, thereby replacing the existing Stevenage Museum and exploring opportunities to celebrate the unique history of New Towns like Stevenage.

The Portfolio Holder for Environment & Regeneration explained that the Business Case had explored an opportunity to deliver the project as part of the proposed public services hub in the Town Square, which would ensure better value for money

and create opportunities for an integrated community and cultural offer across the whole of the ground floor, spilling out into the new Garden Square. Strong stakeholder engagement had been carried out, with substantial support from the Community Select Committee and a range of local and national stakeholders.

The Portfolio Holder for Children, Young People, Leisure & Culture stated that he had been involved in the Leisure and Culture Sub-Group of the Stevenage Development Board which had inputted into the content of the Business Plan, and he thanked Martha Lytton-Cobbold (Knebworth House and “Visit Hertfordshire”) who had chaired this Sub-Group.

The Portfolio Holder for Children, Young People, Leisure & Culture explained that the Heritage Centre was a key commitment outlined in the Council’s Cultural Strategy. The “museum without walls” concept had been advocated by the Community Select Committee as part of their research into the need for a dynamic future museum offer. He welcomed the opportunity to raise the national significance of the heritage offer as a core part of the national New Towns movement, and looked forward to further discussions with the Arts Council, National Lottery Heritage Fund, Historic England and the 21st Century Society over the coming months in order to explore match funding opportunities.

The Assistant Director (Regeneration) advised that the project was crucial towards delivering a thriving and vibrant town centre. The project was at an early stage, but he felt that the work that had gone into the Business Case was very robust, with a real focus on engagement. He referred to the three Heads of Terms conditions set out in the Business Case. At this stage of the project the Council had done all it could to meet these conditions, but there would be a continuing need to demonstrate to the Government that the conditions were being met as the project progressed.

The Assistant Director (Communities & Neighbourhoods) commented that the Museum Team was starting work on the museum programme going forward, including the “museum without walls” concept of using outdoor spaces, community centres and other community venues to share the heritage story. He reported that the Museum staff had been fully engaged in the business planning process.

The Strategic Director (CF) explained that the financial implications set out in the report were based on benchmark costs for the overall Public Sector hub building. The estimated cost of £2.9M for the Heritage Centre element would comprise £2M from the Towns Fund, with the remaining £900,000 requiring match funding. The match funding element was contained within the Council’s emerging Public Sector hub strategy. The mitigation in the report stated that there needed to be a fully costed business plan for the Public Sector hub building before there would be any expenditure of Towns Fund monies.

Upon the Chair’s invitation to speak specifically on the Heritage Centre project, Adrian Hawkins stated that it was a crucial element of delivery for the Stevenage Development Board that the Public Sector hub was brought into existence and that the Heritage Centre was placed within it. The likely benefits of the Heritage Centre to local people was exactly the type of project which was advocated by the Towns Fund programme.

The Executive supported the proposed Business Case. The following comments were made by Members:

- the existing Museum was not the most accessible of buildings and the new Heritage Centre would be a significant improvement, both in terms of its modern facilities; its co-location with the library; and in view of its town centre location as part of the Civic Hub building;
- there would be a need to involve and include the various and diverse communities in the town in the exhibition content of the Heritage Centre;
- the modern Civic Hub facility would be designed with a low or zero carbon footprint, in contrast to the various public buildings it would be replacing throughout the town; and
- the Heritage Centre should contain information regarding the industrial and social history of Stevenage, including historical information regarding the past and current businesses operating in the town.

It was **RESOLVED**:

1. That the endorsement of the project from the Stevenage Development Board be noted.
2. That the business case for the New Towns Heritage Centre project be approved, and that authority be delegated to the Strategic Director (TP) to submit the project summary to the Department for Levelling Up, Communities and Housing Towns Fund team on behalf of the Council (acting as Accountable Body).
3. That further engagement, building on the work of the Community Select Committee, stakeholder workshops and roundtable discussions, as set out in Paragraph 4.1.2 of the report, be endorsed, to support the development of the project.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

3 TOWNS FUND BUSINESS CASE - STEVENAGE SPORT AND LEISURE HUB

The Executive considered a report seeking approval of the Towns Fund Business Case in respect of the Stevenage Sport and Leisure Hub Project.

The Portfolio Holder for Environment & Regeneration advised that the Sports and Leisure hub project would provide a new high-quality facility on the site of the existing swimming pool, comprising improved integration between sport, leisure, wellbeing, the healthy hub, spa services and the youth services currently located at Bowes Lyon House.

The Portfolio Holder for Environment & Regeneration commented that the project was a key component of the regeneration strategy for the town. It would provide a focal point to attract visitors as part of the town's diversification towards leisure,

culture and experience attractions, in line with the Grimsey review, as well as unlocking future regeneration opportunities in the Station Gateway, by integrating the existing leisure centre facilities into the new site.

The Portfolio Holder for Environment & Regeneration assured the meeting that there would continue to be a Gordon Craig Theatre in Stevenage throughout the delivery of the Transforming Our Town Programme and beyond.

The Portfolio Holder for Environment & Regeneration stated that the Business Case had a robust feasibility, cost plan and business model to support it, and the project formed an important part of the Council's 'offer' to attract the best operators for its new leisure contract procurement.

The Portfolio Holder for Children, Young People, Leisure & Culture advised that the Council had been considering the case for a new modern sports and leisure centre for a number of years, and hence he was delighted with the bold proposals for such a facility set out in the Business Case. The proposal was a key component of the Council's Health and Wellbeing Strategy and the aim to reduce the health inequalities experienced by a number of Stevenage residents. He welcomed the consultation and engagement work that had taken place, taking on board the views of 1,000+ residents and a multitude of sports clubs, partner agencies and community organisations.

The Portfolio Holder for Children, Young People, Leisure & Culture commented that they Council wished to make the Sport and Leisure Centre a "destination" facility and he welcomed the ambition contained in the Business Case. He hoped, in relation to Bowes Lyon House, that Hertfordshire County Council would continue to engage with SBC to develop the best offer for the town, the county and beyond.

The Assistant Director (Regeneration) advised that the project was at an early stage, but proposed a consolidation of three existing buildings onto one site in order to develop a state of the art Sport and Leisure hub, which would include swimming pool, gymnasium and flexible sports facilities, to be located on the site of the existing swimming pool and Bowes Lyon House on St. George's Way.

The Assistant Director (Regeneration) explained that a robust feasibility and cost plan had been developed for the scheme, which provided a strong platform in the transition towards project delivery. Earlier work had been refreshed and updated following changes in the construction industry due to the Covid-19 pandemic. The scale of funding for the project presented a number of risks and challenges, but there was great enthusiasm amongst the Teams involved in the scheme to embrace and overcome these challenges.

The Assistant Director (Communities & Neighbourhoods) confirmed that his Team had been working closely with the Stevenage sports and leisure community to start shaping the ambition, including at a Sports Summit held in October 2021. The Team was using the Sport England framework to ensure that the future offer not only delivered a modern sports and leisure facility, but also tackled health inequality issues.

The Strategic Director (CF) stated that, of the various Town Deal projects, this project contained the largest Towns Fund financial contribution (£10M), but also required the largest financial contribution (£34M) from SBC. A funding strategy would need to be devised to enable the Council to meet that contribution, and she would bring forward this strategy for Members' consideration during the 2022/23 financial year.

The Strategic Director (CF) advised that the plethora of Towns Fund projects came with a cumulative financial risk for the Council, as set out in the report, although a series of mitigation measures were in place. A fully costed business plan would be required before any expenditure of Towns Fund monies.

The Chair invited Mr Adrian Hawkins OBE (Chair of Stevenage Development Board) to comment on this Business Case. Mr Hawkins felt that the sports and leisure facilities offered by the town to be central to bringing people together, both for their enjoyment and improvement of their lifestyle. He recognised that the proposed new Sport and Leisure Centre was a very ambitious project, but acknowledged that it was an important element of the Council's ambitious regeneration programme for the town.

Mr Hawkins took the opportunity to thank Martha Lytton Cobbold for her input into the Business Case and in championing cultural, sports and leisure improvements to the town. He accepted that the cost of providing a new facility would be significant, but believed that it would be a positive addition to the town, leading to increased footfall which would in turn benefit the struggling town centre retail sector.

The Executive supported the proposed Business Case. The following comments were made by Members:

- in response to a question about mitigation against possible cost increases due to inflation, the Strategic Director (CF) advised that such mitigation could either require the use of additional funding and/or value-engineering the project to meet the allocated budget;
- in order to attract a higher and broader level of participation, it was important that the features of the new Sport and Leisure hub facility were more extensive and up to date than those within the existing leisure facilities;
- the project would provide opportunities for individuals wishing to pursue a career in the leisure industry, as well as providing high quality facilities for those participating (at all levels) in a wide variety of sporting and leisure pursuits.

It was **RESOLVED:**

1. That the endorsement of the project from the Stevenage Development Board be noted.
2. That the business case for the Sport and Leisure Hub project be approved, and that authority be delegated to the Strategic Director (TP) to submit the project summary to the Department for Levelling Up, Communities and Housing Towns Fund team on behalf of the Council (acting as Accountable Body).

3. That the development of a detailed project delivery plan, including detailed funding plan and continued engagement with key stakeholders, be endorsed.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

4 URGENT PART I BUSINESS

Levelling Up White Paper

The Chair advised that this White Paper had just been published. In respect of its content, she made an initial holding statement.

The Chair stated that, whilst she welcomed the intent in the White Paper to level up areas of the country that had been left behind, and that there may be opportunities for Stevenage going forward, she had a number of concerns as to how levelling up was to be funded. In particular whether the funding would be for the long term and would genuinely address issues across the UK and not be over-focussed on the north-east and north-west.

The Chair felt that it was disappointing that the proposal of the Hertfordshire Growth Board submitted in the autumn of 2021 had not been accepted as a “pathfinder” project at this stage of the levelling up process. This was particularly so, as all 11 Hertfordshire local authorities, together with the Local Enterprise Partnership and Integrated Care Service were already working constructively in a statutory committee with a clear vision for the future of Hertfordshire.

The Chair recognised that there were significant economic, health, skills and housing inequalities in Hertfordshire, which were trying to be addressed through community wealth building. However, a long term strategy was needed, with ongoing funding support from the Government, to deliver for deprived communities, including some in Stevenage.

The Chair considered that, whilst levelling up could clearly benefit Stevenage in helping to drive forward the skills agenda, especially in the science and technology sector, an opportunity for a real step towards genuine transformational devolution had been missed.

The Chair was of the view that, without a significant funding package from the Government Treasury, and a new constitutional settlement to unshackle local government from Westminster, this White Paper would not achieve the full potential of localism. She felt that what was needed at local level was a secure and sustainable package of funding and powers to enable local leaders to supercharge the economy for the benefit of residents and businesses. Powers and funding would enable investment in transport infrastructure, skills development, economic growth and secure affordable housing, as well as the health inequalities in deprived communities.

The Chair welcomed the devolution of the UK Shared Prosperity Fund, but was concerned that it was to be allocated on a formula system rather than through a

bidding system. She felt that the sum available should at least match the funding that was previously delivered through European Union schemes. The ability to direct funding to where it could be used most effectively should be in the hands of local leaders and not Whitehall.

The Chair commented that real devolution of the funding would see each area allocated the resources it needed to make local projects happen. It was also the case that much of the funding had already been announced by the Government. She regretted that the White Paper had no focus on the Climate Change and digital capability agendas of local authorities.

5 EXCLUSION OF PRESS AND PUBLIC

It was **RESOLVED**:

1. That under Section 100A 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 reports being in Part II were accepted, and that the exemption from disclosure of the information contained therein outweighs the public interest in disclosure.

6 LEISURE MANAGEMENT CONTRACT - PROCUREMENT STRATEGY

The Executive considered a Part II report in respect of a proposed Procurement Strategy with regard to the Leisure Management Contract.

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

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

7 URGENT PART II BUSINESS

None.

CHAIR

This page is intentionally left blank

STEVENAGE BOROUGH COUNCIL

EXECUTIVE MINUTES

Date: Wednesday, 9 February 2022

Time: 1.00pm

Place: Council Chamber, Daneshill House, Danestrete, Stevenage

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 Maureen McKay (Chair of General Purposes Committee).

Start / End Start Time: 1.00pm
Time: End Time: 4.25pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were submitted on behalf of Councillors Phil Bibby CC (observer) and Robin Parker CC (observer).

There were no declarations of interest.

2 MINUTES - 19 JANUARY 2022

It was **RESOLVED** that the Minutes of the meeting of the Executive held on 19 January 2022 be approved as a correct record for signature by the Chair.

3 MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE AND SELECT COMMITTEES

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

Environment & Economy Select Committee – 10 January 2022

4 COVID-19 UPDATE

The Executive considered an overarching verbal update report from the Strategic Director (RP), together with a short presentation from the Corporate Policy & Research Officer, providing information concerning the Omicron variant and the latest epidemiology statistics relating to the Covid-19 pandemic.

The Strategic Director (RP) advised that the Prime Minister had announced that, subject to no significant increase in infection trends, the Government was considering the ending of all Covid restrictions (including self-isolation) on or around 24 February 2022, a month earlier than originally planned.

The Strategic Director (RP) commented that a temporary Covid vaccination centre (with a provisional venue of the United Reform Church on Cuttys Lane) would be provided in the Bedwell Ward on 5 and 12 March 2022 for first, second or booster jabs. Officers were working with the Hertfordshire Community Health Trust to promote these events, which would be supported by the SBC Covid Marshals.

The following issues were raised by Members:

- officers were asked to ensure that, as well as digital, non-digital forms of communication be used (such as posters displayed at the Bedwell and Monkswood Shopping Parades) to advertise the pop-up vaccination clinics to be held in the Bedwell Ward in early March;
- the Strategic Director (RP) agreed to request information from the Lister Hospital to confirm their position in relation to the backlog for elective surgery, along with any associated proposals for tackling the matter;
- if statistics became available at national level regarding the 39% of those hospitalised who had received a first, second and/or booster vaccination, then officers would report this information to Members; and
- the Chair stated that the Hertfordshire Director of Public Health had advised that there were no plans at present for second booster vaccinations, although it was likely that there would be a future need for at least an annual booster.

It was **RESOLVED** that the Covid-19 update be noted.

5 GAMBLING ACT 2005 - REVIEW OF STATEMENT OF LICENSING PRINCIPLES

The Executive considered a report in respect of the proposed Stevenage Borough Council Gambling Act Statement of Principles 2022-2025, for onward recommendation to Council for adoption.

The Portfolio Holder for Communities, Community Safety & Equalities advised that Local authorities were required to publish a Statement of Principles in accordance with section 349 of the Gambling Act 2005. The Statement sets out the general approach that the Council would take when carrying out its regulatory role under the Act and promoting the licensing objectives. The Act specified that Local Authorities should “aim to permit” gambling, provided it was in accordance with the Code of Practice and guidance issued by the Gambling Commission, reasonably consistent with the licensing objectives and in accordance with the Statement of Principles. The effect of this duty was that Licensing Authorities must approach their functions in a way that sought to regulate gambling by using their powers to support the licensing objectives rather than by setting out to prevent it altogether.

The Portfolio Holder for Communities, Community Safety & Equalities stated that a number of additions and amendments to the current Statement of Principles were consulted upon, to reflect the update in the Guidance published by the Gambling Commission. There were no changes to the intent or direction of the Policy, which sets out how the Council would seek to regulate gambling activities under its control and provide a framework for consistent decision making.

The draft Statement of Principles was considered by the Council’s General Purposes

Committee at their meeting on 13 January 2022. The Executive was asked to agree the proposed Stevenage Borough Council Gambling Act Statement of Principles 2022-2025 and to recommend it to the Council for adoption.

The Executive supported an additional recommendation proposed by the Portfolio Holder for Communities, Community Safety & Equalities that the Council would, through the General Purposes Committee, engage with local partners and stakeholders, including Hertfordshire County Council Public Health and addiction support organisations, to further develop the Local Area Profile by establishing an evidence base that identified local harms from gambling activities and make representations to the Secretary of State to tackle harms from services such as online gambling. The Council would also seek the assistance of Hertfordshire's Public Health team to carry out a local health impact assessment.

The Senior Environmental Health & Licensing Manager added that the new Statement of Principles required adoption before July 2022. The Statement of Principles stood apart from the additional recommendation, which would be reflected in the Local Area Profile (an evolving document) currently being developed to address gambling harms in the Borough.

The Chair of the General Purposes Committee reported that the debate of that Committee had focussed on the Local Area Profile and gambling harms, a national issue. The issue of gambling harms had been considered by a HCC Topic Group and the HCC Health & Wellbeing Scrutiny Panel, where it had been noted that 0.6% of the population experienced gambling problems, especially in deprived areas. She commented that a major problem was in the way interested parties (such as the Police) collected data, and that there needed to be a major improvement in information and evidence gathering at a local level. The Hertfordshire Director of Public Health was due to report back on this issue in the coming weeks.

It was **RESOLVED:**

1. That the proposed Stevenage Borough Council Gambling Act Statement of Principles 2022-2025, as attached at Appendix A to the report, be agreed.
2. That the Stevenage Borough Council Gambling Act Statement of Principles 2022-2025 be recommended to Council for adoption.
3. That the Council will, through the General Purposes Committee, engage with local partners and stakeholders, including Hertfordshire County Council Public Health and addiction support organisations, to further develop the Local Area Profile by establishing an evidence base that identifies local harms from gambling activities and make representations to the Secretary of State to tackle harms from services such as online gambling. It will also seek the assistance of Hertfordshire's Public Health team to carry out a local health impact assessment.

Reason for Decision: As contained in report; and 3. To identify and endeavour to address local harms caused by gambling activities.

Other Options considered: As contained in report.

6 FINAL GENERAL FUND AND COUNCIL TAX SETTING 2022/23

The Executive considered a report in respect of the final General Fund Budget and Council Tax Setting for 2022/23, for onward recommendation to Council.

The Portfolio Holder for Resources advised that, since the January 2022 draft General Fund report, further pressures of £33,000 had been identified in addition to the £122,000 highlighted in that earlier report. It was still too early to know whether parking income was going to be more adversely impacted than currently predicted, but this would remain under review.

The Portfolio Holder for Resources stated that the pressures on the net budget were £213,000 on-going, which was why the Making Your Money Count (MYMC) target had been increased for future years and was £810,000 for 2023/24. The MYMC options remained at £781,000, as per the draft report, and they were modelled on 3 redundancies, subject to consultation.

The Portfolio Holder for Resources explained that the NNDR 1 had been completed and the gains had been projected to increase to £619,000. This sum had been transferred into a reserve until realised due to the risks outlined in the report, which meant that there would be an uncommitted sum of £1.162Million in the business rates reserve. An update would be provided at the June 2022 Executive concerning possible uses of the 2021/22 gains if they appeared at year end.

The Portfolio Holder for Resources explained that there were risks to projected balances shown in Paragraphs 4.11.2 - 4.11.3 and Section 4.16 of the report. The previous (January) report recommended finding £250,000 savings during the new financial year. It was now recommended that this target be increased to £500,000, which would help in the event that the Council had to respond to bigger fluctuations in spend than estimated due to Covid and inflation. The balances are £358,000 above the minimum balances.

In response to a Member's question, the Strategic Director (CF) stated that the issue of a potential gap in the Government's methodology regarding the application of the £150 energy costs relief for Houses in Multiple Occupation had been raised with the Government, although the Regulations for administering this relief were still awaited. There would be further challenges in applying this relief to those that did not pay their Council Tax by direct debit.

It was **RESOLVED** that the following proposals be recommended to Council:

1. That the 2021/22 revised net expenditure on the General Fund of £11,688,050 be approved.
2. That the inclusion of the 2022/23 Fees and Charges of £341,780 (Appendix B to the report) in the draft 2022/23 budget be noted.
3. That the draft General Fund Budget for 2022/23 of £11,206,660, with a contribution from balances of £1,112,817 and a Band D Council Tax of £225.57 (assuming a 2.26% increase) be approved.

4. That the updated position on the General Fund Medium Term Financial Strategy (MTFS), as summarised in Section 4.3 of the report, be noted.
5. That the minimum level of General Fund reserves of £3,471,038 in line with the 2022/23 risk assessment of balances, as shown at Appendix C to the report, be approved.
6. That the contingency sum of £400,000 within which the Executive can approve supplementary estimates be approved for 2022/23 (reflecting the level of balances available above the minimum amount).
7. That the Making Your Money Count (MYMC) options, as set out in Section 4.2 and Appendix A of the report, totalling £780,945 and £39,370 for the General Fund and Housing Revenue Account (HRA) respectively for 2022/23 be approved.
8. That the Growth options included in Section 4.3 of the report be approved for inclusion in the 2022/23 General Fund (3120,078) and HRA (£63,360) budgets.
9. That the General Fund pressures, as set out in Section 4.3 of the report, be approved.
10. That a further £300,000 be approved to pump prime Transformation, to be included in the Council's 2022/23 budget setting processes in order to significantly contribute to the savings targets set out in Section 4.11 of the report.
11. That the identification of a further £500,000 of MYMC options for the June 2022 MTFS report, as set out in Paragraph 4.11.4 of the report, be approved.
12. That the use of business rate gains only once realised be ring fenced for firstly the financial resilience of the Council and, if required, transferred to the Income Equalisation Reserve, and thereafter are used for Regeneration or Co-operative Neighbourhood one-off spend.
13. That the 2022/23 Council Tax Support Scheme, as set out in Section 4.6 of the report, be approved.
14. That the comments of the Overview and Scrutiny Committee, as set out in Section 4.19 of the report, be noted.
15. That the Equalities Impact Assessments, as set out in Appendices D and E of the report, be noted.
16. That the work of the Leader's Financial Security Group (LFSG) in reviewing the efficiency, commercial and fees and charges, as outlined in Section 4.17 of the report, be noted.
17. That key partners and other stakeholders be consulted and their views

considered as part of the 2022/23 budget setting process.

18. That, in accordance with the Council's Budget and Policy Framework Procedure Rules, the Council continues with the current Co-operative Corporate Plan, subject to further review in Autumn 2023 (as referred to in Paragraphs 4.18.5 – 4.18.7 of the report).

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

7 RAILWAY STATION MULTI-STOREY CAR PARK - BUSINESS CASE

The Executive considered a report in respect of a proposed Business Case for the Railway Station Multi-Storey Car Park.

The Portfolio Holder for Environment & Regeneration advised that approval of the designs, funding model and elements of funding for the project had been agreed at the December 2021 Executive meeting. The report requested approval of the remaining element of funding, as well as agreement of the mitigation actions during the construction period. The report provided information on borrowing cost implications and mitigation actions, including the Communications Plan principles, which would aim to reduce the loss of income from the temporary loss of customers during the construction of the new multi-storey car park (MSCP). The financial section presented the impact on the General Fund in different projected scenarios, but demonstrated that the borrowing and temporary income loss were manageable.

The Portfolio Holder for Environment & Regeneration commented that the timescales for the project were critical due to volatile material prices therefore it is recommended that a construction contract be signed by the end of February 2022, should the project receive the Executive's approval.

The Portfolio Holder for Economy, Enterprise & Transport stated that planning approval was secured on 11 January 2022, subject to conditions which the project team was now working to discharge. Meanwhile, technical drawings were being developed in order meet the programme which reflected the current build price provided by the contractor.

In reply to a Member's question, the Assistant Director (Regeneration) stated that the discussions with Network Rail regarding the project had not thus far included the possibility of passengers using nearby stations for their rail journeys whilst the MSCP construction work was taking place. Although the existing parking capacity at nearby stations was limited, he agreed to raise this matter with Network Rail.

The Chair asked that officers arrange for a leafletting campaign to take place at the Railway Station in the run up to the start of the MSCP construction contract to advise passengers of the reduced car parking at the station for the duration of the contract and their options for parking in the other town centre car parks or travelling to the station by other means.

It was **RESOLVED:**

1. That it be noted that the discussions with Huber (proposed Contractor), as well as with Officers in the Council's Finance and Parking Departments, have continued since the December 2021 Executive meeting to progress the project.
2. That the successful outcome of the planning application process, with the new MSCP and cycle hub being approved on 11 January 2022, be noted.
3. That borrowing of up to £2.05M be approved to fund the costs of the MSCP not funded through Towns Fund and identified capital receipts.
4. That authority be delegated to the Strategic Director (TP) to enter into a construction contract with Huber up to £9.5M, and to agree any value increases to the existing Pre-Construction Services Agreement in order to protect the overall contract price.
5. That the following mitigation strategy principles be agreed:
 - Customers to be encouraged, using an improved communications strategy, to use St George's Multi-Storey Car Park as the preferred option for long term parking when using the station and other car parks within the town centre;
 - Customers have a further choice to use Primett Road car park and walk to the station - a "park and stride" option;
 - Utilisation of the Income Equalisation Reserve in the event that car parking income losses during construction of the MSCP are higher than included in the 2022/23 budget.
6. That authority be delegated to the Assistant Director (Planning & Regulation) to procure an operator(s) and operational plan for the new MSCP electric vehicle charging points and cycle hub, following consultation with the Portfolio Holders for Resources, Environment and Regeneration, and Economy and Transport.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

8 STEVENAGE CONNECTION AREA ACTION PLAN: ISSUES AND OPTIONS REPORT PUBLIC CONSULTATION FEEDBACK

The Executive considered a report seeking approval to the drafting of the Stevenage Connection Area Action Plan: Preferred Options report.

The Portfolio Holder for Environment & Regeneration reminded Members that an Area Action Plan (AAP) was an optional development plan document which provided specific planning policy and guidance for a particular location or area of significant change. The AAP could create new policy over and above the Local Plan.

The Portfolio Holder for Environment & Regeneration advised that the "Issues & Options" stage was only the first element of development of the Area Action Plan. This would be followed by a "Preferred Options" consultation which would have been informed by the Issues & Options consultation response.

The Executive noted that the Planning & Development Committee had been briefed on the Issues & Options AAP consultation response on 31 January 2022.

The Portfolio Holder for Environment & Regeneration stated that Public consultation on the Issues & Options AAP ran from 12 July to 5 September 2021. Wide engagement had taken place via a range of methods which were detailed in the report and the appended Consultation Statement. As well as the general public, the Issues and Options report was circulated to key stakeholders who operated within and around the area covered by the AAP.

It was **RESOLVED**:

1. That the content of the draft Stevenage Connection Area Action Plan: Issues and Options Report Consultation Statement (the Consultation Statement) be noted.
2. That it be agreed to progress to the next stage of the Area Action Plan progress, namely the production of the “Stevenage Connection Area Action Plan: Preferred Options Report”, (the Preferred Options Report), this report being based on the outcomes of the “Issues and Options” consultation.
3. That delegated powers be granted to the Assistant Director: Planning and Regulation, in consultation with the Portfolio Holder for Environment and Regeneration, to prepare the Preferred Options Report.
4. That it be noted that the final draft of the Preferred Options Report will be presented to Executive for approval to go out to public consultation in Summer 2022 (formal consultation, if approved, will take place once approved).
5. That the comments of the Planning & Development Committee on the report and Consultation Statement be noted.
6. That it be noted that informal engagement with key stakeholders will continue, to test the Preferred Options ahead of preparation of the Area Action Plan Preferred Options Report.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

9 STEVENAGE DESIGN GUIDANCE SUPPLEMENTARY PLANNING DOCUMENT 2021: PUBLIC CONSULTATION FEEDBACK

The Executive considered a report regarding feedback from consultation on the draft Design Guidance Supplementary Planning Document (SPD) 2021, and seeking approval to the amended SPD prior to a second round of public consultation.

The Portfolio Holder for Environment & Regeneration reminded the Executive that Supplementary Planning Documents (SPDs) built upon policies contained in the Local Plan and were material considerations in the determination of planning

applications.

The Portfolio Holder for Environment & Regeneration explained that public consultation on the draft Design Guidance SPD had run from 20 September to 29 November 2021. Over 150 responses were received by the Council and, after taking these responses into account, officers felt that the document required significant amendments and additions.

The Executive noted the consultation outcomes set out in the Consultation Statement. The SPD would be revised before being re-submitted to the Executive for approval (likely in Summer 2022) before going out to public consultation thereafter, provisionally pencilled in for September 2022.

The Chair encouraged Members to provide officers with any suggestions for the addition of appropriate buildings to the Stevenage Heritage Assets list.

The following points were made by officers regarding issues raised by Members:

- the Assistant Director (Planning & Regulation) was requested to provide details in the next report on the SPD in respect of the refining of the design guidance for non-residential development;
- officers were requested to consider what action could be taken to direct telecommunications companies away from siting their apparatus in green leisure/community spaces, and instead locating them in more appropriate areas;
- officers were asked to include Liquid Amber trees in the list of tree species that should be considered set out in the “Movement” section of the SPD; and
- officers agreed to engage further as part of the next consultation phase in respect of the most appropriate signage to be used in the Borough’s Conservation Areas.

It was **RESOLVED**:

1. That the content of the Stevenage Design Guidance SPD 2021 Consultation Statement (Appendix B) be noted.
2. That delegated powers be granted to the Assistant Director: Planning and Regulation, following consultation with the Portfolio Holder for Environment and Regeneration, to make minor amendments as are necessary in the final preparation of the second draft SPD prior to its consultation.
3. That the second draft Design Guidance SPD be published for consultation in September 2022 for a minimum of six weeks (speculatively 5 September to 17 October 2022).
4. That the Local List of Heritage Assets be published on the Stevenage Borough Council Webpage.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

10 **FILMING OPPORTUNITIES IN STEVENAGE**

The Executive considered a report in respect of the development of a formalised filming offer for Stevenage, designed to attract film, television and documentary makers into the Borough, help promote the town and to create an additional sustainable revenue stream for the Council whilst also supporting the local economy.

The Portfolio Holder for Resources advised that the proposal supported the Council's Cultural Strategy, which aimed to build the profile of Stevenage as a destination creative town.

The Portfolio Holder for Children, Young People, Leisure & Culture added that, locally in Hertfordshire, £1.5Bn was being invested in film production over the next three years. It was therefore timely for the Council to position itself to provide a clear offer for filming opportunities, to showcase and raise the profile of the Borough and realise the ambitions outlined in the Cultural Strategy. Increased filming in the town would widen cultural opportunities for local residents, practitioners, and other organisations. He referred to Paragraph 4.6 of the report, which outlined a number of the unique and interesting potential locations for filming in the Borough.

The Chair requested the Strategic Director (TP) to liaise with Hertfordshire County Council colleagues to ascertain details of the process and cost for the fast-tracking of road closures in association with filming productions.

It was **RESOLVED**:

1. That the need to formalise the arrangements for filming within the Borough, in order that the Council will be in a better position to generate interest as a destination creative town and ensure that income is appropriately generated from the use of Council assets, be noted.
2. That the plan outlined in Section 4 of the report be approved as the Council's "filming offer".
3. That the implementation of the Council's scale of charges for filming, as set out in Appendix B to the report, be approved.

Reason for Decision: As contained in report.

Other Options considered: As contained in the report.

11 **CAPITAL STRATEGY 2021/22 - 2025/26**

The Executive considered a report seeking revisions to the 2021/22 General Fund and Housing Revenue Account Capital Programme, and approval of the final Capital Programme for 2022/23 for onward recommendation to Council.

The Portfolio Holder for Resources advised that the initial review of the existing Capital programme proposed growth bids for 2022/23 of £1.950Million, which resulted in a balance remaining at the end of 2022/23 of £842,000. This was considered to be too low by the Chief Financial Officer. Following the draft Capital

Strategy, a review of the bids was undertaken by Leader's Financial Security Group (LFSG).

The Portfolio Holder for Resources stated that as a result of the LSFG review, the following was proposed:

- £1.342Million agreed for 2022/23:
- three bids totalling £73,000 were not supported, however the service concerned could bid from the Deferred Works Reserve if the works became essential, and
- 7 bids were deferred totalling £535,000. Accordingly the Deferred Works Reserve had been increased by the sum of £535,000, so that the schemes could go ahead if a health and safety need arose or the bid was subsequently supported. It was recommended that the Executive be given delegated authority to approve all of the "On Hold" schemes, so that they could go ahead, subject to the outcome of the work identified. This would be in addition to the usual contingency allowance delegation of £250,000 to the Executive.

The Portfolio Holder for Resources commented that, due to a number of potentially larger pieces of work for which there was currently insufficient information available, it was recommended that the Deferred Works Reserve for 2022/23 be increased by a further £300,000, resulting in a total Deferred Works Reserve of £1.035Million.

The Portfolio Holder for Resources advised that the Capital Programme was fully funded for 2021/22 – 2025/26. The Chief Financial Officer would be submitting a report forward during the 2022/23 financial year setting out the Council's key capital town centre transformation, community asset ambitions and key land and asset disposals not currently in the Capital Strategy, in order to determine a funding strategy to meet the Corporate priorities.

In respect of the Housing Revenue Account Capital Programme, the Portfolio Holder for Resources stated that there had been no changes since the draft Capital Strategy was agreed at January 2022 Executive meeting. The budget for 2021/22 - 2025/26 remained a total of £188.942Million.

The Executive noted that a specific delegation recommended to the Executive or Portfolio Lead/Leader of the Council to approve increases to the capital programme for grant funded projects when external funding sources had been secured. It was proposed that this contingency allowance remained at £5,000,000 where a scheme was fully funded from third party contribution/grant.

In reply to a question from the Chair in respect of progress on the Locality Reviews, the Strategic Director (CF) stated that the Strategic Leadership Team was in the process of considering community assets, following which there would be consultation with Executive Portfolio Holders.

In response to a further question from the Chair regarding the use of Community Infrastructure Levy (CIL)/Section 106 monies, the Strategic Director (CF) confirmed that these were essentially limited to the provision of capital funding for specific projects, but officers would investigate the extent of which the ongoing maintenance and revenue costs associated with such projects could be paid for from CIL/Section

106.

A Member requested that consideration should be given in the future to the use of funding for a more regular upgrading and maintenance programme for the Borough's Shopping Parades.

It was **RESOLVED** that the following proposals be recommended to Council:

1. That the final General Fund Capital Growth Bids for 2022/23, as detailed in Appendix A (and incorporated into Appendix C) to the report, be approved.
2. That the revisions to the 2021/22 General Fund budget, as incorporated into Appendix C to the report, be approved.
3. That the final 2022/23 General Fund Capital Programme, as detailed in Appendix C to the report, together with the recommended resourcing, be approved.
4. That the Chief Financial Officer brings a report forward during the 2022/23 financial year setting out the Council's key capital regeneration and community asset ambitions and key land and asset disposals not currently in the capital strategy, to determine a funding strategy to meet these Corporate priorities.
5. That the final Housing Revenue Account (HRA) budget requests for 2022/23, as detailed in Appendix B (and incorporated into Appendix D) to the report, and as approved at the 26 January 2022 Council meeting, be noted.
6. That the final HRA Capital Programme, as detailed in Appendix D to the report, be approved.
7. That the updated forecast of resources 2022/23, as detailed in Appendix C (General Fund) and Appendix D (HRA) to the report, be approved.
8. That the Council's investment strategy for non-treasury assets, as detailed in Appendix E to the report, be approved for consideration by the Executive.
9. That the funding increase requested for the Bus Interchange scheme, as set out in Paragraph 4.1.2 of the report, be approved.
10. That the Executive be given delegated authority to approved all of the on-hold schemes, so that they can go ahead depending on the outcome of the work identified in Paragraph 4.3.1 of the report.
11. That the 2022/23 de-minimis expenditure limit, as set out in Section 4.11 of the report, be approved.
12. That the 2022/23 contingency allowances for the General Fund and HRA, set out in Paragraphs 4.12.1 and 4.12.2 of the report respectively, be approved.
13. That the Executive delegation set out in Paragraph 4.12.3 of the report,

allowing the Executive to approve increases to the Capital Programme for grant funded projects, be approved.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

12 **ANNUAL TREASURY MANAGEMENT STRATEGY INCLUDING PRUDENTIAL CODE INDICATORS 2022/23**

The Executive considered a report seeking the approval of the Treasury Management Strategy 2022/23, including its Annual Investment Strategy, Prudential Indicators and Minimum Revenue Provision (MRP) policy, for onward recommendation to Council.

The Portfolio Holder for Resources advised that cash balances were projected to be £71.4Million by 31 March 2022. The projection excluded £10.5Million of used balances in lieu of external borrowing due to low interest rates leading to a poor return on investments.

The Portfolio Holder for Resources explained that the returns achievable on the Council's investments were currently modest based on the low Bank of England base rate. The Monetary Policy Committee (MPC) raised the Bank of England base rate (Bank Rate) on 16 December 2021 to 0.25%, the first increase since it was cut to 0.10% on 19 March 2020 in response to the Coronavirus pandemic. For the financial year 2021/22 to 31 December 2021 returns on investments had averaged 0.34% and total interest earned was £201,159 which had contributed to General Fund and Housing Revenue Account revenue income.

The Portfolio Holder for Resources stated that there had been no breaches of Treasury Management counter party limits during 2021/22 to date. There were no changes recommended for counter party limits, as the existing limits had allowed the Council to remain flexible with respect to volatile cash balances (held on a short-term basis).

The Portfolio Holder for Resources commented that revised Treasury Management and Prudential Codes were issued by CIPFA on 20 December 2021. The Department for Levelling Up, Housing and Communities (DLUHC, formerly MHCLG) was proposing to tighten up regulations around local authorities financing capital expenditure on investments in commercial projects for yield. The DLUHC was also currently conducting a consultation on amending Minimum Revenue Provision (MRP) rules for England. Officers had been reviewing the potential impact that the proposed changes may make to the MRP charged to revenue and were taking this into account when making borrowing decisions.

It was **RESOLVED** that the following proposals be recommended to Council:

1. That the Treasury Management Strategy, as set out at Appendix A to the report, be approved.
2. That the Prudential Indicators for 2022/23, as set out at Appendix C to the

report, be approved.

3. That the Minimum Revenue Provision (MRP) policy, as set out at Appendix B to the report, be approved.

Reason for Decision: As contained in the report.

Other Options considered: As contained in report.

13 URGENT PART I BUSINESS

Social Housing Decarbonisation Fund

The Chair was pleased to announce that the Council had been awarded £1,836,546 for the project to improve the energy efficiency of 400 Council homes. This funding would be provided through the Social Housing Decarbonisation Fund (SHDF), which was administered by the Department for Business, Energy and Industrial Strategy (BEIS). The SHDF funding would be supported by a 33% contribution from the Council's Housing Revenue Account, making the total project value £2.75M.

The Chair advised that the funding would see social homes with an Energy Performance Certificate (EPC) rating of D or lower receive upgrades to improve their energy efficiency and reduce carbon emissions. This included, where required, fitting wall and loft insulation, double glazing, and solar panels. The scheme would help us to make these homes warmer and cheaper to run and was also expected to create a great number of jobs in the green energy sector, some of which it was hoped would be local within Stevenage.

The Chair commented that, given the well-publicised increase in energy costs and the other factors which were believed to be fuelling a broader cost of living crisis, this funding was greatly welcomed and the Council would work to ensure that its tenants benefitted as soon as possible, with planned works expected to take place between April 2022 and March 2023. The work being delivered formed part of the Council's commitment to making Council housing more energy efficient and would also contribute towards the achievement of its wider ambition to be net carbon zero by 2030.

The Chair recorded her thanks to the Council's Housing & Investment Team and Portfolio Holder for Housing, Health and Older People for the significant efforts made to submit the bid, which had secured this important and timely funding award.

14 EXCLUSION OF PRESS AND PUBLIC

Not required.

15 URGENT PART II BUSINESS

None.

CHAIR

STEVENAGE BOROUGH COUNCIL
OVERVIEW AND SCRUTINY COMMITTEE
MINUTES

Date: Tuesday, 25 January 2022

Time: 6.00pm

Place: Council Chamber

Present: Councillors: Lin Martin-Haugh (Chair), Philip Bibby CC (Vice-Chair), Myla Arceno, Adrian Brown, Michael Downing, Alex Farquharson, Chris Howells, Wendy Kerby, Andy McGuinness, Sarah Mead, Robin Parker CC, Claire Parris, Loraine Rossati and Simon Speller.

Start / End Time: Start Time: 6.00pm
End Time: 6.39pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

There were no apologies for absence and no declarations of interest.

2 MINUTES OF THE PREVIOUS MEETING

It was **RESOLVED** that the Minutes of the Overview and Scrutiny Committee held on Tuesday 14 December 2021 be approved as a correct record and signed by the Chair.

3 PART I DECISIONS OF THE EXECUTIVE

2. Minutes

Noted.

3. Minutes from the Overview and Scrutiny Committee and Select Committees

Noted.

4. Covid-19 Update

The Strategic Director (RP) advised that Executive had received a verbal update on the Covid position both nationally and locally including:

- The numbers of Lateral Flow Testing kits had increased nationally from 300,000 per day to over 1 million per day particularly via local pharmacies;
- Members would be advised of the proposed use of the Nightingale Ward once clarification had been received from the Hertfordshire Health Protection Board (HHPB) it was not needed for the Pandemic;

- Information had been requested from the HHPB regarding the numbers of unvaccinated local hospital in-patients;
- It was noted that the pop-up vaccination centre in Bedwell had been postponed prior to Christmas. Officers advised that they were pursuing this to ensure the pop-up centre was still to be provided and would be in place and available both during the week and at weekends.

Members expressed concern that some pharmacies were struggling to source Lateral Flow Tests. Officers advised that details of any pharmacies struggling to get the tests should be notified to them for this to be followed up.

In relation to the data regarding unvaccinated hospital admissions, Members were concerned that the Borough information had not been provided as it was known to be available at CCG and GP level. Officers agreed to follow this up.

5. Future Town Future Transport Strategy – 12 Month Review

The Assistant Director Planning and Regulation reported on the comments made by Executive particularly in relation to consultation with appropriate disability groups to seek their ideas on how to overcome practical difficulties experienced by them in transport related matters.

Members raised the following questions/concerns:

- In relation to the new Bus Interchange, what plans were there to inform the public about its use and how to use the Interchange; Officers agreed to consult with the Regeneration Team and report back to all Members about opening and publicity details.
- A Member asked if there were any maps showing the extension of the cycleways particularly at the end of Gresley Way near Emperors Gate. Officers confirmed that they were about to publish a new updated cycleway map which would be shared with Members. The Gresley Way route would be extended by Redrow as part of the Gresley Way development. Further details would be provided to Members in due course;
- In relation to disabled access across the Town, Officers advised that the Members through the Planning and Development Committee had flagged that there should be a variety of different options for disabled users during consideration of the new Multi Storey Car park;
- The issue of the management of E-scooters should be considered by Members;
- The Chris Boardman Group for Active Travel plus the new amendments to the Highway Code were also welcomed by Members;
- Officers confirmed that in relation to Electronic Vehicle (EV) charging points, the list included in the report were those points which were to be funded through grants for publicly accessible chargers and that could be delivered in the time frame required. It was advised that the Emperors Gate EV charging points were no longer included in this bid but Officers agreed to look into this and advise Members accordingly.

6. Housing Revenue Account (HRA): HRA Budget 2022/23; HRA Medium Term Financial Strategy 2021/22 0 2025/26; and HRA Business Plan Review 2021

Noted.

7. Draft General Fund and Council Tax Setting 2022/23

Noted.

Members were aware that due to the reduction in funding for Councils over the last decade, difficult decisions had to be made to set a balanced budget, but were pleased to note that the Council was still prioritising available business rate gains for economic and housing regeneration and the community and co-operative neighbourhood management work.

8. Draft Capital Strategy 2021/22 – 2025/26

Noted.

**9. Urgent Part I Business
SBC Award from Hertfordshire Public Health**

The Strategic Director (RP) reported on an award of £90,000 by Hertfordshire Public Health to continue its work in reducing health inequalities in the Town over the coming years.

Members were invited to suggest ideas for the funding and once the projects were fully developed in conjunction with the Primary Care Networks and Health colleagues within the Town, further details would be communicated to Members.

In response to a question, Officers advised that the funding would cover 2 financial years but it was hoped this would lead to additional funding opportunities.

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**

It was **RESOLVED** that the Part II Minutes of the Overview and Scrutiny Committee held on 14 December 2021 be approved as a correct record and signed by the Chair.

8 **PART II DECISIONS OF THE EXECUTIVE**

None.

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

None.

10 **URGENT PART II BUSINESS**

None.

CHAIR

STEVENAGE BOROUGH COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE MINUTES

Date: Wednesday, 9 February 2022

Time: 6.00pm

Place: Council Chamber, Daneshill House, Danestrete

Present: Councillors: Lin Martin-Haugh (Chair), Myla Arceno, Adrian Brown, Alex Farquharson, Chris Howells, Wendy Kerby, Sarah Mead, Robin Parker CC, Loraine Rossati and Simon Speller

Start / End Time: Start Time: 6.00pm
End Time: 7.03pm

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

Apologies for absence were received on behalf of Councillor Phil Bibby, Michael Downing and Claire Parris.

There were no declarations of interest.

2 **PART I DECISIONS OF THE EXECUTIVE**

2. **Towns Fund Business Case – New Towns Heritage Centre and**
3. **Towns Fund Business Case – Sport and Leisure Hub**

The Committee noted the support of the Executive to both the Heritage Centre and the Sports and Leisure Hub Towns Fund Business Cases.

The following questions/comments were made by Members:

- In response to a question, Officers confirmed that there were 10 projects coming forward in 9 Business Cases. These would be submitted to four separate Executive meetings followed by Overview and Scrutiny Committees for approval. It was noted that there was strong support for the Business Cases from the Stevenage Development Board.
- Officers advised that the Digital Connectivity Study was not large enough to justify its own Business Case and would likely form part of the Transport Connectivity Business Case although this was yet to be confirmed.
- It was noted that in accordance with Government requirements, the MP for Stevenage had received an open invitation to attend all meetings of the Stevenage Development Board although he had not yet attended any meetings.
- In response to a question about the possible inclusion of an Aerospace exhibition in the new Museum, Officers advised that no firm details had

been confirmed regarding the scope or what exhibitions should be included in the Museum at this stage. The report did set out examples but this was not an exhaustive list. The Community Select Committee had carried out an initial piece of work around New Towns Heritage Centre, incorporating a new museum and their recommendations had been incorporated into the business case and would be involved in the final consideration of the curation and the design and profile of the Museum.

- A question was asked regarding the funding for the project. It was confirmed that £936k would be funded by the Council although discussions would be held with external stakeholders for alternative funding bids. The term 'match funding' related to the amount of funding required to deliver the project separate, and not equal to, the amount of grant funding being offered by the Government.
- Officers confirmed that there had been Member involvement in the process for both Business Cases from the relevant Portfolio Holders prior to submission to Executive. In complying with Government requirements the Leader and Portfolio Holder for Environment and Regeneration were Members of the Development Board and the Portfolio Holder for Children, Young People, Leisure and Culture has been involved in the Leisure and Culture Theme Board considering the Heritage Centre. All Business Cases would be subject to further Member involvement.
- Members agreed the importance of the Business Cases being informed by the good policy development work of the Select Committees and noted the engagement that had taken place to help inform the Heritage Centre Business Case.
- All Business Cases would be through the approval process by 24 March 2022. It was noted that work on some of the Business Cases would start imminently but there would be others where it would be 4 to 5 years before development began.

4. Urgent Part I Business – Levelling Up White Paper

The Committee note the statement made at the Executive in relation to the Levelling Up White Paper.

The following comments were made by Members:

- It appeared that all the Levelling Up Funds from Central Government had been allocated to Towns in the North of England and Stevenage and Hertfordshire as a whole had missed out.
- Officers advised that Stevenage had secured money through the Towns Fund Deal. In terms of the Levelling Up Funding Scheme, Stevenage had been classed as a Category 3 Town (lowest priority) as a result of factors such as transport accessibility/travel to work/skills and pay levels compared to rural towns. Officers agreed to circulate to members the full category levels. It was noted that very few Category 3 Towns had been successful in securing any funding through the Levelling Up Fund. Officers advised that feedback had been sought

from the Government although there would be an opportunity to submit further Bids in Rounds 2 and 3 of the Fund.

- Members were concerned to hear that a letter of support from the local MP had not been received so could not form part of the Council's bid. Officers advised that they hoped that the MP would be supportive of future bids. Regular meetings were held between the Chief Executive and the MP and this would be discussed at these meetings.
- Members asked about other towns similar to Stevenage that had submitted bids. Officers advised that some had also received funding through the Towns Fund Scheme and further details would be made known to Members.
- In response to a question regarding Local Authority Reorganisation and whether this was a factor in receiving funding, Officers advised that the White Paper had set out a series of powers and freedoms available to Local Authorities but it was unclear as to the extent of the funding available for those authorities without an elected Mayor. Further clarification was awaited.

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

None.

4 **URGENT PART I BUSINESS**

None.

5 **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.

6 **PART II DECISIONS OF THE EXECUTIVE**

6. **Leisure Management Contract – Procurement Strategy**

Members noted the Part II Decisions related to the Procurement Strategy for the Leisure Management Contract.

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

None.

8 **URGENT PART II BUSINESS**

None.

CHAIR

STEVENAGE BOROUGH COUNCIL
OVERVIEW AND SCRUTINY COMMITTEE
MINUTES

Date: Tuesday, 15 February 2022

Time: 6.00pm

Place: Council Chamber, Daneshill House, Danestrete, Stevenage

Present: Councillors: Lin Martin-Haugh (Chair), Myla Arceno, Adrian Brown, Michael Downing, Alex Farquharson, Chris Howells, Wendy Kerby and Robin Parker CC.

Start / End Start Time: 6.00pm

Time: End Time: 7.25pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for Absence were received on behalf of Councillors Phil Bibby CC, Andy McGuinness, Sarah Mead, Claire Parris and Loraine Rossati.

There were no declarations of interest.

2 MINUTES OF THE PREVIOUS MEETING

It was **RESOLVED** that the Minutes of the meeting of the Overview and Scrutiny Committee held on 25 January 2022 be approved for signature by the Chair.

3 PART I DECISIONS OF THE EXECUTIVE

2. Minutes

Noted.

3. Minutes from the Overview and Scrutiny Committee and Select Committees

Noted.

4. Covid-19 Update

The Strategic Director advised that two dates had been secured for the pop-up vaccination facility in Bedwell during March. A Communication Plan was being drawn up and it was confirmed that the Council would be promoting the facility via both digital and non-digital forms of communication.

All vaccines including first, second and booster vaccines would be available at the pop-up centre.

In response to a question regarding the impact of Covid on elective surgery and the resulting backlog, Officers advised that further information would be brought back to the Executive.

In response to a further question related to national statistics, some information had been provided regarding the numbers of patients that had been hospitalised without being vaccinated, however, more detailed information was still being sought by Officers.

In response to a number of questions, the following responses were given:

- There were no plans for a second booster although an annual booster was likely to be rolled out;
- Pre-booking for the pop-up centres would not be required. Although located in Bedwell, the Ward with the lowest numbers of people vaccinated, the facility would be open to all Stevenage residents;
- working with health colleagues across the County, Officers were investigating the potential for additional pop-up centres in other parts of the Town;
- It was noted that the majority of people who were being hospitalised were unvaccinated. Officers were working with the Herts Health Protection Board to obtain more detailed local information;
- as soon as information on the future use of the Nightingale Wards was available, officers would advise Members;
- In terms of the role of Environmental Health, officers confirmed that Herts Public Health had contacted surgeries within Stevenage regarding vaccine tracing with a view to SBC contacting individuals who had not received any vaccines so far;
- Officers were looking to review the outstanding Covid restrictions which were due to expire on 24 March. Further information would be circulated to Members along with information regarding Tier 3 and Tier 4 requirements.

5. Gambling Act 2005 – Review of Statement of Licensing Principles

In response to a question about whether the Living Room, an organisation established to support people living with addictions, had been approached as part of the consultation. Officers advised that they had not and although it was too late to consult with The Living Room on this consultation due to the required timeline for adoption of this Policy, they would make contact with them about the wider harms of gambling and would take their views on board for future consultations.

6. Final General Fund and Council Tax Setting 2022/23

The Committee was informed that the report had not been published in time to take into account the recent interest rate rise announced by the Bank of England.

A question had been asked at Executive regarding the £150 energy relief

scheme, which would be given out to residents via the Council Tax lists. Concern was expressed that not every Council Tax Payer paid by direct debit but would be responsible for paying the utility bills. Also in relation to houses of multiple occupation (HMO's), the landlord would pay the Council Tax rather than those responsible for the energy bills. Officers would be working on a resolution to this issue.

The following comments/questions were raised by Members:

- Councillors could help with communicating the message within the community regarding the funding;
- The majority of homes within the Town would be eligible for the £150;
- Officers advised that although there were a number of residents not paying by Direct Debit, the preferred method was direct to bank so this would need to be worked through by officers;
- Making Your Money Count was the new version of financial security;
- Members were informed that the identification of a further half a million savings were likely to go through the Leaders Financial Security Group for scrutiny.

7. Railway Station Multi-Storey Car Park – Business Case

The following questions/comments were raised by Members:

- Although options for Lytton Way were still under consideration, Officers confirmed that any of the four options within the Area Action Plan would work with the access to the new multi storey car park;
- In relation to the St George's Way Multi Storey Car Park, Officers advised that there was more work to be done but that there had already been some improvements, including enhancements to the lighting and the CCTV cameras;
- In terms of the 5th Platform and the additional demand at the station for parking, Officers agreed to provide a written answer although this would be challenging due to the impact of Covid on the demand for parking currently;
- Members asked about alternative parking arrangements for commuters during the construction of the MSCP. Officers advised that there was sufficient capacity in the Town Centre Car parks including the St Georges Way MSCP;
- Construction of the new MSCP would take approximately 40 to 50 weeks.

8. Stevenage Connection Area Action Plan: Issues and Options Report Public Consultation Feedback

The following questions/comments were raised by Members:

- In terms of the comments from Consultees, the report only noted the comments rather than to provide a response to each point. Members

requested that a more meaningful response to the consultees was required. Officers agreed to take this on board and it would be provided in future reports on the topic;

- The current situation on Lytton Way with the construction of the crossing relating to the Bus Interchange did not form part of the Area Action Plan and this had caused some confusion for the public. Officers agreed to ensure that this would be clarified in the communications for future plans;
- Members asked about the retention of the bridge and the potential for an underpass to be constructed. Officers confirmed that the raised walkway and the works that were currently underway including the 'at grade' crossing between the new bus interchange and the railway station were not part of this consultation but had been included in the permission which formed part of the Bus Station application;
- Members were welcome to submit further representations in response to the Area Action Plan which could be included in the consideration of the consultation responses;
- The timescale for the Area Action Plan around the Railway Station was within the Local Plan and was a different timeline to the Bus Interchange work and the linked works. The AAP process was much longer term and there would be a number of years of consultation before a preferred option was chosen and approved. Officers agreed that a timeline to help separate the two would make the situation clearer for Members and the public.

9. Stevenage Design Guidance Supplementary Planning Document 2021: Public Consultation Feedback

Officers advised that residential parking policy and guidance was not included in the design guidance SPD. The Sustainable Transport and Parking SPD which included parking standards had been adopted in 2021 and would not be revisited for 3 to 5 years.

10. Filming Opportunities in Stevenage

In relation to a question relating to road closures and the charges for this, the Strategic Director advised that she would ascertain details for the process and respond to Members.

11. Capital Strategy 2021/22 – 2025/26

Noted.

12. Annual Treasury management Strategy Including Prudential Code Indicators

Noted.

13. Urgent Part I Business – Social Housing Decarbonisation Fund

The following questions/comments were raised by Members:

- Members asked if the Council had an asset management database of the Council's housing stock. Officers advised that there was a database and would provide an explanation in writing, following the meeting, of the 400 properties that would fall within the scope of the project;
- In response to a question, regarding the saving on energy bills for these properties when the work was completed, Officers advised they would have to come back to Members with the information following the meeting.

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**

Not required.

7 **PART II DECISIONS OF THE EXECUTIVE**

None.

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

None.

9 **URGENT PART II BUSINESS**

None.

CHAIR

This page is intentionally left blank

Part I



Meeting Executive
Portfolio Area Regeneration
Date 16th March 2022



TOWNS FUND BUSINESS CASE – STEVENAGE ENTERPRISE CENTRE

KEY DECISION

Author – Lucy King
Lead Officer – Chris Barnes Ext.2292
Contributor – Annie Piper

1 PURPOSE

- 1.1 Stevenage was successfully awarded £37.5m of funding through the Government's Towns Fund programme. Full business cases must be developed and approved by 24th March 2022 for each of the projects that comprise the Stevenage Towns Fund programme. The Council, as Accountable Body, must provide final sign-off for each of the business cases, in accordance with the Towns Fund Stage 2 Guidance. Full Council has delegated approval of each of the business cases to the Council's Executive committee.
- 1.2 This report relates to the Stevenage Enterprise Centre project, which involves the delivery of a new Enterprise Centre in the heart of the town centre with space for labs, workshops, co-working, hot desks and meeting rooms through the use of digital creativity and technology to harness the creation and development of high value growth businesses in the life sciences sectors. This will provide a major boost for the town in consolidating

a position within the UK Innovation Corridor by encouraging science-based entrepreneurs to start up new ventures, assure their survival and growth and expand the base of emerging high-value and high growth industries in the area. This will also revitalise an existing town centre asset, and provide a platform for the delivery of community engagement and involvement in the facility.

2 RECOMMENDATIONS

That Executive:

- 2.1 Note the feedback from the Stevenage Development Board.
- 2.2 Approve the Stevenage Enterprise Centre business case and delegate authority to Strategic Director (TP) to submit the project summary to the Department for Levelling Up, Communities and Housing Towns Fund team on behalf of the Council (acting as Accountable Body).
- 2.3 Note that due to ongoing commercial discussions, this project will be subject to an updated business plan to be approved by Executive prior to drawdown of funding.

3 BACKGROUND

- 3.1 In September 2019 the Government invited 101 towns to develop proposals and bid for funding for a Town Deal, as part of the £3.6 billion Towns Fund. Stevenage was identified as one of the 101 eligible towns. Background relating to this process, the development of the Stevenage Town Investment Plan (STIP), and the approval process for the business cases is contained within Appendix A. The breakdown of funding is identified below:

Project	Total (£)
Stevenage Enterprise Centre	4,000,000
Gunnels Wood Road Infrastructure Improvements	1,000,000
Station Gateway Enabling Works	6,500,000
Marshgate Biotech	1,750,000
Stevenage Innovation & Technology Centre	5,000,000
National New Towns Heritage Centre	2,000,000
Stevenage Sports & Leisure Hub	10,000,000
Cycling Connectivity and Arts & Heritage Trail	3,500,000
Town Centre Diversification & Garden Square	3,750,000
Total	37,500,000

- 3.2 All business cases relating to the Stevenage Town Investment Plan are required to be approved by the Accountable body before 24th March 2022. To recap, business cases must include:
- The evidence for the intervention using rigorous analysis of quality data and the application of best practice.
 - An assessment of value for money, including showing how different types of projects will be compared and assessed.
 - A clear economic rationale, justifying the use of public funds in addition to how a proposed project is expected to contribute to strategic objectives.
 - Clearly defined inputs, activities, outputs and anticipated outcomes.
 - Appropriate consideration of deliverability and risk along with appropriate mitigating action.
 - Whilst there is no minimum value for money threshold set for Towns Fund projects, in order to follow best practice, all business cases must contain robust value for money assessments.
 - Business cases should address, in a proportionate manner, the five cases set out in the HM Treasury Green Book.

Stevenage Enterprise Centre summary (£4,000,000)

- 3.3 Full information on the project can be found in Appendices B & C.
- 3.4 The project will involve the development of the Stevenage Enterprise Centre project comprising 57,000 sqft incubator, office and meeting space in Stevenage Town Centre focused on supporting young and start up life science businesses, capitalising on the opportunity that having an established life science and cell & gene cluster presents.
- 3.5 The Enterprise Centre can be used to provide a soft-landing for world class technology based businesses investing in Stevenage adding further momentum to the town's growing base of advanced technology activity. Longer term, the growth of successful technology and innovation based businesses can be expected to create further demand for commercial space in the town and, as with the recent Co-Space and Autolus developments, help position Stevenage Town Centre as a commercial location of regional significance. The project will also accelerate the diversification of the town centre, which is in significant need of regeneration, at the same time generating greater demand for the products and services of the retail, hospitality and business services based in the town centre.
- 3.6 This project remains consistent with the aims and objectives of the STIP. Since the submission, and with the emergence of the Marshgate project and wider life science interest in the Town Centre, a potential developer (Reef) has been exploring an opportunity with a sector-focus on life science. Whilst still providing facilities that are open for all, a life-science focus to complement the wider cluster is seen as an emerging opportunity with space

for labs, workshops, co-work/hot desks and meeting rooms through the use of digital creativity and technology, including community space. There is also an opportunity to provide space that could be utilised by students – this will be explored as the project progresses.

3.7 It is worth noting that this project is at an early stage; the strategic benefits of the project have been identified and there is a clear rationale and delivery mechanism, but further design development and business plan refinement will be necessary as the project develops.

3.8 Purpose and Key Elements of the Project are:

- Release of the current building within Queensway for development as a life sciences enterprise centre.
- Reef to deliver the project as lead developer, with institutional investment providing match funding, due to interest in the site.
- Bringing about the development of a 57,000 sqft enterprise centre in Stevenage Town Centre, comprising incubator and co-working space, private offices and laboratories, meeting and presentation space and specialist facilities to support life sciences innovation activity within 24 months of project inception.
- Implementation of a high-quality business support offer for start-ups and young businesses to enable their commercial needs to be thoroughly diagnosed and solutions to be provided.
- A robust business plan for the operational phase of the enterprise centre that will assure the viability of the centre, its success in stimulating world beating life sciences ventures and delivery of contracted outputs.
- The enterprise centre has been designed specifically for the needs of life sciences businesses. It will comprise 57,435 square feet, with the following an indicative space breakdown:

Uses	Total, All Floors (sqft)
Co-working Space	8203
Private Work Areas	9627
Meeting Space	2242
Laboratories	12382
DJ 7 Studios	696
Digital Laboratory	971
Break Out Area	2717
Lounge	1600
Events Area	200
Facilities	322
Storage	692

Ancillary Uses	978
Plant & IT Rooms	1861
WC/Changing	1454
Total	43945
Circulation & Other Uses	13490
Grand Total	57435

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1 This report recommends approval of this Stevenage Towns Fund business case, which sets out a case for:

- Stevenage Enterprise Centre (£4,000,000)

4.2 Both the summary version and full version of the business case have been included as appendices to this paper. The business case provides detailed assessment of the strategic, economic, financial, commercial and management elements of the business case, with detailed consideration of the benefits, risks, outputs and outcomes of the project.

4.3 The business case under consideration has been reviewed by the officer group and Assurance Panel, which includes the Chair of the Stevenage Development Board.

4.4 To date, the Assurance Panel, which is made up of representatives from the Board and supported by Stevenage Borough Council Officers, have provided support for the business case. Key comments from the assurance panel are summarised below:

- Workshop required with legal services to understand subsidy control and arrange a strong accountable body agreement.
- This business case is at an earlier stage than others – condition for it to be reported back to Board and Accountable Body once reserved matters relating to business plan and legal considerations have been met.
- Emphasis on the market opportunity for this scheme and viability tests have been conducted which showed residential use or mixed commercial use would have issues.

4.5 The business case was presented to the Stevenage Development Board on 2nd December 2022, incorporating feedback from the Assurance Panel.

4.6 When the Heads of Terms were agreed with Government in 2021, this project did not have any conditions attached to it.

4.7 The alternative options available to the Council are:

- Not to approve the business case, or
 - Defer approval of the business case until any issues are resolved or further information is provided.
- 4.8 Based on the information presented, Officers are satisfied that the business case can be suitably controlled through conditions relating to the drawdown of funding, and no further amendments are required. It is acknowledged that the business case is a living document, which will be updated as developments progress. The other options available would have a significant detrimental impact on the success of the Towns Fund and Transforming Your Town programme, with no tangible benefits.
- 4.9 The work completed so far has identified a strong concept and proposal, but with further work required to confirm viability and match funding. If the business case is approved, Officers will continue to work with Reef to develop a detailed delivery programme for the project, embed the governance proposals, and develop an updated business plan and operating model over the next 6-12 months.

5 IMPLICATIONS

Financial Implications

- 5.1 In relation to the Stevenage Enterprise Centre business case, this project has been allocated £4m of Towns Fund monies. Delivery of the project is commercially challenging as the building is currently in third-party ownership, but the developer is continuing to progress updated appraisals as the design evolves.
- 5.2 In considering the overall financial risks of match-funding cumulatively to those already approved. Across tranche 1, 2, and 3, the Council is exposed to circa. £1.25m of capital that could revert to revenue if a capital scheme is not delivered across the Gunnels Wood Road and Station Gateway projects, and circa. £3m of direct match-funding to deliver the MSCP element of the Station Gateway project, the funding for which has been approved. In relation to the capital/revenue risk, Officers are developing a strategy to mitigate this risk as far as possible. Across Tranche 3, approximately £35m has been identified for investment in the leisure and heritage centre projects. This is being addressed through an overarching capital strategy, with work underway to develop a detailed funding strategy for the Council's regeneration ambitions.
- 5.3 It is not envisaged, at this stage, that Council match funding will be required to support the Enterprise Centre, due to the commitments made across the overall programme. Should a commercial opportunity arise, this would require capital approval in accordance with the Council's constitution.

Legal Implications

- 5.4 In relation to the Stevenage Enterprise Centre business case, the approval process previously set out at Executive and Council ("Transforming our Town Centre progress update and Towns Fund decision making") has been

followed, and the documents have been prepared in accordance with the Towns Fund Stage 2 Guidance referenced in the decision-making report. There will be further decision-making gateways required, including separate consideration of the planning application, although funding from the Council is not currently proposed.

- 5.5 As the project would be delivered by a third-party, the Council has engaged Burges Salmon to provide legal advice in relation to subsidy control. A full assessment of compliance with the legislation will be required when a final design and funding plan has been developed, but in the principle the current advice demonstrates that it would be possible for a Subsidy Control compliant scheme to be developed, subject to further assessment in the future.

Risk Implications

- 5.6 Full details of risks relating to each of the business cases can be found within the full business case.
- 5.7 The Towns Fund programme provides a significant opportunity to draw in substantial levels of funding to support the regeneration of the town. Across a range of projects, there are elements of risk, as some projects will require match funding (as set out in the business case), or require capital investment and to proceed into delivery to avoid project costs generating revenue impacts. A number of strategic risks have already been identified for this project. The key risks include:

Stevenage Enterprise Centre Project Risk Register

Risk Register L: Likelihood; I: Impact; T: Total

Ref.	Risk	Triggers	Consequences	Controls	Risk Score			Contingency	Responsible Person	Date: Added/ Updated
					L	I	T			
001	Construction labour shortages create delays	Conclusion of contracts building contractors with building for public realm and site redevelopment EU restrictions (Brexit) on contractors and independent consultants	Delays to completion of both due to recruitment difficulties for contractors and consultants, Cost overruns	Appropriate and timely Contractual arrangements	4	5	20 R	In development agreement with potential developer and with public realm contractors incorporate commitment to bring in additional temporary labour to ensure projects are completed on time.		
002	Labour shortages in freight transport and supply industries delay construction progress	Construction progress reports noting failure to progress on schedule. National shortfall in haulage capacity	Delays to completion of project due to shortages of materials and components . Cost overruns	Contractual arrangements	5	5	25 R	In development agreement with Reef and with public realm contractors incorporate commitment to build up advanced stocks of materials. Build in sufficient contingency time in delivery programme to address possible delays.		

003	Covid-19 Outbreak and possible introduction of lockdown measures	Negative changes to working practices through social distancing. Uneconomical for construction supply train to operate. Added delays due to drop in output levels through covid	The need to implement practices to ensure safety. Shortfalls in manufacturing capacity causing price inflation. Project delay by significant social distancing measures. Negative Change in payment practices.	Client, consultants, and contractors work together to agree common solutions. Innovative approaches to procurement are in place. Allow for time extension in contracts. Monitor financial resilience of supply chains.	3	4	12 O	Scenario planning to assess the impact of the closedown and reduced output levels and advise clients accordingly to ensure timely completion. Bring in additional temporary labour. Review planning conditions and seek changes where possible to enable sites to operate in shifts over longer working hours. Manage cashflow.		
004	Development of Forge Building constrained by unknown site conditions.	Physical obstructions. Physical conditions.	Need to change working methods. Revision of the design. Delays in delivering the development. Cost escalation.	Clear and appropriate description of works in technical documents. Clearly defined scope of works e.g. contractor's design obligations and buildability obligations	2	4	8 Y	Contractual provisions to manage unforeseen site conditions e.g. physical obstructions or physical conditions.		
005	Climate changes and weather conditions	Unusually harsh weather conditions. Impact of unusually harsh weather conditions on aspects of project	Bad weather retards progress of the construction programme or parts of the construction programme	Regular progress reviews. Timely communication	3	4	12 O	Build in sufficient slack in the programme to cover for unforeseen eventualities such as weather		

006	The construction cost exceeds the limit for the project or other issues arising during the design & development phase	Capital & revenue overspends. Inadequate project management. Failure to resolve conflicting priorities. Robust financial systems are not established.	Impact on capital programme. Revenue overspends. Requirements to make compensatory savings to balance budget. Increased legal fees. Reputational damage.	Client management relationship. Rigorous and well-informed project monitoring reports. Effective communication. Appointment of key personnel.	3	4	12 O	Appointment of a B&D contractor in a two-stage process with a caveat to end the contract after the first stage should the Council wish to make that decision (PCSA - Pre-Construction Service Agreement). A cost consultant will be involved from an early stage of the project to ensure contractor's proposals are realistic and within budget.		
007	Developer suffers financial distress and ceases operations	Reported delays in construction progress	Major delay to completion of project.	Terms of development agreement Regular progress reviews. Application of robust project management methodology	1	5	5 Y	Through its due diligence, SBC has reviewed Reef's commercial performance and the value of its property holdings and is assured of the robustness of its finances. SBC has other development partners such as mace who could be called upon to rescue the project in such circumstances		
008	Failure to achieve planning approval	Notification of Council decision	Major delay to completion. and project interdependencies.	Planning approval has been expedited and is well advanced. Through consultation, scope of objections well understood.	1	5	5 Y	Close cooperation with Planning.		

009	Constrained nature of the site limits both the volume of building which can be accommodated , the range of uses and how the buildings are organised on site.	Funding restricted / stopped. Poor management decisions. Failures in contractor / partnership working. Poor project management. Poor planning	Project delays/overruns. Reputational damage. Cost overruns. Public dissatisfaction. Discouragement of future partnerships. Delay, impact on service delivery.	Regular meetings with designers / contractors. Effective procurement strategy. Post contract reviews. Regular and timely meetings with planning. Robust project management.	3	3	9 Y	Close cooperation with Planning.		
010	Failure to provide and deliver adequate business support to centre clients.	Focus on construction and development may detract attention from the need to assist innovators with commercialisation of their products and services.	Many early-stage centre clients fail and other at intermediate stage have sub optimal success in penetrating their required markets, possibly leading to business failure.	Creation of an appropriately represented strategic board to define business support needs and to engage appropriate business support organisations and providers to address them.	2	5	10 Y	Set out a brief for business support for centre clients. Engage and contract with suitable business support organisations and providers who can assure the successful creation, survival and growth of dynamic technology businesses, in accordance with brief.		

5.8 The key risks and mitigation at a programme level can be summarised as follows:

Key Risks	Mitigation
Business cases and summary sheets are not signed-off / submitted in time and funding is lost	Programme and resources have been established with a dedicated programme manager and oversight from Assistant Director (Regeneration) and Strategic Director (TP) to ensure products are commissioned and programme is on track
Business cases are rejected by Accountable Body/Development Board	Early engagement with both organisations to ensure they are involved and have oversight of business case development, to ensure they are supportive of the direction of travel
Sign-off process and/or decision routes are challenged	Developed sign-off process and governance as set out in this paper in accordance with guidance and best practice
The cumulative risk of Towns Fund projects has a material impact on the Council's Medium-Term Financial Strategy	Each project will highlight the potential areas of risk (in this case, related to the approach to avoid any risks of capital claw back), and previous Towns Fund project. At this point in time the previous Towns Fund project (Gyratory) also highlighted risks of capital clawback, which also has mitigations in place
Money spent at risk not recovered and resulting in a General Fund pressure if projects don't proceed	Careful diligence of spending in early stages of the projects; not progressing to business case stage unless we are confident the project is deliverable; review of risk in entirety across the programme
Funding not sufficiently secured by accountable body, including match-funding	Towns Fund spend profile to be reflected in the Council's capital strategy, with individual projects returning to Council for future sign-off when at a suitably advanced stage to give Members the full information necessary for final budgetary sign-off
Third-parties do not deliver to timeframe or budget, and/or don't follow relevant procurement guidelines	All projects being delivered by a third-party to have a funding agreement in place with the Accountable Body
Business cases called-in and potentially challenged by BEIS/DLUHC	Utilising business case template provided through the Town's Fund resource; representative from BEIS to attend Development Board meetings and have

Policy Implications

- 5.9 The development will contribute to the delivery of regeneration within the town centre and will help to deliver key objectives of the Council's Sustainable Transport strategy, Future "Town, Future Transport" (adopted 2019) and will also help to deliver on the Council's commitment to reducing carbon emissions as stated in the Climate Change Strategy (adopted 2020) through low-carbon developments.

Planning Implications

- 5.10 Planning permission will be required for the development.

Environmental Implications

- 5.11 A core value of embedded within the framework for appraising these projects is focussed on ensuring due consideration to Environment, and where possible support the reduction of impact of Regeneration on the Environment.
- 5.12 There is a significant focus on utilising brownfield sites and spaces to their maximum potential through the Stevenage Town Investment Plan, and a clear drive to focus on sustainable travel options, through both public and active transport initiatives.
- 5.13 Better land use planning is a key concept for mitigating emissions and allowing people to make the behavioural changes required to reduce their carbon footprints in the long run. Improved buildings will improve the environment, not detract from it.

Climate Change Implications

- 5.14 The project presents an opportunity to make a positive contribution to the Town's climate emergency and net zero ambitions, by utilising space in a multi-purpose building which is designed to limit the use of new resources through both the construction and operation phases. Stevenage has a recognised legacy as a green and diverse environment, and the new asset has an opportunity to promote this through its displays.

Equalities and Diversity Implications

- 5.15 No specific equalities and diversity implications for this tranche of business cases.

APPENDICES

- A Background to the Town Investment Plan development and business case requirements
- B Stevenage Enterprise Centre business case summary
- C Stevenage Enterprise Centre full business case

This page is intentionally left blank

1 APPENDIX A - BACKGROUND TO TOWNS FUND

- 1.1 In September 2019 the Government invited 101 towns to develop proposals and bid for funding for a Town Deal, as part of the £3.6 billion Towns Fund. Stevenage was identified as one of the 101 eligible towns.
- 1.2 As part of the Towns Fund, each eligible town was required to put in place cross-organisational leadership via a Towns Fund Board, to ensure broad representation from businesses, skills and education providers, investors, community representation and cross-public sector support.
- 1.3 In Stevenage, this saw the formation of a new, independent Stevenage Development Board. Following a recruitment process managed by Hertfordshire County Council and approved by the Ministry for Housing, Communities and Local Government, an independent Chair was appointed (Adrian Hawkins OBE), and the new Development Board (the Board) was formed in March 2020, working to shape a Town Investment Plan to help develop proposals to provide local opportunity and reinvigorate the town.
- 1.4 After extensive work and wide engagement by the Board, including working groups on Skills and Enterprise, Connectivity, Heritage and Culture, and Regeneration, the Stevenage Town Investment Plan (STIP) was submitted in October 2020. This built on extensive engagement with local stakeholders, residents and businesses to help shape a plan to reinvigorate Stevenage to meet the aspirations of its people.
- 1.5 This plan set out proposals to create an exemplar 21st century New Town, maximising the opportunities within local economy (including capitalising on the Life Sciences opportunity) to meet the needs of local people, attracting visitors and investment and revitalising the town. The Towns Fund programme had set out an expectation that bids would be for up to £25m, largely capital funding, but with the potential for towns to bid for up to £50m if they could demonstrate exceptional circumstances and subject to a deeper review process to be conducted by Government officials. Stevenage Development Board set out a bid with 'exceptional circumstances, articulating a proposal for £50m funding to help address challenges and opportunities facing the town.
- 1.6 As part of the national Budget announcements in March 2021, funding was allocated to 45 Towns. Stevenage achieved the joint highest allocation in this funding round, with an award of £37.5m. In making this award, the Minister for Regional Growth and Local Government, indicated that this higher funding offer 'is in recognition of the case that Stevenage made for the national significance of the proposals to develop its life sciences sector' and that this presents 'an exciting opportunity to come together to drive long-term economic and productivity growth in Stevenage, particularly as we meet the challenges presented by Covid-19'.
- 1.7 The Ministry of Housing, Communities and Local Government (MHCLG) (now the Department for Levelling Up, Housing and Communities (DLUHC)) set out proposed Heads of Terms for the £37.5m award for the Town

Investment Plan). As set out by the Towns Fund programme, the Council and Chair of Stevenage Development Board proposed a funding profile. On 15 July 2021, DLUHC provided Grant Confirmation, allocating funding over a five year period – subject to approval of business cases by the Accountable Body and DLUHC conditions. This was allocated as follows:

- 1.8 This process also sets out a clear role for Stevenage Borough Council as the Accountable Body for the allocation of funding for Towns Fund projects, and requires the Council to undertake assurance assessments, review and approval of business cases to draw down funding for projects within the Town Investment Plan.
- 1.9 To secure the allocated Towns Fund package, all business cases must be complete and signed-off by the Accountable Body, with the accompanying project summary sheets submitted to DLUHC by 24 March 2022.
- 1.10 It is recognised that the funding and range of projects included within Stevenage's Town's Fund programme means that it is one of the largest programmes within the nationwide Towns Fund programme, the Council needs a clear and achievable plan for producing and signing-off the business cases. The Council does have significant experience in developing complex business cases for approval and government review, such as through the Local Enterprise Partnership Growth Deal Funding, in addition to the strategic outline case submitted to government in the form of the Stevenage Town Investment Plan. Preparation work has been undertaken for many of the projects, to enable development of the business cases in a timely way. In October 2021, at a meeting of the full Council, powers were delegated to the Council's Executive Committee to consider each of the business cases for approval.

Business case requirements

- 1.11 The requirements for business case development and assurance are set out by DLUHC as part of their Stage 2 guidance of the Towns Fund. Stage 2 of the Town's Fund process focusses on the development of business cases for each of the projects, and is required to be complete before 24th March 2022.
- 1.12 This stage of activity is to ensure local partners work with government to demonstrate the feasibility, viability and value for money of their projects. This includes:
 - Developing and submitting the Town Deal Summary Document
 - Business Case development for all approved projects
 - A full list of projects
 - Detail of the processes used for business case assurance and approval followed for each project
 - Confirmation of actions taken in response to any conditions applied in the agreed Heads of Terms between DLUHC and local partners

- A Delivery Plan (including details of the team, working arrangements and agreements with stakeholders)
 - A Monitoring and Evaluation Plan
 - Confirmation of funding arrangements and financial profiles for each project
 - Undertaking Public Sector Equalities Duty analysis
 - Approval from the Town Deal Board and Lead Council
- 1.13 Stevenage Borough Council and Stevenage Development Board are required to conduct project assurance for each individual project.
- 1.14 Each business case is expected to meet agreed criteria. DLUHC expect business cases to include:
- The evidence for the intervention using rigorous analysis of quality data and the application of best practice.
 - An assessment of value for money, including showing how different types of projects will be compared and assessed.
 - A clear economic rationale, justifying the use of public funds in addition to how a proposed project is expected to contribute to strategic objectives.
 - Clearly defined inputs, activities, outputs and anticipated outcomes.
 - Appropriate consideration of deliverability and risk along with appropriate mitigating action.
 - Whilst there is no minimum value for money threshold set for Towns Fund projects, in order to follow best practice, all business cases must contain robust value for money assessments.
 - Business cases should address, in a proportionate manner, the five cases set out in the HM Treasury Green Book.
- 1.15 Each business case should be assured by the Accountable Body (in this case, Stevenage Borough Council), prior to submitting summary documents to DLUHC.

Developing and reviewing business cases

- 1.16 Stevenage Development Board will continue to have a vital role through the development of business cases, with partners engaged in working groups to support the development and finalisation of business cases. The Board includes a wide range of key stakeholders, who will need to endorse the businesses cases and play a key role in engaging with the projects across a range of themes, including Culture, Skills, Sustainable Transport, and Town Centre Regeneration. This will ensure the experience and expertise across a range of sectors will be harnessed to support the development of robust and deliverable business cases, for projects that will have a significant positive impact for the town.

1.17 To support the assurance process, and ensure appropriate separation of interests when the Council is acting as Accountable Body, an Officer Panel ('Chair's Panel') consisting of senior Stevenage Borough Council and partner Officers (a Director, Section 151 Officer, Monitoring Officer, Hertfordshire LEP and, Hertfordshire County Council Officers) has been established to ensure business cases meet requirements before being recommended to the Development Board for approval. The following approval route will now be followed for the submission of business cases to DLUHC:

- Business case developed by Officers and Stevenage Development Board partners
- Review of business cases by a 'Assurance Panel' including key Council Officers to ensure strategic alignment, deliverability, value for money and the ability to implement the Town Investment Plan, as part of the assurance process
- Approval of the business case by Stevenage Development Board
- Business case to be approved by Stevenage Borough Council Executive Committee as the 'Accountable Body'
- Summary of the business case to be submitted to DLUHC to access funding.

Executive Summary: Enterprise Centre

*Prepared for the Stevenage Development Board
Full Business Cases are available on request*



Contents

Executive Summary from Business Case Assurance Panel	3
Overview	4
Strategic Case	8
Economic Case	10
Financial Case	13
Commercial Case	14
Management Case	16

Executive Summary from Business Case Assurance Panel

Project Title

Stevenage Enterprise Centre

Assurance Panel Feedback

Assurance Panel discussion was held on 17th November. Full minutes for this discussion can be provided on request.

Overall the panel discussion was positive towards the business case. The Panel unanimously supported the business case with the following to be incorporated:

- Workshop required with legal services to understand subsidy control and arrange a strong accountable body agreement
- This business case is at an earlier stage than others – condition for it to be reported back to Board once reserved matters surround business plan and legal considerations have been met
- Inclusion of visual road map to project delivery
- Emphasis on the market opportunity for this scheme and viability tests have been conducted which showed residential use or mixed commercial use would have issues

Recommendations for Board

Panel members recommend this Business Case to the Stevenage Development Board with the notion it will be brought back when the project is further developed.

Overview

Project Title
Stevenage Enterprise Centre
Project Location
Town Centre – Current Poundland (77-83 Queensway, Stevenage SG1 1EA)
Partner/Co-Funding Organisations
Stevenage Borough Council and Reef
Total Project Costs (£)
£12,722,364
Total Town's Fund Allocation (£)
£4,000,000
Other Investment (£)
£1,000,000
Total Third Sector Investment (£)
N/A
Total Private Sector Investment (£)
£7,722,364

Project Description (500 words max)

This business case sets out the proposal and rationale for a the development of the Town Centre Enterprise Centre project comprising 57,000 sqft incubator, co-working and meeting space and offices in Stevenage Town Centre focused on supporting young and start up life science businesses.

The project is at an earlier stage of the project cycle; conditions on funding will be required to ensure an updated business plan and business case are approved prior to drawdown of funding, utilising the business case as a live document.

The scheme being supported by the Town Fund will involve the delivery of a new Enterprise Centre in the heart of the town centre with space for labs, workshops, co-working, hot desks and meeting rooms through the use of digital creativity and technology to harness the creation and development of high value growth businesses in the life sciences sectors. This will provide a major boost for the town in consolidating a position within the UK Innovation Corridor by encouraging science-based entrepreneurs to start up new ventures, assure their survival and growth and expand the base of emerging high-value and high growth industries in the area. In parallel it can be used to provide a soft-landing for world class technology based business investing in Stevenage adding further momentum to the town's growing base of advanced technology activity. Longer term, the growth of successful technology and innovation based businesses can be expected to create further demand for commercial space in the town and, as with the proposed Marshgate Biotech Centre project, help position Stevenage as an office location of regional significance. The project will also accelerate the diversification of the town centre, which is in significant need of regeneration, at the same time generating greater demand for the products and services of the retail, hospitality and business services based in the town centre.

What was submitted in the Stevenage Town Investment Plan?

New Enterprise Centre in the heart of the town centre to provide employment space, re-activating underutilised spaces and boosting footfall in the town centre.

What has changed?

This project remains consistent with the aims and objectives of the STIP. Since the submission, and with the emergence of the Marshgate project and wider life science interest in the Town Centre, the potential developer has been refining a sector-specific development. Whilst still providing facilities that are open for all, a life-science focus to complement the wider cluster is seen as an emerging opportunity with space for labs, workshops, co-work/hot desks and meeting rooms through the use of digital creativity and technology, including community space. There is also an opportunity to provide space that could be utilised by students – this will be explored as the project progresses.

It is worth noting that the project is at an early stage; the strategic benefits of the project have been identified and there is a clear rationale and delivery mechanism, but further design development and business plan refinement will be necessary as the project develops.

Key Purposes of the Project

Purpose and Key Elements of the Project are:

- Release of the current building within Queensway for development as a life sciences enterprise centre.
- A contract between the developer and funder for taking over the site and for the build out of the enterprise centre within agreed timescales.
- Bringing about the development of a 57,000 sqft enterprise centre in Stevenage Town Centre, comprising incubator and co-working space, private offices and laboratories, meeting and presentation space and specialist facilities to support life sciences innovation activity within 24 months of project inception.
- Implementation of a high-quality business support offer for start-ups and young businesses to enable their commercial needs to be thoroughly diagnosed and solutions to be provided.
- A robust business plan for the operational phase of the enterprise centre that will assure the viability of the centre, its success in stimulating world beating life sciences ventures and delivery of contracted outputs.
- The enterprise centre has been designed specifically for the needs of life sciences businesses. It will comprise 57,435 square feet, broken down into the following uses:

Uses	Total, All Floors (Sqft)
Co-working Space	8203
Private Work Areas	9627
Meeting Space	2242
Laboratories	12382
DJ 7 Studios	696
Digital Laboratory	971
Break Out Area	2717
Lounge	1600
Events Area	200
Facilities	322
Storage	692
Ancillary Uses	978
Plant & IT Rooms	1861
WC/Changing	1454
Total	43945
Circulation & Other Uses	13490
Grand Total	57435

Configuration of the Project

Key activities of the project are outlined below including what progress has been achieved.

Activity	Parallel Projects	Enabling Phase	Development Phase	Operational Phase
Multi Storey Car Park & zero carbon support infrastructure	√			
Marshgate Biotech Office project	√			
Acquisition of the Forge building		√		
Essential site preparation		√		
Contract/Accountable Body Agreement		√		
Build out of the 57,000 sqft enterprise centre			√	
Business plan to assure viability and delivery of outputs				√
Implementation of a high quality business support offer to centre clients				√

Strategic Case

Indicate how this project meets the Town Investment Plan Vision (<i>tick</i>)		
	Reflecting and Re-Interpreting our New Town Heritage for future generations	✓
	Embracing Sustainable Travel to maximise the benefits of our strategic location and link our communities with jobs and leisure	
	Transforming our Town Centre as a key place of opportunity and integration for business, residents and visitors	✓
	Upskilling and providing opportunities for all our people to benefit from innovation & growth	✓
	Supercharging the growth of National and International Business Base	✓
Indicate which <i>challenge(s)</i> this project intends to meet (<i>tick</i>)		
	Challenge 1: Ageing Infrastructure – Urban Disconnections and a Brake on Growth	
	Challenge 2: Bridging the Skills Gap and Raising Aspirations	✓
	Challenge 3: Town Centre Transformation	✓
	Challenge 4: A Resident Population Being Left Behind	✓
	Challenge 5: Lack of Suitable Modern Space for Growth	✓
Indicate which <i>opportunity(ies)</i> this project supports (<i>tick</i>)		
	Opportunity 1: National and International Gateway for UK PLC	✓
	Opportunity 2: Innovation Hub, High Growth Potential and STEM City	✓
	Opportunity 3: The Untapped Potential of Stevenage People	✓
	Opportunity 4: Building Wealth and Reclaiming Expenditure	✓
	Opportunity 5: Reviving Stevenage's Sustainable Travel Network	

Policy Alignment (List only, 2.3)

National Policy	Local Policy
<ul style="list-style-type: none"> • UK Innovation Strategy • HM Government Life Science Vision 2021 • Net Zero Carbon Policy – The Move Towards Clean Transportation • National Council for Science and Technology • Advanced Research and Invention Agency, or ARIA 	<ul style="list-style-type: none"> • Hertfordshire Covid Recovery Plan • Hertfordshire Enterprise and Innovation Strategy • Hertfordshire LEP Strategic Economic Plan • Local Industrial Strategy Grand Challenges • Stevenage Local Plan • Stevenage Central Framework

Expected Outputs/Outcomes (2.5.11)

Jobs Created	59
Commercial Floorspace Developed or Upgraded sqm	5,337
Net Increase in Commercial Floorspace	929
Additional Homes brought forward	69
Construction Jobs	140
Additional GVA Generated per Annum	£3,375,721
Additional Annual High Level Skills Qualifications Attained	12
Business Created (during project period)	60

Wider Outcomes and Benefits (2.5.12)

Economic

- Acceleration of the redevelopment of a key site in a Major Opportunity Area, in turn accelerating the on-going regeneration of the rest of the town centre.
- Attraction of major investment into a high prestige Innovation and R&D facility.
- Creation of a significant number of new businesses in Stevenage.
- Scope for creation of a significant number of additional jobs in Stevenage through expansions.
- Stronger perception of Stevenage town centre as a high-tech location.
- Creation of a magnet for additional world class bioscience activities in Stevenage Town Centre.
- Catalyst for stimulating early development commitments on other sites released for development.
- An extensive number of construction jobs will be created.

Environmental

- Scope for higher levels of living and working on the town centre, reducing the need to travel.

Social

- New qualifications will be generated as a result of the scheme.

Economic Case

Economic Benefits (3.3.1)

See table of outputs/outcomes above.

GVA impacts from employment and income projections have been projected. These have been projected over a 30-year period. There are no monetisable direct transport benefits.

Relevant Modelling Results	Present Value	Undiscounted
	30 Years	30 Years
Cost	£13,255,769	£14,491,664
GVA	£49,687,126	£84,393,029
Benefits	£49,687,126	£84,393,029
Net Present Value: Benefits Less Cost	£36,431,356	£69,901,365
BCR Calculation	3.75	5.82

Place Based Analysis (3.6.1)

Benefits related to the preferred option which are quantifiable and those wider in scope or non-quantifiable are set in the place-based analysis described below, taking account of local employment impacts.

Target Area	Central Core, Stevenage Town Centre, SG1
External dependencies	None affecting project implementation Site occupancy not dependent on market demand, as occupier for commercial floorspace in town centre has been identified
Benefits to the Target Area: Quantified	As above
Benefits to the	<u>Economic</u>

Target Area: Qualitative	<ul style="list-style-type: none"> • Generation of new high value businesses with potential for high growth and expansion. • Anticipated demand for high quality commercial space as expansions occur. • Acceleration of the redevelopment of key sites in Central Core. • Improved town centre environment. • Stronger perception of Stevenage as a place to invest. • Higher levels of investor confidence conducive to acceleration of transformation throughout Stevenage Central. <p><u>Environmental</u></p> <ul style="list-style-type: none"> • Enhanced scope for living and working in the town centre, thereby reducing the need to travel. • Cleaner air and healthier lifestyles. <p><u>Social</u></p> <ul style="list-style-type: none"> • Better local amenities due to increase patronage of retail, hospitality and leisure activities in the town centre.
Possible collateral effects in the target area or wider spatial area	<p><u>Positive effects</u></p> <ul style="list-style-type: none"> • Acceleration of on-going regeneration of the town centre. • Reduced car usage, cleaner air and healthier lifestyles <p><u>Negative effects</u></p> <ul style="list-style-type: none"> • Possible attraction of employers out of Gunnels Wood employment area
Adverse effects on protected groups	None so far identified
Different impacts by income group	High quality office development likely to benefit white collar occupations F&B and retail development will provide opportunities for manual and elementary occupations
Views of local stakeholders	TBC
Alignment with wider public policy in the relevant area/s and the UK as a whole/s	<p><u>National</u></p> Boost to: Prospects for the UK Innovation Corridor Net Zero Carbon Policies <p><u>Sub-regional</u></p> Hertfordshire Covid Recovery Plan: contributes to equipping Hertfordshire's places for mid-21st Century living supporting town centres and town-level economies building digital connectivity. Boosts enterprise and innovation and international trade and

	<p>investment.</p> <p>Sub-regional and Local Transport Policies: helps create a built environment conducive to improved accessibility; reduces the need to travel; encourages change in people's travel behaviour</p> <p><u>Local</u></p> <p>Stevenage Local Plan 2019-2031. Directly addresses Local Plan's ambitions for new homes and additional employment floorspace.</p> <p>Stevenage Central Framework. Recycling of redevelopment sites; opportunities to create offices and workspace matching post-Covid requirements; uplifting the area's image and investor confidence; reduced need to travel; greater opportunities for take up of public transport in place of cars contributing to carbon reduction targets.</p>	
<p>Dependency on the successful delivery of other proposals</p>	<p>Completion of new bus interchange and rail station upgrade, both approved and funded.</p> <p>Completion of the multi-storey car park enabling improved options for accessibility</p> <p>Completion of the Marshgate Bioscience Centre, giving enterprise centre users greater confidence in the credibility of Stevenage as an emerging high tech and life sciences hub.</p>	
<p>Link of Benefits Estimated Link to Theory of Change and Strategic Case</p>	<ul style="list-style-type: none"> • Release and acceleration of an additional development site. • Construction of new commercial space. • Attraction of high profile business occupiers. • Recognition of Stevenage Town Centre as a high prestige business location. • Increased investor confidence. • Acceleration of transformation of other SG1 major opportunity areas and sites. • Increased footfall boosting prospects for revived retail, leisure and hospitality sector. 	

Financial Case

Funding Profile (4.2.6)					
	Funding Profile				Total
	Private Sector				£7,722,364
	Town's Fund				£4,000,000
	Other match funding required				£1,000,000
	Total				£12,722,364
Funding Schedule (4.2.7)					
Source	21/22	22/23	23/24	24/25	Total
Private Sector	£0	£2,633,418	£5,088,946	£0	£7,722,364
Town's Fund	£0	£2,230,700	£1,769,300	£0	£4,000,000
Other match required	£0	£1,000,000	£0	£0	£1,000,000
Total	£0	£5,864,118	£6,858,246	£0	£12,722,364
<p>Stevenage Development Board will expect that the funding will not be released unless there is a signed Accountable Body Agreement in place.</p> <p>The project is at an early stage; further design development and business plan refinement will be necessary as the project develops.</p>					

Commercial Case

Delivery Model (5.2.4-6)

Proposed Delivery Model

The proposed delivery model is to work in partnership with a developer who is able to deliver a high quality scheme to a standard that will be guaranteed to attract its intended occupants. In parallel, it is proposed that the Town Fund provides the resources for the gap funding required to address market failure and make the scheme viable. The redevelopment would likely be undertaken by Reef.

Rationale for Proposed Delivery Model

These arrangements have a number of advantages. Provision of a development ready site assurance to the developer that the scheme can proceed on a viable basis. This will be conducive to accelerating the transformation of the Marshgate and Queensway major opportunity area, with associated knock-on benefits to surrounding parts of the town centre.

A further benefit is that this model works well in assuring the meeting of sub-regional economic growth objectives, in this case boosting the position of Stevenage in the UK Innovation Corridor (UKIC) and in this context further developing its significant bioscience industry. Attracting such uses into the town centre is also conducive to making the wider town centre more sustainable both in economic and environmental terms.

Risks (5.2.11)

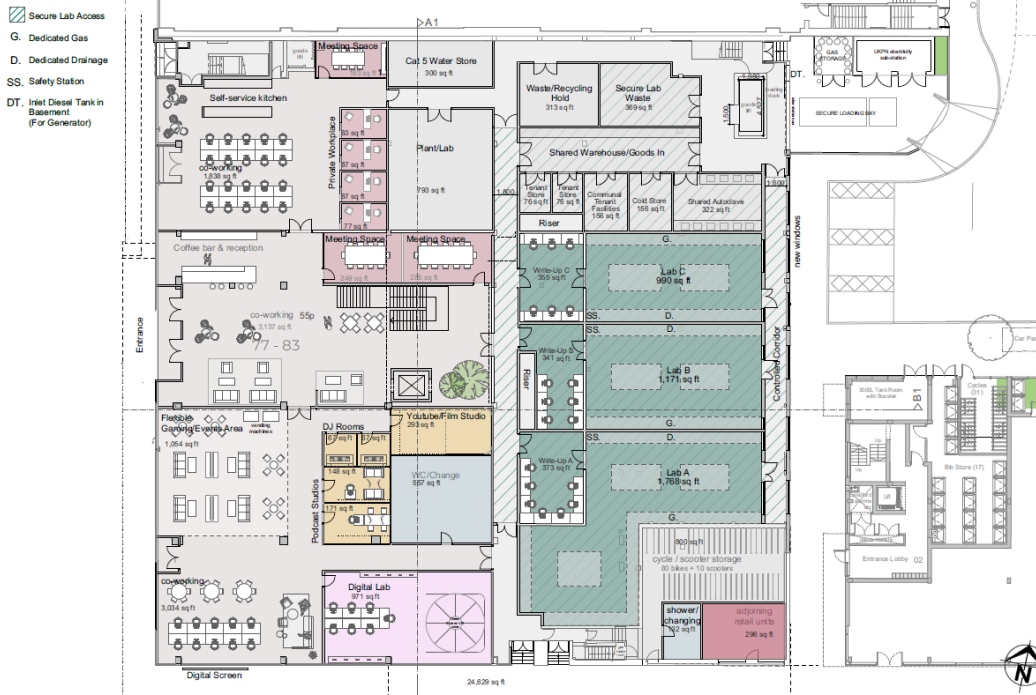
Risks	Likelihood	Mitigation
Labour shortages in construction, freight transport and supply industries delay construction progress	Medium	In development agreement with Reef and with public realm contractors incorporate commitment to bring in additional temporary labour and stocks of materials to ensure projects are completed on time.
The funding gap between projected income for institutional investment and cost of delivery cannot be bridged	Medium	Other sources of match funding will be explored. Detailed business plan will be developed for sign-off with updated business case prior to drawdown of funding.
The construction cost exceeds the limit for the project or other issues arising during the design & development phase	Medium	A cost consultant will be involved from an early stage of the project to ensure contractor's proposals are realistic and within budget.
Failure to achieve planning approval	Low	Planning approval has been expedited and is well advanced. Through consultation, scope of objections well understood.
Reef suffers financial distress	Low	Through its due diligence, SBC has reviewed Reef's commercial performance and the value of its property

		holdings and is assured of the robustness of its finances.
Failure to provide and deliver adequate business support to centre clients.	Low	Creation of an appropriately represented strategic board (utilising Stevenage Development Board) to define business support needs and to engage appropriate business support organisations and providers to address them.

Management Case

Key Participants, Accountabilities and Responsibilities (6.2.2.)

Participants	To Whom Accountable	Accountabilities	Responsibilities
Stevenage Borough Council	Central Government	Successful regeneration outcomes and impacts within the town centre	Correct use of Town Fund award
	Local residents	Minimisation of adverse impacts of the scheme	Ensuring a high-quality scheme
	Enterprise centre clients	Delivery of contracted outputs	Ensuring mechanisms are in place for delivery of outputs
Reef	Stevenage Borough Council	Compliance with development agreement	Assuring what was proposed is delivered and on time



1.1. Ground Floor Plan

Innovation Centre, The Forge © Copyright Reef Group 2021



This page is intentionally left blank

Stage 2 – Enterprise Centre Business Case



CONTENTS

Introduction

Strategic Case

Economic Case

Financial Case

Commercial Case

Management Case

INTRODUCTION

1. INTRODUCTION

1.1 Introduction

Purpose of the Business Case

1.1.1 This business case sets out the proposal and rationale for a the development of the Enterprise Centre project comprising 57,000 sqft incubator, co-working and meeting space and offices in Stevenage Town Centre focused on supporting young and start up life sciences businesses.

Background to Towns Fund and Stage 2 process

1.1.2 In November 2019, Stevenage was included in the 101 places eligible to develop and submit a Town Investment Plan following an application to the Town Fund. This presented an opportunity for Stevenage to bid for up to £50 million capital funding to support and address key challenges facing the town.

1.1.3 Working closely with key public, private and third sector partnership the Stevenage Development Board was established and a Stevenage Town Investment Plan was created and submitted to MHCLG (now re-named DLUHC) in October 2020. In March 2021, the partnership was notified of its award of £37.5m of funding.

1.1.4 The investment plan was predicated on maximising the success of Stevenage-based businesses in the science and engineering sectors, regenerating the town centre, and delivering opportunities for local people including enhanced skills & training. Ten projects were submitted as part of the ask to central government, ranging across Transport and Active Travel infrastructure, Skills and Enterprise, Arts, Heritage and Cultural and Town Centre Regeneration.

1.1.5 One of the projects, the Enterprise Centre, identified the opportunity to redevelop an area to be known as the Forge within the Queensway and Marshgate areas designated for regeneration, in partnership with developer Reef.

1.1.6 Building on the Town Investment Plan, this document sets the strategic, economic and financial case for the Enterprise Centre project and the commercial arrangements for procuring its delivery and the processes and arrangements for the governance and management of the project.

Scheme Promoter and Accountable Body for the Project

1.1.7 The scheme promoter is Stevenage Borough Council who will also act as the accountable body, working in conjunction with the urban developer Reef.

1.2 Summary of the Scheme

1.2.1 The scheme being supported by the Town Fund will involve the delivery of a new Enterprise Centre in the heart of the town centre with space for labs, workshops, co-working, hot desks and meeting rooms through the use of digital creativity and technology to harness the creation and development of high value growth businesses in the life sciences sectors. This will provide a

major boost for the town in consolidating a position within the UK Innovation Corridor by encouraging science-based entrepreneurs to start up new ventures, assure their survival and growth and expand the base of emerging high-value and high growth industries in the area. In parallel it can be used to provide a soft-landing for world class technology based business investing in Stevenage adding further momentum to the town’s growing base of advanced technology activity. Longer term, the growth of successful technology and innovation based businesses can be expected to create further demand for commercial space in the town and, as with the proposed Marshgate Biotech Centre project, help position Stevenage as an office location of regional significance. The project will also accelerate the diversification of the town centre, which is in significant need of regeneration, at the same time generating greater demand for the products and services of the retail, hospitality and business services based in the town centre.

1.2.2 Key activities will involve:

- 1) Release of the current building within the Queensway scheme for development as a life sciences enterprise centre.
- 2) A contract between the developer and funder for taking over the site and for the build out of the enterprise centre within agreed timescales, working towards an Accountable Body Agreement.
- 3) Bringing about the development of a 57,000 sqft enterprise centre in Stevenage Town Centre, comprising incubator and co-working space, private offices and laboratories, meeting and presentation space and specialist facilities to support life sciences innovation activity within 24 months of project inception.
- 4) Implementation of a high-quality business support offer for start-ups and young businesses to enable their commercial needs to be thoroughly diagnosed and solutions to be provided.
- 5) A robust business plan for the operational phase of the enterprise centre that will assure the viability of the centre, its success in stimulating world beating life sciences ventures and delivery of contracted outputs.

1.2.3 The scope of the project is summarised below.

Activity	Parallel Projects	Enabling Phase	Development Phase	Operational Phase
Multi Storey Car Park & zero carbon support infrastructure	√			
Marshgate Biotech Office project	√			
Acquisition of the Forge building		√		
Essential site preparation		√		
Development agreement with Reef		√		
Sale and transfer of the Forge building to Reef		√		
Build out of the 57,000 sqft enterprise centre			√	
Business plan to assure viability and delivery of outputs				√
Implementation of a high quality business support offer to centre clients				√

1.3 Business Case Structure and Content

1.3.1 The full rationale for the project, covering the context, challenges to be address objectives and approach to delivery, are set out below under the following headings.

- Strategic Case
- Economic Case
- Financial Case
- Commercial Case
- Management Case.

STRATEGIC CASE

2. STRATEGIC CASE

2.1 Introduction to the Strategic Case

2.1.1 This strategic case defines the scope of the project. It explains how the project will bring about the development of the Town Enterprise Centre in order to generate the successful start-up and growth businesses in the life sciences sector who go on to develop high value products and services for commercialisation in global markets.

2.2 Case for Change

Current Context, Challenges and Arrangements

Regeneration Challenges and Priorities

2.2.1 Parts of Stevenage Town Centre has become severely run down due to time expired buildings and infrastructure and a public realm and hospitality offer failing to attract people. Its shopping centre is losing business and major retailers have moved out, leaving an oversupply of older retail space that is no longer fit for purpose.

2.2.2 Stevenage New Town was originally designed to serve a population of 60,000 but the population is forecast to increase to just under 93,000 by 2035 – growth of 50% of that of the original new town, yet there has been no increase in the size of the town centre and growth of surrounding districts will have a significant influence on the town centre. Meanwhile the economy of Stevenage has grown beyond the regional and national average over the past 17 years principally through expansion of knowledge-based industries and with the presence of an impressive array of world class businesses in life sciences, agri-tech, IT, advanced engineering and high value manufacturing.

2.2.3 Current challenges that need to be addressed can be summarised as follows.

- Significant investment in new infrastructure and buildings is needed to meet these conditions and to rectify the current shortcomings of Stevenage town centre.
- Investor confidence is low. The market has not responded independently to the challenge of providing housing and employment space in the town centre or leisure, food and beverage provision meeting the expectations of an increasingly affluent population, many of whom are employees of world class businesses.
- Town centres will have an important role to play in the post-Covid world in supporting businesses and their workforces. They are now having to assume greater importance as employment and residential locations, focal points for community, social and recreation activity and as hubs for integrated transport.

Progress to Date in Delivering the Stevenage Central Framework

2.2.4 To transform the town centre, public sector intervention is needed to enable more opportunities to be brought forward for development. To this end, the Stevenage Central Framework published in 2015 identified the need for significant amounts of new employment space and residential development to make investment in upgraded retailing, food and beverage and other key town centre amenities viable and fit for the 21st century. In accordance with the Stevenage Central Framework, Marshgate and Queensway have been defined as a major opportunity area.

2.2.5 An early start has been made in delivering the objectives of the Stevenage Central Framework with a number of key building blocks already in place to accelerate transformation and new development.

- A dynamic development board, comprised of prominent business leaders, university and local authority representatives has been assembled. A proactive vision has been formulated. High powered regeneration solutions have been defined and are being initiated.
- A development agreement has been signed with Mace as a private sector development partner, enabling fast track approaches to be new development and construction.
- Planning permission has recently been granted for the Marshgate Biotech Centre project.
- In addition to initiation by Stevenage Borough Council (SBC) of the SG1 and Queensway, a number of private sector developments have already been completed including Park Place, Vista Tower and Skyline.
- A number of redevelopment sites in the central core, northern and southern gateway major opportunity areas, pivotal to kick starting transformation, have been acquired. Preliminary enabling works are either underway or are scheduled.
- Selected preliminary public realm improvements are currently being implemented or are programmed around key sites with a view to building investment confidence amongst developers and future occupiers and promoting high quality development outcomes.
- Construction of a new bus interchange on a new site alongside the station has been approved for funding and construction has now started. This has released a major development site which provides a major catalyst for transformation of the town centre. The new bus interchange, the transformation of Stevenage station and the addition of a 5th platform are the first building blocks towards creating a sustainable transport hub for road, rail, cycling and walking, which will be completed by the first phase of the Station Gateway project, which also forms part of the Town Investment Plan.

Evidence of Need

National and Regional Economic Growth Imperatives

2.2.6 The UK government is pursuing an ambition of becoming a high wage economy. To achieve this, productivity performance, which has been stagnant for some years, needs to significantly improve. To address this, higher value economic activities need to be created within the UK, in

parallel with increasing levels of investment and global trade which have flatlined as a result of Brexit.

2.2.7 Against this background, for the UK to advance on the global stage, science and innovation need to play a greater role in the stimulation of wealth creation and economic growth. The bringing forward of new, globally competitive products and services will be key to assuring a strong competitive position as well as attracting high levels of investment into the UK economy.

2.2.8 The UK and Hertfordshire and Stevenage in particular, have major scientific and industrial strengths and innovative potential to build on, making them well placed to bolster the role innovation technology as an engine of high value economic growth and activity.

Space Requirements for Technology-Based Start Ups and Young Businesses

2.2.9 The types of space required for incubating emerging technology-based startup ventures and for accelerating their growth are in short supply within the area. These businesses need affordable small business units available on flexible terms with a prestige address, smart meeting rooms and presentation facilities in which to engage with prospective investors, business partners and customers, spaces for ad hoc interaction with potential collaborators and an environment for receiving structured business advice and support. For many life sciences businesses, special laboratory facilities or clean work areas shop space may be required.

Constraints Caused by Shortage of Suitable Space

2.2.10 However, within Stevenage, this potential is being held back by a shortage of the required amount and types of space. A number of facilities that provide these needs have been set up in Stevenage but outside the town centre. They include:

- the 3,903 sqm Business and Technology Centre (BTC) in Bessemer Road
- the Chells Industrial Units, 16 single-storey workshop units on flexible terms that range from 67m to 126m and are suitable for a variety of business types.
- the CGT Catapult Manufacturing Centre.

2.2.11 At the time of writing in November 2021, the BTC has just two units available of 24 and 27 sqm and Chells and the CGT Catapult Manufacturing Centre are fully occupied.

2.2.12 As regards commercially available small business space, an analysis of the EG Propertylink database shows the following small office units currently available in Stevenage. This indicates that only 400 sqm of units up to 100 sqm in size are currently available. These units are mostly above 20 sqm which is normally the maximum that high-tech business would be likely to require at startup stage. Moreover, the available units are spread out across the town, which is not conducive to business support activity and collaboration and their quality is variable.

Vacant Office & Industrial Space Stevenage 19th October 2021*	Minimum Unit Size Available		Total Available at site		Use
	Sq ft	Sqm	Sqft	Sqm	
Co-Space, Town Square, Stevenage, Hertfordshire, SG1	50	5	50	5	Offices
The Old Bank 162 High Street, Stevenage, SG1 3LL	554	51	554	51	Offices
Office 2 Falcon House, Primett Road, Stevenage, Hertfordshire, SG1	945	88	945	88	Offices
Premier House, Second Floor, Argyle Way, Stevenage, Hertfordshire, SG1 2AD	223	21	1,892	176	Offices
Suite 21, Town Square Chambers, Town Square, Stevenage, Hertfordshire, SG1 1BP	373	35	1,054	98	Offices
Offices 3 - 4 Falcon House, Primett Road, Stevenage, Hertfordshire, SG1	678	63	678	63	Offices
Ground Floor 3 Viewpoint Office Village Babbage Road, Stevenage,	645	60	645	60	Offices

Hertfordshire, SG1					
74 High Street, Stevenage, Hertfordshire, SG1	134	12	134	12	Offices
5 Viewpoint Office Village, Babbage Road, Stevenage, Hertfordshire, SG1 2EQ	674	63	674	63	Offices
The Hive, Bell Lane, Stevenage, Hertfordshire, SG1 3HW	65	6	124	12	Offices
Total	4,341	404	6,750	628	

Source: EG Property Link

*Excludes space currently available on site of the existing project.

Market Failures Constraining Redevelopment of Incubation Space in the Town Centre

2.2.13 The private sector has proved unable to bring forward buildings that can address these requirements, these opportunities as development schemes cannot self-fund the necessary land assembly, site preparation and supporting infrastructure required.

2.2.14 The lack of suitable space is constraining market and growth of these sectors that hold national significance. This lack of supply threatens Stevenage’s potential to maintain its competitive edge, and particularly its ability to meet the demand that is coming from the life sciences sector – the Bioscience Catalyst alone is projecting the need for space for more than 2,000 jobs over the next 10 years. Action is needed to address this.

2.2.15 This market failure needs to be addressed by releasing under-utilised land or buildings and creating the conditions to accelerate redevelopment. Where innovation and incubation space has been developed, this has only been with the intervention of the public sector and/or public private partnership.

Challenges that Would be Addressed

2.2.16 If successfully developed, the Town Enterprise Centre will help to address two of the challenges set out in the Town Investment Plan.

Challenge 3: Town Centre Transformation. The town centre has aged, retail is losing business due to dated floorspace, catchment leakage, high representation of lower value outlets, and an over-reliance on traditional retail, with limited diversification. Expansion of housing and employment space in the town centre are needed to create natural footfall and increase demand sustainably. To address this, the Stevenage Central Framework adopted in 2015 sets out a £1bn programme to transform the town centre delivering over 3,600 new homes and 55,750 sqm of offices and other commercial space. To achieve this, Stevenage needs to create the conditions for investment in the town centre and whilst the early phases of our regeneration programme have begun to improve values in the town, development viability remains challenging without public sector intervention.

Challenge 5: Lack of Suitable Modern Space for Growth. The lack of suitable space is constraining market and growth of sectors that hold national significance. Life sciences, agri-tech, advanced engineering and manufacturing, where Stevenage is very strong are generating significant demand for modern space. Increasing demand is emerging for space the town centre. Over the last 10 years, 67,000sqm of commercial floorspace has been lost in Stevenage, 75% to residential. This lack of supply threatens Stevenage’s potential to maintain its competitive edge, meet the demand that is coming and the ability to retain key businesses. Achilles Therapeutics, which raised more than £100m of investment moved away from Stevenage to Hammersmith to continue its expansion in 2020. Addressing the demand for town centre space would also drive

investment in the broad range of facilities that will help attract and retain skilled employees and businesses, enhancing footfall. This will propel the town centre's revitalisation, wider regeneration and post-Covid resilience.

Future Needs

Use of Employment Space and the Future of Offices

2.2.17 With companies all over the country adapting to the fallout of the pandemic and trying to return to some sense of normality in the post-COVID world, most data shows that offices will not strictly be a thing in the past but will mostly adapt to a new framework. Office space configurations and densities are also likely to change. The regional head at Deloitte Real Estate was recently quoted as that tenants were focused on space that was attractive to staff rather than purely functional and that: "The new start office space under construction is being marketed as amenity-rich, with well-being and community high on priorities." (Source: *Financial Times*; *UK businesses think big about smaller office spaces*; 4th March, 2021.)

2.2.18 This new framework for offices is intended to enhance 'employee experience'. A report conducted by JLL states that offices are now seen more as environments that promote collaboration, innovation, recruitment and retention. Offices have already implemented spaces specific for meetings, collaboration, concentrated work and other rooms solely for to provide for a variety of working contexts. More attention is being placed on well-being, with rooms set up solely for mindfulness meditation, yoga, event spaces and cafes. The outside area is also becoming more of a focus from planners to improve employee well-being, with attention being put to improve air ventilation and having more outdoor leisure space. This may lead to offices having less desk spaces, but more collaboration space, with a hybrid model and homeworking on the rise this will end up offsetting a trend of space per worker decreasing since the early 1990's. (JLL: *The Future of UK Regional Office Demand Office in Markets Outside Central London After COVID-19*; March 2021).

2.2.19 These changes call for work environments that are state of the art and designed to provide these conditions. Where this is not possible, the role of town centres in providing and amenity rich offer assumes greater prominence.

Future of Town Centres Post Covid

2.2.20 Hybrid and remote-working will create a new set of benefits but also challenges to local economies with its wide-spread adoption. Research from KPMG says that that it is clear things will not return to the way things were before the pandemic. With the reduction in commuter footfall and reduction in commercial rent, city centres may now have to consider serving their inhabitants in a different way. According to the same report, high streets could lose anywhere from 20-40% of outlets. New models could be emerging from the shift to online, with consumers buying online and getting better pricing whilst some stores may adopt a hybrid model where they have their stores as a showroom before the customer buys the product on their website. However, some speciality stores may keep their physical locations intact. (Source: *The future of towns and cities* (January 2021) KPMG).

2.2.21 Research by Legal and General and Demos showed that in a post-COVID world, the new working models will provide opportunities for parts of the country like rural areas and neighbourhoods

that were previously ignored, potentially at the expense of city centres. However, the report concludes that mass exodus from cities is overblown as young people and those with jobs that cannot be done remotely made up the majority of those that moved last year and moved within larger cities.

2.2.22 The view that city centres will still play a key role in the future is corroborated by various findings from the Centre for Cities:

- Evidence has shown that East Asian countries that have suffered threats of pandemics in the past at a more frequent rate than the West, have continued to urbanise and have seen their cities grow
- Companies from similar sectors geographically have tended to cluster together because connections, collaborations and shared ideas create new ideas, innovation and other synergies
- Amenities with a large or specialist customer base need to be in city centres
- Local neighbourhoods cannot match the breadth of jobs that a city centre can offer.

2.2.23 These findings seem to indicate a halfway point between the “15 minute city” and the current reliance on city centres, whereby more local amenities will be situated across neighbourhoods and cities whilst more specialist forms of amenities will remain in city centres in the post pandemic world.

Opportunities

Major Project Drivers and Opportunities Addressed

2.2.24 A number of factors have come together that can help accelerate the Town Enterprise Centre project.

- The town’s innovation focus
- Demand for high tech space in the town centre
- An identified site development opportunity
- The project will boost town centre regeneration

2.2.25 The project will address two of the five major opportunities defined in the Strategic Town Investment Plan.

Opportunity 2: Innovation Hub, High Growth Potential and STEM City. These effects will truly position Stevenage at the heart of the UK Innovation Corridor, enhancing its status as High Potential Opportunity location and a business location of international significance.

Opportunity 4: Building Wealth and Reclaiming Expenditure. The town centre can be a UK top 100 town. Our vision is to bring back what Stevenage once was - a destination town centre with a combined retail, office, leisure and residential offer that will meet the needs not only of our residents but attract visitors and encourage our great industries and businesses to use it.

The Town’s Innovation Focus

2.2.26 Stevenage is at the heart of the UK Innovation Corridor. It is now home to a range of acclaimed national and international firms. DIT's recognition of Stevenage as the UK's only High Potential Opportunity location for Cell and Gene therapy reflects its importance for UK plc. Stevenage Bioscience Catalyst was established in 2012 with original funding of £38m from GSK, Wellcome and Innovate UK. Its aim is the building of a globally recognised cluster for Advanced Therapeutics in the UK.

2.2.27 What is being created is a whole science-based ecosystem that links big pharma, universities, researchers, innovative SMEs, start-ups and investment capital to drive innovation and high order skills. Demand is outstripping supply and companies are now facing the difficult choice of leaving Stevenage to continue their expansion. Our story is bigger than just Bioscience. Stevenage is now home to employers such as Fujitsu (IT), BAE Systems (aerospace), GSK (pharma), Dupont (chemicals), EADS-Airbus (aerospace and space), MBDA (defence), Aeroflex (electronics), Astrium (aerospace). As noted, Stevenage now leads the UK's space industry and is home to the 2018 ExoMars Rover and the 2017 Solar Orbiter Satellite research and development programmes. The STIP looks to build upon the recent investments such as the UKAirbus Headquarters and the Bioscience Catalyst to facilitate further investment and spin off activity. This can be Stevenage's contribution to the UK's post-Covid recovery. Our status within the UKIC and DIT's recognition of Stevenage as an HPO gives us the basis to re-imagine our town, embrace the businesses that have come and the opportunities they now provide to promote ourselves nationally and internationally.

2.2.28 Investment in life sciences will be more important than ever as we recover from Covid-19; there will be huge health challenges that require innovative diagnostic and treatment solutions across the world, and our response has shown the benefit of having greater capacity within our own country. In 2019, Stevenage attracted as much private equity as South Cambridge. The opportunity is how to keep pace with the demand for space, commercialisation and scale-up into manufacturing. The Catalyst now sits at the centre of the largest Cell and Gene cluster in Europe.

Demand for High Tech Space in the Town Centre

2.2.29 There has been a recent surge of interest by major companies already in Stevenage in taking up space in the town centre. For global businesses, Stevenage town centre offers a strategic location with road, rail and air connections that place it within 20 minutes of London and less than 45 minutes of Heathrow, Gatwick and Luton airports. To attract them, high quality office development and R&D space will be needed. These are ideal circumstances for the provision of a new, technology based enterprise centre.

Identified Site Development Opportunity

2.2.30 Site shortages have precluded this option up to now. However, there is now an opportunity to redevelop part of the Queensway development known as the Forge in the heart of the town centre.

The Project will Boost Town Centre Regeneration and Covid Recovery

2.2.31 This project will help transform the town centre and harness the strategic potential of the town centre as a key employment hub. It will help maximise the number of jobs created in the town and support the local economy, especially as part of the Covid-19 recovery plan.

2.2.32 As noted above, a demand for space within the town centre has recently emerged from science-based businesses particularly who are seeking a more sustainable operating base. The Town Enterprise Centre project can will help meet this demand whilst providing a major opportunity for boosting regeneration of the town centre. It will breathe new life into the area, accelerating the diversification of the town centre at the same time generating greater demand for the products and services of the retail, hospitality and business services based in the town centre.

2.2.33 Longer term, the growth of successful technology and innovation-based businesses can be expected to create further demand for commercial space in the town and, as with the proposed Marshgate Biotech Centre project, help position Stevenage as an office location of regional significance. Newly available development sites, such as the opportunities being created from release of seven car parks through the Station Gateway project can provide the capacity for meeting this longer-term demand.

2.3 Policy Alignment

National Policy Alignment

National Council for Science and Technology

2.3.1 The Council for Science and Technology has recently been set up by the UK government, chaired by and with the purpose of advising the prime minister on a range of issues related to optimising the commercial potential and development impacts of science and technology and innovation. A recent letter on “The UK as a Science and Technology Superpower” recommended increasing investment in science and engineering technology by at least 50% to a scale commensurate with the size of the economy. It proposed focusing of resources according to potential competitor advantage; integrating research innovation and growth investment by joining up of government research efforts; and strengthening skills and expertise in research and innovation.

2.3.2 The council has also produced another paper “Scaling the Impact of Innovation in the United Kingdom”, recommending the reinforcement of the U.K.’s successful clusters of research and innovation, enabling them to compete globally, spreading the benefits of innovation across the whole of UK and enabling the private sector to invest with greater certainty.

2.3.3 The attention being given to these issues is notable and indicative of the likelihood of further resources being allocated towards research, innovation and measures for scaling up industries with major global potential.

Advanced Research and Invention Agency, or ARIA,

2.3.4 This is a planned research funding agency of the UK government, announced on 19 February 2021 and expected to be fully operational by 2022. It will be tasked with funding high-risk research that offers the chance of high rewards, supporting ground-breaking discoveries that could transform people’s lives for the better. The ARIA is backed by £800 million to fund the most inspiring inventors to turn their transformational ideas into new technologies, discoveries, products and services – helping to maintain the UK’s position as a global science superpower.

2.3.5 The new agency will be independent of government and led by some of the world's most visionary researchers who will be empowered to use their knowledge and expertise to identify and back the most ambitious, cutting-edge areas of research and technology - helping to create highly skilled jobs across the country. It will be able to do so with flexibility and speed by looking at how to avoid unnecessary bureaucracy and experimenting with different funding models.

National Sector Strategies

2.3.6 In parallel with this work the government is working on national strategies for a number of sectors including life sciences, food, AI, digital and net zero carbon industries. The momentum generated by these new national government initiatives can be expected to drive demand for suitable state of the art infrastructure for innovation and technology, particularly where there are globally significant clusters of high technology businesses in specialist fields (e.g. life sciences) The provision of carefully designed innovation and enterprise centres along with the provision of appropriate scale up accommodation, will be a key requirement for addressing these infrastructure needs.

2.3.7 A recent article by William Hague (*Innovation will determine if we soar or stumble; the Times; 18th October 18, 2021*) cited a key example of the impact of a coherent national sector strategy. In 2012, the Cameron government announced the 100,000 Genomes Project, with £100 million to fund the sequencing of the genomes of 100,000 patients, using the vast data of the NHS and training a new generation of scientists. Nine years later the UK leads the world in this field, has more than 150 companies in this sector and private sector investments built on it are more than ten times the initial government pump-priming.

UK Innovation Corridor

2.3.8 Stevenage is situated centrally within the UK Innovation Corridor (UKIC), part of a dynamic cluster connecting London to Cambridge, supports an economy worth £189 billion, 2.8 million jobs, out-performs the Oxford to Cambridge Arc and is now Britain's Fastest Growing Region. Amongst industries focussed on commercial innovation, advanced technology, and bioscience, Stevenage specifically is home to global household names - GSK, Airbus, MBDA, and Fujitsu - industries with a bright future. More than 70 companies in the life sciences field have clustered around Stevenage over the past 8-10 years, more than 60% of them focussed on R&D in the Cell and Gene therapy.

2.3.9 Stevenage is one of six Life Science Opportunities Zones identified by the Government and has recently been designated by the DIT as a High Opportunity Area. The opportunity for Stevenage is not only to retain but to grow its share of the global market and be promoted nationally and internationally.

Sub-regional Policy Alignment

Hertfordshire Covid Recovery Plan

2.3.10 Stevenage has a pivotal role to play in the delivering the Recovery Plan for Hertfordshire. Its current regeneration strategy and Town Fund projects directly address the plan's two transformational programmes:

- equipping Hertfordshire's places for mid-21st Century living supporting town centres and town-level economies.
- connecting Hertfordshire for mid-21st Century living and working building digital connectivity.

2.3.11 Through this and other Town Fund projects, Stevenage will lead on the delivery packages for:

- 1) Enterprise and Innovation – Stevenage's businesses, many of them SMEs are key to economic recovery.
- 2) Skills and Creativity –the extent to which businesses have the confidence to recruit and invest in their staff will be critical to unlocking recovery and will be greatly assisted through our priority projects
- 3) International Trade and Investment – focused on securing new investment for Hertfordshire. This project is aimed at changing Stevenage's image, attracting and retaining investment.

Hertfordshire Enterprise and Innovation Strategy

2.3.12 The Hertfordshire Enterprise and Innovation Strategy defines steps to be taken to improving the conditions which enable businesses to thrive and prosper, via the following strategic themes aimed at supporting the small business community principally but also support Hertfordshire's larger businesses who will have different requirements from support that the LEP and stakeholders can offer. The key strategic themes are:

- 1) Enhancing the gateway to enterprise support; currently business support is fragmented and lacks coherence
- 2) Supporting enterprise across all of Hertfordshire's communities; entrepreneurship across the county is variable particularly among hard-to-reach groups
- 3) Ensuring space is available for enterprise and innovation; enterprise space is of variable quality and not necessarily where it is needed
- 4) Driving catalytic sectors that can have the largest positive impact upon the economy
- 5) Skills to support Enterprise and Innovation; a focus is needed to fill existing and future skills gaps from within Hertfordshire.

2.3.13 The strategy incorporates a detailed action plan, defining various impacts sought, amongst which are:

- Ensuring provision of high-quality workspace that will ensure that we both retain and attract companies.
- Locating our entrepreneurs within our high streets will use vacant space and ensure that our town centres remain animated.
- Increased levels of investment from businesses in LEP priority sectors.

- A new innovation centre to bring greater focus and practical support to those companies seeking to innovate new products.

Hertfordshire LEP Strategic Economic Plan

2.3.14 The project addresses each of the four priorities within the current Hertfordshire LEP Strategic Economic Plan.

Priority 1: Maintaining global excellence in science and technology. This highlights the challenges of:

- a) building the wider ecosystem so as to achieve a step change in Hertfordshire's productivity performance and to ensure that five key sectors (of which life sciences is one) thrive.
- b) encouragement of innovative start-up and small businesses to scale-up and grow, transforming an economy with substantial numbers of very small businesses, to one with more growing to medium size and beyond as these are likely to be the principal wealth generators; in this context, the need for delivery of physical provision appropriate for the needs of innovators and entrepreneurs is highlighted.
- c) recognising that some of the greatest opportunities are likely to be at the convergence between the technologies associated with the different sectors.

Priority 3: Reinvigorating our places for the 21st-century. The strategy calls for high-density solutions recognising particular opportunities linked to railway hubs and transforming town centres into vibrant lively urban hubs underpinned by new models of living and working. The Stevenage Central Framework and this scheme align closely with this approach. This will be directly addressed by this project as it will help diversify the and bring more demand wealth creation into the town centre.

Local Industrial Strategy Grand Challenges

2.3.15 Grand Challenges for Hertfordshire highlights the importance of clean growth challenges. This project provides the conditions for accelerating the adoption of clean transportation throughout the borough for the long term. Regarding other Grand Challenges, better facilities for cycling and walking and improved access to recreational activities will be conducive to helping the increasing numbers of older people to stay active, productive and independent.

Local Policy Alignment

2.3.16 Stevenage Local Plan 2019-2031. This was adopted in 2019 following Examination in Public and sets the overall spatial vision for the borough and growth direction to 2031. In total 7,600 homes are planned, 3,000 of these targeted for a regenerated Town Centre. The Local Plan looks to provide at least 140,000 m² of new B-class employment floorspace and is promoting new employment opportunities as a critical component of the town centre regeneration. This project directly reflects the Local Plan's ambitions.

2.3.17 Stevenage Central Framework. This was prepared in 2015 to set a direction of change for the regeneration of Stevenage Town Centre. Now supported by the Local Plan, the Framework sets out a strategy for accelerated employment and housing provision on a large scale in the town

centre to meet the demands of significant population growth and revitalised and enhanced and modernised amenities to service it.

2.4 Vision and Objectives

Vision

2.4.1 The Enterprise Centre will strongly contribute to the positioning Stevenage as a hotbed of science-based innovation and the creation of the next generation of world beating life sciences products and services within the UK Innovation Corridor. It will also contribute to the transformation of Stevenage Town Centre and provide a catalyst for significant new investment into the town.

2.4.2 Key outcomes sought are:

- The creation of a 57,000 sqft enterprise centre in Stevenage Town Centre, comprising incubator and co-working space, private offices and laboratories, meeting and presentation space and specialist facilities to support life sciences innovation activity within 24 months of project inception.
- The creation, survival and growth of new and emerging life sciences businesses and encouragement of their ongoing expansion in Stevenage.
- The stimulation of subsequent investment commitments of developers and international companies to the development and occupancy of an extensive portfolio of new, high quality commercial space within the town centre.

SMART Objectives Related to the Project

- 1) To release the current Forge building within the Queensway scheme for development as a life sciences innovation centre by May 2022.
- 2) To establish a development agreement with the developer Reef for taking over the site and for the build out of the enterprise centre within agreed timescales.
- 3) To successfully bring about the development of a 57,000 sqft enterprise centre in Stevenage Town Centre, comprising incubator and co-working space, private offices and laboratories, meeting and presentation space and specialist facilities to support life sciences innovation activity within 24 months of project inception.
- 4) To establish a high-quality business support offer for start-ups and young businesses to enable their commercial needs to be thoroughly diagnosed and solutions provided.
- 5) To set out a robust business plan that will assure the viability of the centre to assure its long-term viability, success in stimulating world beating life sciences ventures and delivery of contracted outputs.

Measures of Success

2.4.3 Successes to be measured and the method of measurement each of element of the project are summarised below.

Project	Successes to be Measured	Method of Measurement
Enterprise Centre	Delivery on time and to budget	Tracking with developer
	No. of businesses started	Tracking with centre operator
	No. of high-quality jobs created	Tracking with centre operator
	No. of start-ups surviving more than 24 months	Tracking with centre operator
	Amounts of VC funding generated	Tracking with centre operator

2.5 The Proposed Investment

Options Considered

2.5.1 The Do nothing and do minimum options considered in the first instance to deliver the solutions to meet the above objectives were:

- a) Do nothing: No development of the enterprise centre for life sciences innovation.
- b) Do minimum: No enterprise centre but encourage LEP and local business support organisations to offer whatever support and advice can be affordably provided to young life sciences businesses from existing resources.

2.5.2 A full list of the options considered is set out in Section 3 along with the criteria adopted in shortlisting them.

Preferred Option

2.5.3 The preferred option is a 57,000 sqft enterprise centre in Stevenage Town Centre, to accommodate and to provide relevant physical facilities for the incubation and growth of young businesses in the life sciences sector.

Project Risks, Constraints, and Interdependencies




2.5.4 The Risk Register is set out below, and scores are based on a 5x5 matrix indicating the exposure to risk, which is defined as the relationship between the likelihood of the risk occurring and its impact. Plotting the likelihood and Impact Scores assigned on the risk matrix will result in a risk level of between 1 and 25 and a colour code from Blue (insignificant to Red (major) set out in the diagram below.

Risk matrix

		LIKELIHOOD				
		Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost Certain (5)
IMPACT	Major (5)	5	10	15	20	25
	Significant (4)	4	8	12	16	20
	Moderate (3)	3	6	9	12	15
	Minor (2)	2	4	6	8	10
	Insignificant (1)	1	2	3	4	5

Stevenage Enterprise Centre Project Risk Register

Risk Register L: Likelihood; I: Impact; T: Total

Ref.	Risk	Triggers	Consequences	Controls	Risk Score			Contingency	Responsible Person	Date: Added/ Updated
					L	I	T			
001	Construction labour shortages create delays	Conclusion of contracts building contractors with building for public realm and site redevelopment EU restrictions (Brexit) on contractors and independent consultants	Delays to completion of both due to recruitment difficulties for contractors and consultants, Cost overruns	Appropriate and timely Contractual arrangements	4	5	20 	In development agreement with Reef and with public realm contractors incorporate commitment to bring in additional temporary labour to ensure projects are completed on time.		
002	Labour shortages in freight transport and supply industries delay construction progress	Construction progress reports noting failure to progress on schedule. National shortfall in haulage capacity	Delays to completion of project due to shortages of materials and components . Cost overruns	Contractual arrangements	5	5	25 	In development agreement with Reef and with public realm contractors incorporate commitment to build up advanced stocks of materials. Build in sufficient contingency time in delivery programme to address possible delays.		
003	Covid-19 Outbreak and possible introduction of lockdown measures	Negative changes to working practices through social distancing. Uneconomical for construction supply train to operate. Added delays due to drop in output levels through covid	The need to implement practices to ensure safety. Shortfalls in manufacturing capacity causing price inflation. Project delay by significant social distancing measures. Negative Change in payment practices.	Client, consultants, and contractors work together to agree common solutions. Innovative approaches to procurement are in place. Allow for time extension in contracts. Monitor financial resilience of supply chains.	3	4	12 	Scenario planning to assess the impact of the closedown and reduced output levels and advise clients accordingly to ensure timely completion. Bring in additional temporary labour. Review planning conditions and seek changes where possible to enable sites to operate in shifts over longer working hours. Manage cashflow.		

004	Development of Forge Building constrained by unknown site conditions.	Physical obstructions. Physical conditions.	Need to change working methods. Revision of the design. Delays in delivering the development. Cost escalation.	Clear and appropriate description of works in technical documents. Clearly defined scope of works e.g. contractor's design obligations and buildability obligations	2	4	8 Y	Contractual provisions to manage unforeseen site conditions e.g. physical obstructions or physical conditions.		
005	Climate changes and weather conditions	Unusually harsh weather conditions. Impact of unusually harsh weather conditions on aspects of project	Bad weather retards progress of the construction programme or parts of the construction programme	Regular progress reviews. Timely communication	3	4	12 O	Build in sufficient slack in the programme to cover for unforeseen eventualities such as weather		
006	The construction cost exceeds the limit for the project or other issues arising during the design & development phase	Capital & revenue overspends. Inadequate project management. Failure to resolve conflicting priorities. Robust financial systems are not established.	Impact on capital programme. Revenue overspends. Requirements to make compensatory savings to balance budget. Increased legal fees. Reputational damage.	Client management relationship. Rigorous and well-informed project monitoring reports. Effective communication. Appointment of key personnel.	3	4	12 O	Appointment of a B&D contractor in a two-stage process with a caveat to end the contract after the first stage should the Council wish to make that decision (PCSA - Pre-Construction Service Agreement). A cost consultant will be involved from an early stage of the project to ensure contractor's proposals are realistic and within budget.		

007	Reef suffers financial distress and ceases operations	Reported delays in construction progress	Major delay to completion of project.	Terms of development agreement Regular progress reviews. Application of robust project management methodology	1	5	5 Y	Through its due diligence, SBC has reviewed Reef's commercial performance and the value of its property holdings and is assured of the robustness of its finances. SBC has other development partners such as mace who could be called upon to rescue the project in such circumstances		
008	Failure to achieve planning approval	Notification of Council decision	Major delay to completion. and project interdependencies.	Planning approval has been expedited and is well advanced. Through consultation, scope of objections well understood.	1	5	5 Y	Close cooperation with Planning.		
009	Constrained nature of the site limits both the volume of building which can be accommodated , the range of uses and how the buildings are organised on site.	Funding restricted / stopped. Poor management decisions. Failures in contractor / partnership working. Poor project management. Poor planning	Project delays/over-runs. Reputational damage. Cost overruns. Public dissatisfaction. Discouragement of future partnerships. Delay, impact on service delivery.	Regular meetings with designers / contractors. Effective procurement strategy. Post contract reviews. Regular and timely meetings with planning. Robust project management.	3	3	9 Y	Close cooperation with Planning.		

010	Failure to provide and deliver adequate business support to centre clients.	Focus on construction and development may detract attention from the need to assist innovators with commercialisation of their products and services.	Many early-stage centre clients fail and other at intermediate stage have sub optimal success in penetrating their required markets, possibly leading to business failure.	Creation of an appropriately represented strategic board to define business support needs and to engage appropriate business support organisations and providers to address them.	2	5	10 Y	Set out a brief for business support for centre clients. Engage and contract with suitable business support organisations and providers who can assure the successful creation, survival and growth of dynamic technology businesses, in accordance with brief.		
-----	---	---	--	---	---	---	---------	---	--	--

Description of the Project

Purpose and Key Elements of the Project

- 2.5.5 The project is to be developed on the site of the Forge which part forms part of the Queensway development situated in the North East of the town centre area.
- 2.5.6 A development agreement will then be concluded with Reef the developer to take forward the development and construction of the enterprise centre. This will provide for the transfer of the site ownership to the developer.
- 2.5.7 The enterprise centre has been designed specifically for the needs of life sciences businesses. It will comprise 57,435 square feet, broken down into the following uses:

	Total, All Floors
	Sqft
Co-working Space	8203
Private Work Areas	9627
Meeting Space	2242
Laboratories	12382
DJ 7 Studios	696
Digital Laboratory	971
Break Out Area	2717
Lounge	1800
Events Area	0
Facilities	322
Storage	692
Ancillary Uses	978
Plant & IT Rooms	1861
WC/Changing	1454
Total	43945
Circulation & Other Uses	13490
Grand Total	57435

- 2.5.8 As can be seen, in addition to various forms of workspace, a considerable amount of space has been devoted to specialist facilities to support R&D and product development activities in addition to meeting the needs for different tenants and users of the enterprise centre to interact and collaborate and for giving professional presentations to prospective clients and investors. The project is to be completed within 24 months of project inception.
- 2.5.9 A robust business plan for the enterprise centre will be formulated in order to assure its long-term viability, success in stimulating world beating life sciences ventures and delivery of contracted outputs. This will cover such aspects as:
- Policy for targeting and engaging with prospective centre clients
 - Support roles of the centre
 - Commercial strategy for workspace provision

- Business support provision and delivery
- Links to external specialist sources of expertise
- Operational plan
- Building maintenance and administration
- Staffing arrangements
- Sector networking activities
- Marketing and promotion
- Governance, management and reporting arrangements
- Relationships between the centre and external partners and stakeholders
- Contractual arrangements for delivery of key support services
- Revenue forecasts
- Financial plan

2.5.10 At operational stage, a key function of the enterprise centre will be the orchestration of startup business support for incubation clients and for support on commercialisation planning for selected high growth clients. This will include:

- Diagnostics to determine support requirements
- Referral of clients to specialist as well as generic business support provision
- Managing working relationships with outside support providers
- Orchestration of a wider client network around the centre
- Involvement in sector links, networking and development initiatives across the region
- Related funding procurement
- Overseeing implementation of agreed initiatives

How the Project Addresses the Objectives and Vision

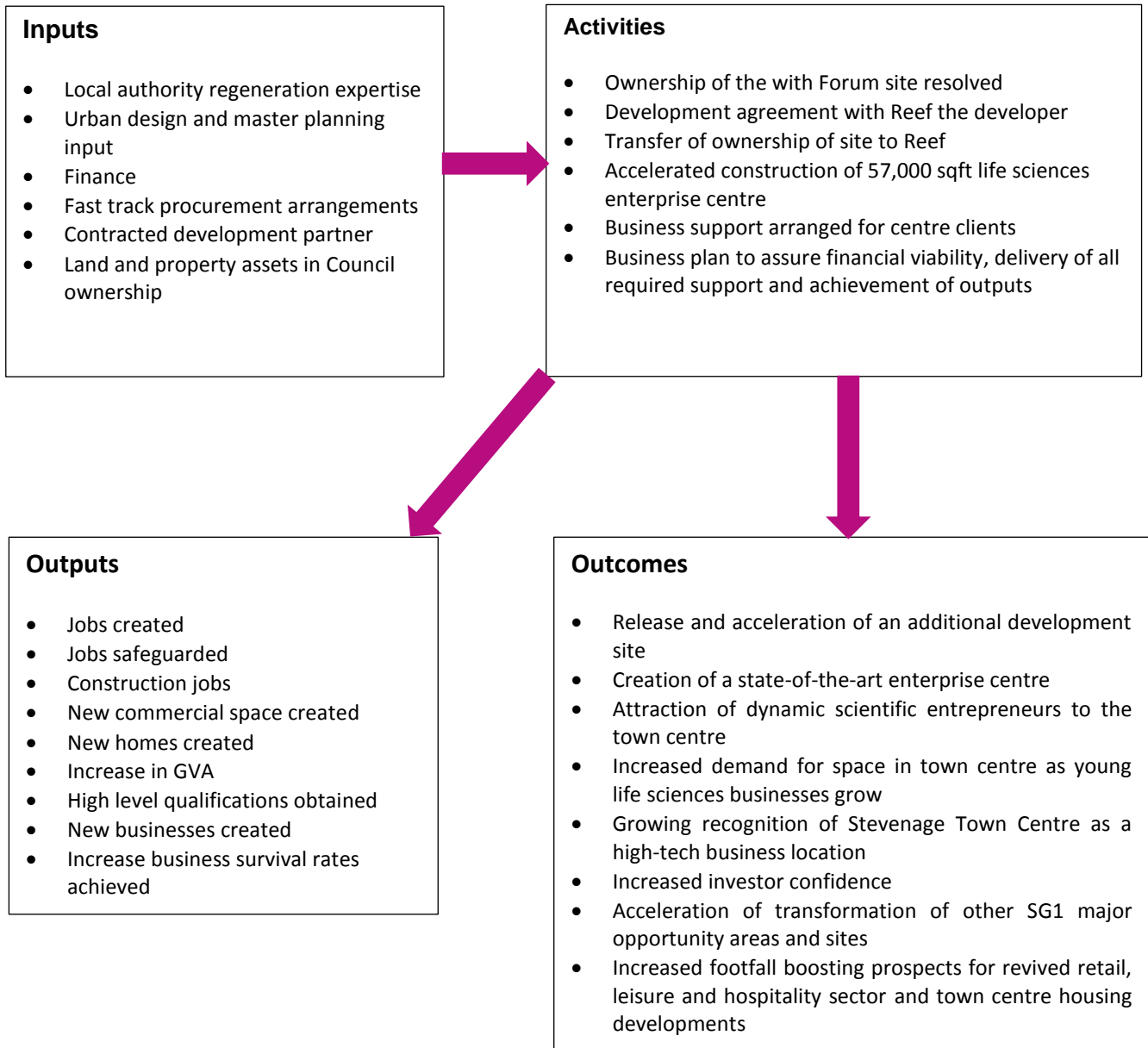
2.5.11 The vision and objectives will be addressed and met as a result of the following outcomes.

- Releasing the existing Forge building site will create a strategically significant development opportunity.
- New, high quality commercial space will be created within the town centre.
- The tenants for the space will be entrepreneurs bringing forward potentially very high value life sciences products and services.
- With this and the new Bioscience Centre being developed at Marshgate Stevenage town centre will become associated with high prestige high tech activity.
- This will build recognition of Stevenage Town Centre as a high prestige location for state-of-the-art technology companies prominent on the world stage, providing a catalyst for a sequential flow of investment in high quality floorspace and housing throughout the rest of the town centre.
- Robust business planning and the provision of high-quality business support will assure the viability of the project and the delivery of contracted outputs.

- This scheme will boost investor confidence and accelerate investment commitments on other redevelopment sites.

Project Theory of Change

2.5.12 The following logic model explains the theory of change.



Expected Outputs and Outcomes

2.5.13 Quantified Outputs

Summary of Outputs	
Jobs Created	59
Commercial Floorspace Developed or Upgraded sqm	5,337
Net Increase in Commercial Floorspace	929
Additional homes brought forward	69
Construction Jobs	140
Additional GVA Generated per Annum	£3,375,721
Additional Annual High-Level Skills Qualifications Attained	12
Business Created (during project period)	60

2.5.14 Wider Outcomes and Benefits

Economic

- Acceleration of the redevelopment of a key site in a Major Opportunity Area, in turn accelerating the on-going regeneration of the rest of the town centre.
- Attraction of major investment into a high prestige Innovation and R&D facility.
- Creation of a significant number of new businesses in Stevenage.
- Scope for creation of a significant number of additional jobs in Stevenage through expansions.
- Stronger perception of Stevenage town centre as a high-tech location.
- Creation of a magnet for additional world class bioscience activities in Stevenage Town Centre.
- Catalyst for stimulating early development commitments on other sites released for development.
- An extensive number of construction jobs will be created.

Environmental

- Scope for higher levels of living and working on the town centre, reducing the need to travel.

Social

- New qualifications will be generated as a result of the scheme.

2.5.15 Expected Different Impacts by Protected Characteristics and/or Income Groups.

No adverse effects are identified.

2.6 Stakeholders

2.6.1 Key stakeholders and their role or interest in the project are listed below.

Project	Sub project	Primary Stakeholder	Comment
Development of Town Enterprise Centre	Creation of the enterprise centre building	SBC	Provides young life sciences entrepreneurs with superbly incubation space and space for expansion, close to food and beverage, retail, leisure and other amenities key to supporting staff in the post Covid era.
		Herts LEP and local bioscience industry bodies	Major champion for development of the bioscience cluster
		Local residents	Major boost in numbers of high-quality jobs for young people
		Life sciences entrepreneurs	Opportunity to take forward product and service innovations and their commercialisation. Increased scope for living and working locally
		Local food and beverage operators	Improved lifestyles offer for users of the town centre.
	Business support delivery	Life sciences entrepreneurs	De-risking of commercial concepts and acceleration of successful penetration of niche global markets

Summary of Engagement to Date and Evidence Gathered

2.6.2 Over the last eighteen months, our approach to engagement has focussed on ensuring that residents and other key stakeholders have a space to receive regular updates on. This range of engagement has been performed across multiple formats; from school visits, business network connections, and public sector engagement. It is from this foundation work that we have managed to build and collate a broader picture, beyond just the MyTown feedback, and use this to form our values, themes, propositions and priority projects.

2.6.3 Alongside this, we have strengthened our relationships with businesses through a number of project-based consultations. Over the last three years, this has included the Local Plan, SG1, and more recently, the Bus Interchange. We have also held a number of roadshow events. We will continue this engagement with residents and stakeholders throughout delivery of the Town Deal.

2.6.4 Our engagement specific to this project has been with representatives of the LEP, key figures in the local and regional life sciences sector and relevant business support organisations.

Summary of Stakeholder Viewpoint of the Project and How it Has Influenced the Strategic Case

2.6.5 The key themes that have emerged from residents, business and community groups: 1. Create inclusive accessible transport 2. Create great spaces to live in and socialise 3. Create a vibrant town centre offer that is a destination for all 4. Create aspiring communities and opportunities that create a lasting legacy.

2.6.6 Of these, this project seeks to address theme No. 4, as it will without doubt create a lasting legacy with impacts intended for many decades to come. It will change perceptions about Stevenage amongst local people as more high-quality jobs are created and raise aspirations.

2.6.7 As regards the business community, engagement with local industry representatives has had a major influence on the strategic case. Firstly, it has influenced the focus of the enterprise centre towards the life sciences as opposed to a generic offer. Secondly, it has informed the design and proposed configuration of the centre, leading to the inclusion of spaces and special facilities that are essential to life sciences product development activity, without which it would not be viable for users from the sector. The configuration also addresses the workstyle needs of the post-Covid world.

ECONOMIC CASE

3. ECONOMIC CASE

3.1 Introduction

3.1.1 This economic case defines the benefits from the scheme identified and how they will have come about, the geographical scale of the benefits by way of a place based analysis and how the how benefits estimated link to the theory of change and strategic case set out above. Quantified benefits have been calculated and an assessment made of non-quantifiable benefits. The economic case indicates which benefits have been monetised and how these will be generated year by year. Factors such as additionality, deadweight and displacement of benefits and double counting have been considered as have distributional impacts.

3.2 Approach to the Economic Case

Options Initially Considered

3.2.1 In the first instance, the following long list of options was considered for addressing the opportunities and constraints described above.

- i) Do nothing: No development of the enterprise centre for life sciences innovation.
- ii) Do minimum: To encourage LEP and local business support organisations to offer whatever business support and advice can be affordably provided to young life sciences businesses from existing resources, without a new enterprise centre.
- iii) Stevenage Borough Council to act as a speculative developer of the innovation centre.
- iv) Develop an enterprise centre in an alternative location such as Gunnels Wood Road.
- v) Redevelop the enterprise centre for innovators and entrepreneurs in a wider range of sectors.
- vi) Pursue a solely office based development on the site.
- vii) Pursue a residential development exclusively on the site.
- viii) Develop a 57,000 sqft enterprise centre in Stevenage Town Centre, to accommodate and to provide relevant physical facilities for the incubation and growth of young businesses in the life sciences sector.

How Project Options Were Shortlisted

3.2.2 The following criteria have been adopted in shortlisting options. Projects must be able to:

- Address the stated objectives of and benefits sought from the project and those of associated strategic policies.
- Be delivered within a 30 month timescale.

- Significantly accelerate delivery of the Stevenage Central SG1 Regeneration Strategy.
- Significantly improve accessibility in an out of the Town Centre.
- Demonstrate a significant impact on the growth of high technology growth businesses in Stevenage.

How Options were Shortlisted

3.2.3 Of these options, redeveloping the car park for alternative uses such offices and housing as were rejected because:

- a) general offices do not have the same catalytic impact on regeneration as the preferred option
- b) the town centre needs diversification and new drivers of economic activity to drive demand for housing and town centre services
- c) extensive provision is being provided for new housing and general offices on a range of other development sites within the town centre, in accordance with the SG1 Regeneration Framework.

Shortlisted Options

3.2.4 The remaining options, which have been shortlisted are appraised as follows.

Option 1	Do nothing: No development of the enterprise centre for life sciences innovation.
<i>Appraisal</i>	<i>Stevenage will lose the opportunity to build a dynamic cluster of young life sciences businesses and a catalyst for establishing the town centre as a high quality business location.</i>
Option 2	Do minimum: No enterprise centre but encourage LEP and local business support organisations to offer whatever business support and advice can be affordably provided to young life sciences businesses from existing resources.
<i>Appraisal</i>	<i>Young life sciences businesses will not be attracted to Stevenage because of lack of provision of suitable accommodation and supporting infrastructure, probably choosing London, Oxford or Cambridge as an alternative.</i>
Option 3	Stevenage Borough Council to act as a speculative developer of the innovation centre.
<i>Appraisal</i>	<i>This is not an optimal use of resources or expertise. Proactive private sector investors and developers are nimbler and can deliver higher quality development at less cost than the public sector. By working with the private sector the Council's financial resources can be deployed to stimulate transformation more quickly and more widely across the town centre.</i>
Option 4	Develop an enterprise centre in an alternative location such as Gunnels Wood Road.

<i>Appraisal</i>	<i>The adopted priority for Stevenage is to regenerate the town centre for which this project is an ideal catalyst. Post Covid, many businesses are seeking locations with good amenities for their workforces in town centres. Given net zero targets, locating new activities close to rail stations and a public transport interchange is more sustainable than a car dependent peripheral location.</i>
Option 5	Redevelop the enterprise centre for innovators and entrepreneurs in a wider range of sectors.
<i>Appraisal</i>	<i>This option has merits. However, Stevenage has a major strength in niche areas of the life sciences and gene therapy in particular. Greater impact to the UK economy, its Innovation Corridor and the regeneration of the town centre can be achieved by focusing the enterprise centre on these areas of greatest competitive strength.</i>
Option 6	Develop a 57,000 sqft enterprise centre in Stevenage Town Centre, to accommodate and to provide relevant physical facilities for the incubation and growth of young businesses in the life sciences sector.
<i>Appraisal</i>	<i>This will build recognition of Stevenage Town Centre as a high prestige location for state-of-the-art technology companies prominent on the world stage, providing a catalyst for a sequential flow of investment in high quality floorspace and housing throughout the rest of the town centre.</i>

Preferred Option

3.2.5 The preferred option is Option No. 6, Develop a 57,000 sqft enterprise centre in Stevenage Town Centre, to accommodate and to provide relevant physical facilities for the incubation and growth of young businesses in the life sciences sector.

3.3 Economic Benefits

3.3.1 Quantified Benefits

Jobs Created	59
Commercial Floorspace Developed or Upgraded sqm	5,337
Net Increase in Commercial Floorspace	929
Additional homes brought forward	69
Construction Jobs	140
Additional GVA Generated per Annum	£3,375,721
Additional Annual High Level Skills Qualifications Attained	12
Business Created	60

How Benefits Have Been Monetised

3.3.2 GVA impacts from employment and income projections have been projected. These have been projected over a 30-year period. There are no monetisable direct transport benefits.

Relevant Modelling Results

	Present Value 30 Years	Undiscounted 30 Years
Cost	£13,255,769	£14,491,664
GVA	£49,687,126	£84,393,029
Benefits	£49,687,126	£84,393,029
Net Present Value: Benefits Less Cost	£36,431,356	£69,901,365
<u>BCR Calculation</u>	3.75	5.82

Additionality, Deadweight, Displacement and Substitution of Benefits

3.3.3 The following assessment has been made of additionality, deadweight, displacement and substitution of benefits.

Additionality	<p>Additionality affects that would not have been realised but for this project are:</p> <ul style="list-style-type: none"> • New floorspace created and associated job creation. • Enhancement of Stevenage Town Centre's profile as a high-quality business location for international companies.
Leakage	This project is about place specific site development which cannot take place elsewhere so no leakage is anticipated.
Deadweight	The benefits from this project could not have happened anyway given identified market failures and the amount of investment needed to take the proposed site forward for development.
Displacement	Possible relocation of high-tech businesses from Gunnels Wood to the town centre might occur, but is unlikely as the main clients for the centre will be start-ups and very young businesses. Even if this was the case, given the intensity of demand from the clustering effects within the biosciences sector coupled with a shortage of employment space borough-wide, replacement investment would be found quickly, creating jobs that would cancel out any displacement effects.
Substitution	<p>Not expected to apply as:</p> <ol style="list-style-type: none"> a) Stevenage is being positioned for attracting investment and jobs from new ventures, relocations from outside of the area and from international sources. b) Given the proposed innovation centre skills project complementing this project as part of the Town Fund proposals, skills levels will be enhanced.

Assessment of Non-Quantified Benefits

3.3.4 Non-quantified impacts and benefits are summarised below.

Project	Impact	Assessment of Benefits
Enterprise Centre	Higher levels of investor confidence	<ul style="list-style-type: none"> • As centre clients expand, this will create demand for expansion space, providing an opportunity for more high quality commercial development in the

Project	Impact	Assessment of Benefits
		<p>town centre and acceleration of associated development commitments and completions.</p> <ul style="list-style-type: none"> • This will generate higher levels of investor confidence, conducive to acceleration of the rest of the redevelopment of Stevenage Central. • Enhanced patronage of and investment in upgraded food and beverage outlets. • Wider choice of high quality jobs for local residents. • Increase in town centre residents, employees, visitors and spending.

Consideration of Distribution of Impacts

Employment and income

3.3.5 The business creation and expansion brought about by the project will predominantly benefit white collar occupations. Enhanced demand for food, beverage and retail will provide enhanced employment opportunities for service sector, manual and elementary occupations.

Geographical

3.3.6 Beneficiaries will be primarily current residents of Stevenage and future residents of the town centre plus those within Stevenage and its travel to work area.

Protected Groups

3.3.7 No adverse effects are identified.

3.4 Economic Costs

Town Enterprise Centre Project Costs	£s
Total	12,722,364

3.5 Value for Money Assessment

	Present Value	Undiscounted
	30 Years	30 Years
Cost	£13,255,769	£14,491,664
GVA	£49,687,126	£84,393,029
Benefits	£49,687,126	£84,393,029
Net Present Value: Benefits Less Cost	£36,431,356	£69,901,365
BCR Calculation	3.75	5.82

Steps taken to Maximise VfM

- 3.5.1 Appropriate measures are being applied to ensure that the construction works for the project can be delivered in the most cost-effective manner possible, without sacrificing the quality and functionality of the end product.
- 3.5.2 To this end, the appointed contractors will be asked to assess scope for further savings from the supply chain, alternative configurations and materials with a view to optimise value for money. In addition, quotes for ongoing design and survey activity will be retendered should this be considered to have scope for further savings.

3.6 Place Based Analysis

- 3.6.1 Benefits related to the preferred option which are quantifiable and those wider in scope or non-quantifiable are set in the place-based analysis described below, taking account of local employment impacts.

Place Based Analysis																	
Target Area	Central Core, Stevenage Town Centre, SG1																
External dependencies	None affecting project implementation Site occupancy not dependent on market demand, sources of which have been identified																
Benefits to the Target Area: Quantified	<table> <tr> <td>Jobs Created</td> <td>59</td> </tr> <tr> <td>Commercial Floorspace Developed or Upgraded sqm</td> <td>5,337</td> </tr> <tr> <td>Net Increase in Commercial Floorspace</td> <td>929</td> </tr> <tr> <td>Additional homes brought forward</td> <td>69</td> </tr> <tr> <td>Construction Jobs</td> <td>140</td> </tr> <tr> <td>Additional GVA Generated per Annum</td> <td>£3,375,721</td> </tr> <tr> <td>Additional Annual High Level Skills Qualifications Attained</td> <td>12</td> </tr> <tr> <td>Business Created</td> <td>60</td> </tr> </table>	Jobs Created	59	Commercial Floorspace Developed or Upgraded sqm	5,337	Net Increase in Commercial Floorspace	929	Additional homes brought forward	69	Construction Jobs	140	Additional GVA Generated per Annum	£3,375,721	Additional Annual High Level Skills Qualifications Attained	12	Business Created	60
Jobs Created	59																
Commercial Floorspace Developed or Upgraded sqm	5,337																
Net Increase in Commercial Floorspace	929																
Additional homes brought forward	69																
Construction Jobs	140																
Additional GVA Generated per Annum	£3,375,721																
Additional Annual High Level Skills Qualifications Attained	12																
Business Created	60																
Benefits to the Target Area: Qualitative	<p><u>Economic</u></p> <ul style="list-style-type: none"> • Generation of new high value businesses with potential for high growth and expansion. • Anticipated demand for high quality commercial space as expansions occur. • Acceleration of the redevelopment of key sites in Central Core. • Improved town centre environment. • Stronger perception of Stevenage as a place to invest. • Higher levels of investor confidence conducive to acceleration of transformation throughout Stevenage Central. <p><u>Environmental</u></p> <ul style="list-style-type: none"> • Enhanced scope for living and working in the town centre, thereby reducing the need to travel. • Cleaner air and healthier lifestyles. <p><u>Social</u></p> <ul style="list-style-type: none"> • Better local amenities due to increase patronage of retail, hospitality and leisure activities in the town centre. 																
Possible collateral effects in the target area or wider spatial area	<p><u>Positive effects</u></p> <ul style="list-style-type: none"> • Acceleration of on-going regeneration of the town centre. • Reduced car usage, cleaner air and healthier lifestyles. <p><u>Negative effects</u></p>																

Place Based Analysis	
Target Area	Central Core, Stevenage Town Centre, SG1
	<ul style="list-style-type: none"> • None identified.
Adverse effects on protected groups	None so far identified.
Different impacts by income group	High quality development likely to benefit white collar occupations. F&B and retail development will provide opportunities for manual and elementary occupations.
Views of local stakeholders	TBC
Alignment with wider public policy in the relevant area/s and the UK as a whole/s	<p><u>National</u> Boost to: National industrial strategy for life sciences Prospects for the UK Innovation Corridor. National Council for Science and Technology’s recommendations for scaling the impact of innovation in the United Kingdom Net Zero Carbon Policies</p> <p><u>Sub-regional</u> Hertfordshire Enterprise and Innovation Strategy: provision of high quality enterprise space and coherent business support; driving a catalytic sector with large positive impact upon the economy. Hertfordshire Covid Recovery Plan: contributes to equipping Hertfordshire’s places for mid-21st Century living supporting town centres and town-level economies building digital connectivity. Boosts enterprise and innovation and international trade and investment. Sub-regional and Local Transport Policies: helps create a built environment conducive to improved accessibility; reduces the need to travel; encourages change in people’s travel behaviour.</p> <p><u>Local</u> Stevenage Local Plan 2019-2031. Directly addresses Local Plan’s ambitions for additional employment floorspace. Stevenage Central Framework. Recycling of redevelopment sites; opportunities to create offices and workspace matching post-Covid requirements; uplifting the area’s image and investor confidence; reduced need to travel; greater opportunities for take up of public transport in place of cars contributing to carbon reduction targets.</p>
Dependency on the successful delivery of other proposals	<p>Completion of new bus interchange and rail station upgrade, both approved and funded.</p> <p>Completion of the multi-storey car park enabling improved options for accessibility Completion of the Marshgate Bioscience office, giving enterprise centre users greater confidence in the credibility of Stevenage as an emerging high tech and life sciences hub.</p>
Link of Benefits Estimated Link to Theory of Change and Strategic Case	<ul style="list-style-type: none"> • Release and acceleration of an additional development site. • Construction of new commercial space. • Attraction of high profile business occupiers. • Recognition of Stevenage Town Centre as a high prestige business location. • Increased investor confidence. • Acceleration of transformation of other SG1 major opportunity areas and sites. • Increased footfall boosting prospects for revived retail, leisure and hospitality sector.

3.7 Summary of Preferred Option for Investment

- 3.7.1 The project is to be developed on the site of the Forge which part forms part of the Queensway development situated in the North East of the town centre area.
- 3.7.2 A development agreement will then be concluded with Reef the developer to take forward the development and construction of the enterprise centre. This will provide for the transfer of the site ownership to the developer.
- 3.7.3 The enterprise centre has been designed specifically for the needs of life sciences businesses. It will comprise 57,435 square feet, broken down into the following uses:

	Total, All Floors
	Sqft
Co-working Space	8203
Private Work Areas	9627
Meeting Space	2242
Laboratories	12382
DJ 7 Studios	696
Digital Laboratory	971
Break Out Area	2717
Lounge	1800
Events Area	0
Facilities	322
Storage	692
Ancillary Uses	978
Plant & IT Rooms	1861
WC/Changing	1454
Total	43945
Circulation & Other Uses	13490
Grand Total	57435

- 3.7.4 As can be seen, in addition to various forms of workspace, a considerable amount of space has been devoted to specialist facilities to support R&D and product development activities in addition to meeting the needs for different tenants and users of the enterprise centre to interact and collaborate and for giving professional presentations to prospective clients and investors. The project is to be completed within 24 months of project inception.
- 3.7.5 A robust business plan for the enterprise centre will be formulated in order to assure its long-term viability, success in stimulating world beating life sciences ventures and delivery of contracted outputs. This will cover such aspects as:
- Policy for targeting and engaging with prospective centre clients
 - Support roles of the centre
 - Commercial strategy for workspace provision
 - Business support provision and delivery
 - Links to external specialist sources of expertise
 - Operational plan
 - Building maintenance and administration

- Staffing arrangements
- Sector networking activities
- Marketing and promotion
- Governance, management and reporting arrangements
- Relationships between the centre and external partners and stakeholders
- Contractual arrangements for delivery of key support services
- Revenue forecasts
- Financial plan

3.7.6 In order to deliver on its contracted outputs, there will be need for a coherent business support offer so that new or young life sciences businesses with scalable, innovative product or service concepts with major potential for high value wealth creation and exceptional growth potential would be supported more intensively in the form of:

- technology validation
- business concept verification;
- market scoping;
- commercialisation planning;
- specialist commercialisation skills and business support provision;
- direct introduction to specialist innovation support and mentoring;
- high growth start up support.

3.7.7 The specific roles of Town Enterprise Centre business support programme will be as follows.

- Engagement of clients through marketing and targeted networking.
- Careful vetting on the realism and commercial viability of the business concepts of prospective start up entrepreneurs applying for support from the centre network.
- Assessment of the business management and commercial skills of start-up applicants.
- Adequate preparation of prospective entrepreneurs, by way of fast-track provision of training in commercialisation planning, financial, marketing, legal and organisational skills, up to a minimum standard, if and where necessary, as a condition of entry, via The Growth Hub.
- Support in preparation of viable business plans, in conjunction with The Growth Hub and commercialisation strategies.
- Marshalling the demand for specialist courses, advice programmes, mentoring and other specific services.
- Supporting clients in opportunities to network with like-minded businesses.
- Access to expert advice and guidance on legal, patent and intellectual property rights issues.
- Tailored mentoring to centre network clients fitting the core target criteria. This will support businesses in becoming swiftly established in the market, such as introductions to key clients, help in negotiating contracts, or securing funding for development of prototype products.

- Support to help businesses become investment ready.
- Access to sources of finance, including procurement of proof of concept, seed funding and expansion finance.

3.7.8 Acquisition and releasing the existing Forge building site will create a strategically significant development opportunity. New, high quality commercial space will be created within the town centre. The tenants for the space will be entrepreneurs bringing forward potentially very high value life sciences products and services. With this and the new Bioscience Centre being developed at Marshgate Stevenage town centre will become associated with high prestige high tech activity. This will build recognition of Stevenage Town Centre as a high prestige location for state-of-the-art technology companies prominent on the world stage, providing a catalyst for a sequential flow of investment in high quality floorspace and housing throughout the rest of the town centre. Robust business planning and the provision of high-quality business support will assure the viability of the project and the delivery of contracted outputs. This scheme will boost investor confidence and accelerate investment commitments on other redevelopment sites.

3.7.9 Key benefits of the project will include:

- Major boost in the number of and choice of high quality jobs for local residents.
- Increase in town centre residents, employees, visitors and spending.
- Enhanced patronage of and investment in upgraded food and beverage outlets.
- Higher levels of investor confidence, conducive to acceleration of the rest of the redevelopment of Stevenage Central.
- Acceleration of development commitments and completions across the wider town centre.
- Consolidation of the wider bioscience sector within the region and UK.

FINANCIAL CASE

4. FINANCIAL CASE

4.1 Introduction

4.1.1 This section sets out the financial case for the project first describing the approach and funding options, details of the buildup of costs, proposed funding and an affordability assessment.

4.2 Approach to Financial Case

Funding Options Considered

Stevenage Borough Council

4.2.1 Stevenage Borough Council has been investigating a range of funding opportunities to fund projects within the Regeneration programme and working across the organisation to create a centralised review of available funding opportunities and determine which projects are most appropriate. The financial impact on the council following COVID 19 will be significant, and it is anticipated that the capital programme will be affected. Were this project to be funded by the Council, it would divert funds earmarked for other initiatives essential to accelerating the regeneration and renewal of the SG1 area, such as strategic site acquisitions and associated enabling works.

Other Public Sector Funding Options

4.2.2 Other funding options such as Future High Street, One Public Estate and Levelling Up funding are less aligned in terms of criteria and the urgency surrounding the scheme, though these are being explored in conjunction with the Town Development Board.

Private Sector

4.2.3 There are good prospects for mobilising the private sector to invest in and take forward the project. A costed development scheme has been worked up by Reef, a development partner of Stevenage Borough Council and a private sector funder identified.

Town Fund

4.2.4 However, the visual quality of the Queensway North area is poor. This presents a potential barrier to triggering a development start. To be sure of securing the investment commitment of the above developer, it will be necessary to mitigate this constraint by parallel investment in acquiring the site and making it development ready.

Preferred Funding Option

4.2.5 The Town Fund is considered to be an ideal option for this scheme as it provides for sufficient resources to implement the public realm elements of the scheme. This can realistically be expected to create the level of confidence needed to secure the investment and development commitment necessary for the bioscience and affordable homes scheme to move forward.

Funding Profile and Scheduling

4.2.6 The funding profile is summarised as follows.

Funding Profile	Total
Private Sector	£7,722,364
Town Fund	£4,000,000
Other match funding required	£1,000,000
Total	£12,722,364

4.2.7 The table below shows the scheduling of the funding.

Funding Profile	21/22	22/23	23/24	24/25	Total
Private Sector		£2,633,418	£5,088,946		£7,722,364
Town Fund		£2,230,700	£1,769,300		£4,000,000
Other		£1,000,000			£1,000,000
Total	£0	£5,864,118	£6,858,246	£0	£12,722,364

4.3 Costs

4.3.1 A full cost plan has been developed by CUBE on behalf of the developer, but is considered commercially confidential at this stage. The total project cost based on the current appraisal is £12,722,364.

4.4 Funding and Revenues

4.4.1 Funding options considered are as described above. The funding of the site redevelopment will be assured under the terms of a development agreement with Reef. Sources and uses of funds are summarised below.

Funding Profile	Total
Uses	
Sources:	
Private Sector	£7,722,364
Town Fund	£4,000,000
Other funding	£1,000,000
Total	£12,722,364

4.5 Affordability Assessment

4.5.1 A BCR has been calculated as shown below.

	Present Value	Undiscounted Value
	30 Years	30 Years
Cost	£13,255,769	£14,491,664
GVA	£49,687,126	£84,393,029
Benefits	£49,687,126	£84,393,029
Net Present Value: Benefits Less Cost	£36,431,356	£69,901,365

BCR Calculation	3.75	5.82
------------------------	-------------	-------------

- 4.5.2 As can be seen from the table above, the net cash flow taking account of economic benefits gives a net present value of £36,431,356 and a benefit cost ratio of 3.75.
- 4.5.3 It is proposed that the Town Fund provides the resources for construction of the project. The other public sector commitment to funding the site acquisition and contributing to development costs will provide the assurance to the developer his investment commitment will be de-risked, enhancing confidence in the expected success of the scheme.

COMMERCIAL CASE

5. COMMERCIAL CASE

5.1 Introduction

5.1.1. This section sets out the commercial case, describing the potential commercial options for delivery of the project model and supporting rationale, taking account of the existing commercial strategy of Stevenage Borough Council and on this basis the procurement strategy adopted, based on a review of possible options for the preferred procurement route. The proposed procurement process, including key milestones, and processes for assurance and approvals are then set out.

5.2 Commercial Deliverability

Potential Delivery Options

5.2.1 There are three delivery options.

1. Stevenage Borough Council promoting a development with its own finances and management resources.
2. Attracting proposals from speculative office developers.
3. Working in partnership with a developer who is able to line up a high quality occupier in advance of the development.

5.2.2 The first option, where the Council would act as a speculative developer is a poor use of its resources and expertise which are better deployed to stimulate leveraged investment and transformation more quickly and more widely across a variety of the town centre.

5.2.3 Attracting proposals from speculative office developers has the advantage of bringing in private sector investors and developers who have stronger expertise in development schemes and can deliver at less cost than the public sector. However, the Council's regeneration strategy and wider sub-regional economic growth objectives have determined the need to build powerful clusters in specific areas of economic activity and within definitive timescales. This cannot be assured simply by relying on speculative developers. Leaving the opportunity solely for the market to decide is likely to lead to sub-optimal regeneration outcomes. Moreover, development completions are likely to take many more years.

Proposed Delivery Model

5.2.4 The proposed delivery model is to work in partnership with a developer who is able to deliver a high quality scheme to a standard that will be guaranteed to attract its intended occupants. In parallel, it is proposed that the Town Fund provides the resources for the acquisition and transfer of the ownership of the land and preparation of the site for redevelopment. The redevelopment would be undertaken by Reef.

Rationale for Proposed Delivery Model

- 5.2.5 These arrangements have a number of advantages. Provision of a development ready site assurance to the developer that the scheme can proceed on a viable basis. This will be conducive to accelerating the transformation of the Marshgate and Queensway major opportunity area, with associated knock-on benefits to surrounding parts of the town centre.
- 5.2.6 A further benefit is that this model works well in assuring the meeting of sub-regional economic growth objectives, in this case boosting the position of Stevenage in the UK Innovation Corridor (UKIC) and in this context further developing its significant bioscience industry. Attracting such uses into the town centre is also conducive to making the wider town centre more sustainable both in economic and environmental terms.

Existing Commercial Strategy

- 5.2.7 Stevenage Borough Council has a strong track record of delivering projects and is working collaboratively with partners to increase momentum to regenerate the town centre. In particular, in March 2019, the Council entered into a development agreement with the urban developer Mace to bring forward two of the Major Opportunity Areas (MOAs) of the Framework - Southgate Park and the Central Core – as well as acting as a catalyst to deliver major place shaping changes to the town centre.

Evidence of Market to Deliver the Project

- 5.2.8 As stated in the Town Investment Plan, Reef are an urban regeneration specialist with a £4bn regeneration portfolio and expertise in enhancing communities and environments, providing design expertise and end-to-end management including programming, cost analysis, procurement, construction and leasing. In Stevenage, Reef have acquired the former M&S site in collaboration with Homes England, and in partnership with SBC are delivering a £20m+ mixed-use regeneration scheme of 110 apartments, diversified leisure, retail and restaurant uses, and new commercial space. The scheme is on site now and aiming for full completion in November 2021. Reef are keen to do more in Stevenage.

Key Contractual Arrangements

- 5.2.9 SBC will contract for the acquisition, preparation then resale sale of the relevant portion of the Forge site based on a recently completed independent site valuation. In parallel with the contract of sale, a development agreement will be concluded between SBC and Reef which will commit SBC to delivering the property and essential site preparation works and Reef will commit to developing the office, laboratory space and supporting facilities on the Forge site within a defined timescale, subject to planning approval.

Delivery Arrangements

- 5.2.10 The above contractual arrangements will assure the development of the Town Enterprise Centre scheme. Stevenage Borough Council will use the Scape mechanism to procure delivery of necessary site preparation works.

Risks

5.2.11 The identified risks are assessed as follows.

Risks	Likelihood	Mitigation
Labour shortages in construction, freight transport and supply industries delay construction progress	High	In development agreement with Reef and with public realm contractors incorporate commitment to bring in additional temporary labour and stocks of materials to ensure projects are completed on time.
The construction cost exceeds the limit for the project or other issues arising during the design & development phase	Medium	A cost consultant will be involved from an early stage of the project to ensure contractor's proposals are realistic and within budget.
Failure to achieve planning approval	Low	Planning approval has been expedited and is well advanced. Through consultation, scope of objections well understood.
Reef suffers financial distress	Low	Through its due diligence, SBC has reviewed Reef's commercial performance and the value of its property holdings and is assured of the robustness of its finances.
Failure to provide and deliver adequate business support to centre clients.	Low	Creation of an appropriately represented strategic board to define business support needs and to engage appropriate business support organisations and providers to address them.

5.3 Procurement Strategy

Projects that will Need to be Procured

5.3.1 There are three projects that need to be procured.

1. Acquisition of the site and appropriate legals. Responsibility: Stevenage Borough Council.
2. Site preparation and transfer of the Forge site to Reef. Responsibility: Stevenage Borough Council.
3. Turnkey design and build of the town enterprise centre. Responsibility: Reef.

Procurement Process, Milestones, Assurance and Approvals

5.3.2 Stevenage Borough Council will procure required services using the Scape framework. The Council's Procurement Team has indicated that in using the Scape framework, there is not a requirement to carry out a traditional OJEU procurement exercise to find a suitable contractor, as that process can add up to 6-8 months to the delivery programme.

5.3.3 The Scape Group is a public partnership set up in 2006 to help public sector organisations expedite their various procurement processes, whilst remaining compliant with procurement law and creating ongoing efficiency and social values in the built environment. Scape Group is a public sector organisation owned by 6 local authorities: Derby City Council, Derbyshire County Council, Nottingham Council, Nottingham County Council. Over the past 13 years Scape has delivered over 12,000 projects of all types and complexities, currently delivering 1800 live commissions with a value of £4.6bn. 95% of projects are delivered on time and 99% of projects are delivered on budget. As Stevenage Borough Council is a public body it follows public

procurement procedures. Our procurement policy is available to view on our website: <http://www.stevenage.gov.uk/about-the-council/tenders-and-contracts/26230/>.

- 5.3.4 Stevenage Borough Council follows public procurement procedures and complies with public procurement law (s35 Local Government Act 1972 plus current OJEU regulations). Information regarding this can be viewed on our website by following the link below. This also outlines the corporate procurement strategy between 2016-2020. Stevenage Borough Council will perform the procurements of construction contractors.

MANAGEMENT CASE

6. MANAGEMENT CASE

6.1 Introduction

- 6.1.1 This section sets out the approach and experience of SBC in delivering similar projects and sets out the proposed arrangements for Project Organisation and Governance. The approaches to oversight and approvals and to assurance and the assurance plan are then described.
- 6.1.2 The scope of the project and its key elements are then described along with the approach to specifying and managing requirements, the interfaces with third parties and related management approach and the approach to solution development, confirmation management and acceptance.
- 6.1.3 The structure of the project programme and principal stages and workstreams and related timescales are then described, making reference to interdependencies with rest of TIP and non-TIP projects.
- 6.1.4 The key milestones and key decision points, assurance, consents, approvals are then summarised. Constraints and assumptions are then summarised and the most likely forecast completion date stated.
- 6.1.5 This section also elucidates on the approaches to risk and opportunities management, project management, stakeholder engagement and benefits, monitoring and evaluation.

Evidence of Application on Similar Projects

- 6.1.6 Stevenage Borough Council has a strong track record of delivering projects and are working collaboratively with partners to increase momentum to regenerate the town centre. In particular, in March 2019, the Council entered into a development agreement with the urban developer Mace to bring forward two of the six Major Opportunity Areas (MOAs) of the Framework - Southgate Park and the Central Core – as well as acting as a catalyst to deliver major place shaping changes to the town centre. It also has experience of enterprise centre development having previously facilitated the bringing forward of the Business and Technology Centre in Bessemer Road.

In the last four years, SBC's Stevenage Regeneration team have completed:

- 4 Public Realm schemes totalling 45,520 sq.ft (£3 million);
- Refurbishment of disused 18,000 sq.ft of office space and retail space (£6million);
- Relocation of the CCTV control room, decant and vacant possession of office building (£2.4 million); and
- The construction of a £9.6 million Bus interchange including highway intervention and public realm (ongoing).

These key enabling projects mean the Council have secured 2 developers bringing private development investment of over £500 million. The Council has a dedicated regeneration directorate to deliver a programme of projects with a current capital value in excess of £30m.

6.2 Project Organisation and Governance

6.2.1 There is a very well established two- tier governance system which is already overseeing the delivery of the programme of projects delivery regeneration in the town centre. The Town Development Board has been recently established after drawing the previous Stevenage First board to a close. This board operates a programme and project management approach to delivery projects within budget and timescale tolerance with a significant emphasis of timely delivery. Project delivered to date under this supervision model include the public realm projects- Forum Square, Littlewoods Square, Market Place- as well as the Wayfinding project.

Key Participants, Accountabilities and Responsibilities

6.2.2 The key participants, accountabilities and responsibilities are summarised below.

Participants	To Whom Accountable	Accountabilities	Responsibilities
Stevenage Borough Council	Central Government	Successful regeneration outcomes and impacts within the town centre	Correct use of Town Fund award
	Local residents	Minimisation of adverse impacts of the scheme	Ensuring a high-quality scheme
	Enterprise centre clients	Delivery of contracted outputs	Ensuring mechanisms are in place for delivery of outputs
Reef	Stevenage Borough Council	Compliance with development agreement	Assuring what was proposed is delivered and on time

Project Delivery Organisation

6.2.3 The project delivery organisation is summarised below.

Organisation	Functions	Key Roles	Capability	Competences and Resourcing
Stevenage Borough Council	Orchestration of regeneration strategy and projects	Stakeholder consultation Project scoping Sourcing of funding Initiation of delivery	Well-developed stakeholder engagement strategy, organisation and processes Devising high impact regeneration	Expert and experienced regeneration team Town Fund award and match funding for key projects Scape procurement framework

		partnerships Formalising approvals	solutions Delivery through partnership	Delivery partnerships
Reef	Delivery of high-quality development schemes	Sourcing high quality tenants Funding Scheme design and planning Procurement Construction and delivery	Orchestration of scheme design, funding and construction	Comprehensive array of development expertise Access to commercial development funding

Governance Arrangements for Oversight and Approvals

6.2.4 The Stevenage Development Board will continue to monitor the progress of the programme. This project currently already reports here and will continue to until the new governance board is established. The new board will not determine or monitor this project but will have an on-going role in overseeing the regeneration of Stevenage.

6.2.5 The Board includes a number of local leaders from key sectors and businesses, including companies such as Airbus, MBDA, Wine Society and Groundwork East; all tiers of local government and Hertfordshire LEP; community sector; education sector including North Hertfordshire College (FE) and the University of Hertfordshire (HE), and others such as the local NHS Trust. Stevenage Borough Council (SBC) will be the accountable body. The Council has a dedicated regeneration directorate to deliver a programme of projects with a current capital value in excess of £30m. This team can be scaled up as necessary and is well supported by Hertfordshire County Council and their growth, education, highways and development capacity. SBC will be supported by both the County Council and the LEP. The LEP has considerable experience of major programme management (BEIS/MHCLG Getting Building Fund, Growth Deal and Growing Places funding). The LEP approves and monitors its projects using an Assurance Framework and this will be utilised for administering Town Deal.

Governance Arrangements for the Project’s Operational Phase

6.2.6 The Enterprise Centre will be wider in scope than just a bespoke facility for the incubation of life sciences businesses simply rented out for commercial purposes.

6.2.7 At operational stage, in order to deliver on its contracted outputs, there will be need for a coherent business support offer so that new or young life sciences businesses with scalable, innovative product or service concepts with major potential for high value wealth creation and exceptional growth potential would be supported more intensively in the form of:

- technology validation;
- business concept verification;
- market scoping;
- commercialisation planning;

- specialist commercialisation skills and business support provision;
- direct introduction to specialist innovation support and mentoring;
- high growth start up support.

6.2.8 A key function of the enterprise centre will therefore be the orchestration of such business support. This will include having in place:

- Diagnostics to determine support requirements
- Referral of clients to specialist as well as generic business support provision
- Managing working relationships with outside support providers
- Orchestration of a wider client network around the centre
- Involvement in sector links, networking and development initiatives across the region
- Related funding procurement
- Overseeing implementation of agreed initiatives

6.2.9 To assure that adequate resources and capacities are made available to meet these requirements, a strategic board will be assembled prior to opening of the centre. This will be made up of representatives of relevant business support organisations, academic bodies, business champions and local government economic development specialists. The strategic board will have the following roles.

- Defining a robust business support offer that will assure the successful creation, survival and growth of enterprise centre clients to their full potential.
- Assembling the required funding, resources competences necessary to deliver the required portfolio of business support.
- Monitoring the effectiveness of the business support arrangements and making changes as needed.
- Evaluating tangible outputs and outcomes from the business support including businesses created, survival rates, investment attracted, patents achieved, turnover generated and new jobs created.

6.2.10 The business support governance arrangements will ensure that the commitment of the core parties to the project are effectively tied in, their interests are suitably protected, liabilities amongst the partners are minimised and that the objectives of the innovation centre are suitably met and not compromised by unnecessary institutional or commercial constraints.

6.3 Assurance

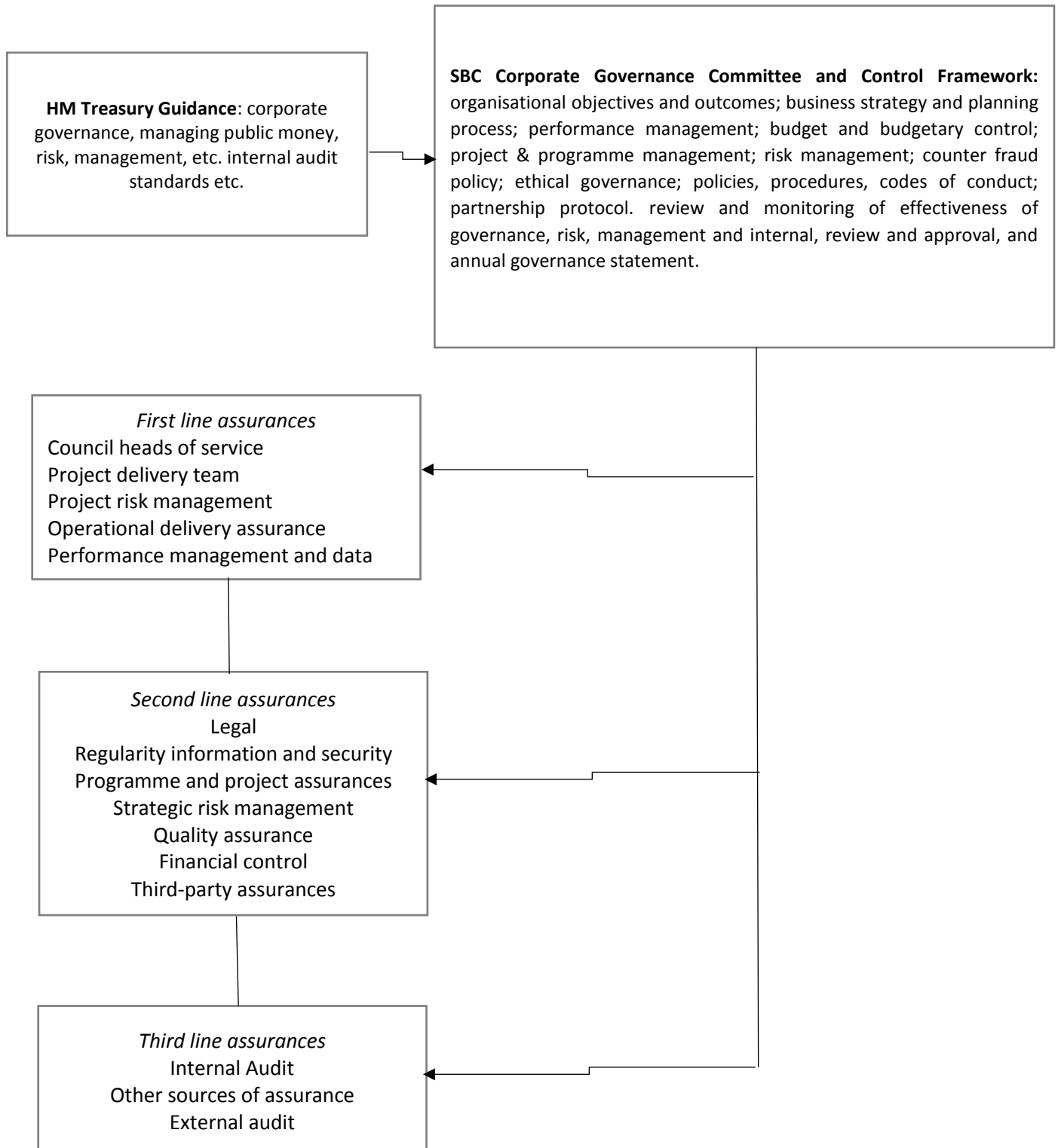
Approach to Assurance

6.3.1 All proposals and business cases will go through a transparent and robust application and scrutiny process, based on three simple principles:

- Robust interrogation to maximise value for money and ensure outputs and outcomes are deliverable and achievable
- Streamlined and efficient process, utilising private sector partners, to ensure pace of delivery is maximised
- Transparency and openness, with the process and framework published (without prejudice to commercial confidentiality).

Summary of Assurance Plans and Timing of Key Reviews and Links to Decision Points

6.3.2 The assurance process will proceed via the following framework.



Integrated Approvals and Assurance Plan

6.3.3 The approvals and assurance arrangements are illustrated in the table below.

Month	Project Delivery Team	Stevenage Development & Town Board		Independent Auditing
	Actions	Approvals	Oversight Actions	Investigations and assurances
	<u>Site Development Scheme</u>			
1	Final scoping and business case	Approval of business case		
3	Report on risk profile and mitigation measures		Integrated review of project risks and strategic risks, mitigation proposals and actions	Review and commentary on risk profile and combined project risks, mitigation proposals and actions
2	Consultation process and report	Approval to finalise project plan		
3	Project delivery plan: proposed designs, solutions, delivery programme and costings	Approval of project plan		Submission of comments on project delivery plan
4	Site Acquisition	Approval of cost and to proceed with acquisition	Review of costs terms of site purchase	Submission of comments on value for money
5-7	Site preparation	Approval of cost and to proceed	Review of costs and procurement	Submission of comments on value for money
9	Asset Transfer	Approval of land sale		Submission of comments on value for money
10	Project launch	Approval for project start		
10-24	Monthly project reports: progress, achievements, risk mitigation actions and expenditure		Review of monitoring reports	
			Stage gate assessments	
			Decisions and interventions in the event of serious delays or emerging major uncertainties	
			Commission interim project audit report	Interim project audit
			Directions in event of financial and other irregularities	
	<u>Project Completion</u>			
24	Project completion report	Sign off of project completion	Sign off independent auditing	Final project audit

6.4 Scope Management

Summary of the Scope of the Project and its Key Elements

6.4.1 The scope of the project specification is driven by the Stevenage Central Town Centre Framework produced in 2015, through which Stevenage Borough Council has set out to comprehensively regenerate the town centre through the transformation of its major opportunity areas, of which Marshgate and Queensway is one, in a phased manner. The attraction of high-quality employment into the town centre alongside the development of good quality housing is a fundamental objective for assuring the town centre's future resilience.

6.4.2 In accordance with this objective, the scheme being supported by the Town Fund will involve the bringing forward and implementation of a new enterprise centre configured specifically for the life sciences sector that will directly respond to the need for incubation and grow on space to meet continued growth of Stevenage's specialist bioscience cluster.

6.4.3 The development will take place on the Forge site located on part of the existing Queensway development. Key activities will involve:

- Acquisition of the Forge site.
- Initial site preparation works create the conditions for the development to proceed.
- A development agreement with Reef incorporating the transfer of site to them under agreed terms.
- A development project to be undertaken by the developer Reef to create 57,000 sqft. of offices, co-working, meeting areas, high tech support and facilities and laboratory space.

Activity	Parallel Projects	Enabling Phase	Development Phase	Operational Phase
Multi Storey Car Park & zero carbon support infrastructure	√			
Marshgate Biotech Office project	√			
Acquisition of the Forge building		√		
Essential site preparation		√		
Development agreement with Reef		√		
Sale and transfer of the Forge building to Reef		√		
Build out of the 57,000 sqft enterprise centre			√	
Business plan to assure viability and delivery of outputs				√
Implementation of a high-quality business support offer to centre clients				√

Approach to Specifying, Approving, and Managing Requirements

6.4.5 The Stevenage Central Town Centre Framework also sets the parameters underlying the specification of requirements. This has set targets for the amounts of employment space and number of homes to be developed and jobs to be created. Sub-regional economic growth objectives, such as assuring the success of the UK Innovation Corridor in Hertfordshire and the bioscience cluster in particular have an influence on the scope of the project.

6.4.6 To achieve these aims and targets, the Council has specified the resources, processes and tools that need to come together in place to create the enterprise centre. Specifically:

- i) Acquisition of the Forge building.
- ii) Putting in place other relevant enabling measures affecting the site.
- iii) The lining up of a competent developer and high prestige occupier for the site.
- iv) Ensuring the necessary planning approvals are secured.
- v) Orchestrating the set-up of a strategic board to ensure necessary business support to assure delivery of outputs.

6.4.7 The responsibility for initiating and managing these processes will lie with the SBC Regeneration team. Key management tasks the SBC Regeneration team will be concerned with are:

a) Site Specific:

- Acquisition.
- Consultation with relevant third parties.
- Site preparation works.
- Development agreement with Reef.
- Transfer of the site to Reef.

b) Marshalling Resources:

- Assembling the necessary funds and expertise to take the project forward.
- c) Integration:
- Consultation with neighbouring uses.
 - Coordination with neighbouring redevelopment schemes.
 - Coordination with business support providers.
- d) Project development and assurance.
- Mechanisms to ensure the project is delivered on time and to budget i.e., through a robust development agreement.
 - Identification and management of risks.
 - Assuring the performance of the developer in delivering the required product(s) within the agreed timescale through effective monitoring.
 - Monitoring and evaluation to ensure that the targeted outputs and outcomes are delivered.
 - A detailed project plan specifying how the above will be brought together and implemented.
- e) Approvals.
- Approval for the project plan will be sought from the Stevenage Development Board.

Interfaces with Third Parties and Management Approach

6.4.8 The key interface that needs to be managed is monitoring of the developer’s activities to ensure that what has been promised through the development agreement is actually delivered. Engagement and coordination with business support providers will also be necessary.

Approach to Solution Development, Confirmation Management and Acceptance

Solution Development

6.4.9 Given that the solution for the creation of the Enterprise Centre has been extensively worked up by Reef, the solution development process described here focuses on the public realm project. This has comprised the following stages.

- i) Objective setting.
- ii) Consultation with life sciences industry specialists.
- iii) Issues identification – examination of how key outcomes to be realised and what adverse impacts need to be minimised.
- iv) Specification of requirements.
- v) Identification, investment appraisal and evaluation of solution options.
- vi) Selection of optimum solution.

- vii) Specification of the project.
- viii) Verification that the specification will deliver what is required.
- ix) Interim development of value-improving proposals.
- x) Interim checks on the project to ensure that the right product is being built.
- xi) Validation of successful completion and formal sign off of the development scheme.
- xii) Business plan for the operational phase.
- xiii) Comprehensive business support arrangements put in place.

Confirmation Management and Acceptance

6.4.10 The confirmation management and acceptance process will cover the reviews and decisions to address:

- the relevance and appropriateness of the objectives.
- whether the requirement reflects the objectives and addresses the issues identified.
- whether the project specification will meet the preferred solution.
- whether the final project outcome has met what was required.

6.5 Programme/Schedule Management

Summary Structure of the Programme

6.5.1 Key elements of the programme are:

- Acquisition of the Forge site.
- Initial site preparation works create the conditions for the development to proceed.
- A development agreement with Reef incorporating the transfer of site to them under agreed terms.
- A development project to be undertaken by the developer Reef to create 57,000 sqft. of offices, co-working, meeting areas, high tech support and facilities and laboratory space.

Summary Timescales

6.5.2 Main milestones are as summarised below.

Milestone	Timescale	
	Start	Complete
Complete site purchase	February 2022	April 2022
Completion of planning process	Feb 2022	June 2022
Site preparation activity	March 2022	August 2022
January Development agreement	June 2022	August 2022
Sale of site to developer	June 2022	August 2022
Main construction period	September 2022	January 2024

Milestone	Timescale	
	Start	Complete
Handover to occupier		February 2024

Interdependencies with the Rest of TIP and non-TIP Projects

6.5.3 None. This project can be developed on a standalone basis. However, the completion of the new multi-storey car park, which forms part of the Station Gateway Phase 1 TIP project and of the Marshgate Bioscience Centre will be useful in establishing the image and for accelerating demand for this project.

Decision Points, Assurances, Approvals and Critical Paths

6.5.4 These are summarised as follows.

Key Decision Points	<ul style="list-style-type: none"> • Sign off of final business case • Sign off of project designs final costings and delivery plan for public realm works • Sign off of risk mitigation measures • Authorisation of project start • Commissioning of interim and final audits • Sign off of project completion. summarised as follows.
Assurances	<ul style="list-style-type: none"> • Integrated review of project risks and strategic risks, mitigation proposals and actions • Review of monitoring reports • Stage gate assessments • Decisions and interventions in the event of serious delays or emerging major uncertainties • Interim project audit • Directions in event of financial and other irregularities if required • Interventions in event of non-delivery of development agreement • Sign off of independent audits
Consents & Approvals	<ul style="list-style-type: none"> • Local authority planning approval • Approval of final business case • Approval of project designs, final costings and delivery plan for public realm works • Approval of terms of land sale • Approval of development agreement • Approval for project start • Sign off of project completion
Critical Paths and Higher Risk Workstreams	<ul style="list-style-type: none"> • Interim arrangements for reallocated car parking capacity • Completion of multi-storey car park • Finalisation of land sale and development agreement

Summary of Schedule Hierarchy

Milestone	Timescale
Project Approval	March 2022
Completion of planning process for site redevelopment	June 2022
Development completion	January 2024
Handover to occupier	February 2024

Summary of Constraints, Assumptions, and Basis for Programme Durations

6.5.5 These are summarised below.

Issue	(Possible) Constraints	Assumptions	Basis for Programme Durations
Planning	Decision awaited	Approval expected	Delays would affect project start
Sale of site to developer	Sale price to be negotiated	Developer expected to accept formal site valuation commissioned by SBC	No delays expected
Site development scheme	Development agreement still pending	Delays unlikely as most elements already agreed with developer	Minimum build out period of 15 months
Construction	Shortages of labour and materials due to logistics constraints	Causes of delays likely	Developer will hire temporary labour and build up advanced stocks of materials

Forecast Completion Date (within stated range)

6.5.6 The forecast completion is for January 2024 but with a three-month allowance built in to allow for possible delays (e.g., supply shortages) up to April 2024.

6.6 Risk and Opportunities Management

Summary of Risk Management Strategy

6.6.1 The risk management strategy is focused around minimising delays and ensuring timely delivery of the redevelopment scheme, for which a development agreement will be the key assurance tool. A further element of the strategy is for a robust business plan and business support programme to be prepared in advance of opening as a means of assuring delivery of outputs.

Summary of Processes and Tools

6.6.2 The Stevenage Development Board takes responsibility for the assessment of the project risks and the measures necessary to mitigate them, working with the project delivery team and other sources of assurance such as the auditors.

6.6.3 The board has adopted an assurance plan that provides for an integrated review of project risks and strategic risks, mitigation proposals and actions. As part of this process the board will seek comments on risk profile and combined project risks, mitigation proposals and actions from the SBC audit team. The board will initiate interventions in the event of serious project delays, emerging major uncertainties (e.g., a climate change disaster), non-contract compliance or financial irregularities.

Summary of Risk Themes and Key Risks and Mitigations

6.6.4 The main risk areas relate to:

- a) Potential delays, due to changing weather conditions, labour shortages or unknown site conditions
- b) Poor delivery performance by the site developer or site preparation contractor

c) Failure to address business support issues

6.6.5 Key mitigation measures will include:

- Use of the development agreement with Reef to secure a commitment to tight delivery standards, to ensure availability of spare labour and measures to address unforeseen eventualities such as weather and unknown site conditions.
- Incorporation of tight delivery standards in development agreement.
- Involvement of a cost consultant will be involved from an early stage of the project to ensure contractor's proposals are realistic and within budget.
- Contractual provisions to manage unforeseen site conditions e.g., physical obstructions or physical conditions.
- Robust business plan and business support programme as a means of assuring delivery of outputs.

Approach to Opportunities Management and Realisation

6.6.6 The Stevenage Development Board is attuned to the concept of opportunities management, since its core function is to find ways to maximise the social, community and economic benefits from the resources available within the town. The generation of ideas is a process that is proactively managed by the Council and the Development Board and addressed through the following processes.

- Proactive stakeholder consultation as a means of capturing useful ideas
- Acquiring new ideas through partnership working
- Developing options in response to changing circumstances e.g., climate change, disruptive innovation etc.
- Seeking optimum uses of under-utilised resources, such as sites with scope for redevelopment
- Examining opportunities as a response to identified risks
- An up-to-date comprehensive vision of where Stevenage wants to be, providing a framework in which ideas can be generated and opportunities identified, evaluated, scoped out and where appropriate taken forward.

6.6.7 These processes are built into the remits, work programme, meeting agendas of the Development Board and relevant Council delivery teams.

Assessment of Opportunities to Gain from Industry Productivity Initiatives

6.6.8 This is an integral part of the process described above as well as being tied into the solutions for the development process. For example:

- The potential use of new construction techniques is constantly considered when specifying tendered contracts.
- Exploiting opportunities brought about by climate change. For example, the need for energy efficiency and encouragement of local living and more walking and cycling adds up to a more cost-efficient facility and higher quality workstyle and lifestyle for end users.
- The on-going adoption of digital technologies in all aspects of urban development and operations.

6.6.9 Assessment of these types of opportunity are embedded into the agendas of the Council and Development Board.

6.7 Project Management

Proposed Project Management Approach

6.7.1 The project delivery team will be assembled from key officers within the Stevenage Borough Council Regeneration division. This team will take responsibility for day-to-day project management of the scheme. This will include direct delivery of the public realm scheme and ensuring compliance with the development agreement for the enterprise centre. The officers in question have extensive experience of setting up urban development and construction projects and taking them forward to completion.

6.7.2 The detailed implementation of the project will be set out in a comprehensive delivery plan. This will schedule all activities from project inception, through design, costing, approvals, construction activity through to completion and handover. It will build in necessary ongoing stakeholder liaison processes. The Stevenage Development Board takes responsibility for overall control of the scope and progress the project and for putting in place the necessary assurances.

Key Processes for Controlling Scope, Programme, Cost, Risk and HSE Assurance and Reporting

6.7.3 The final scope, scheduling and budget for the project will be worked up by the project delivery team then presented to the Development Board for consideration. The Development Board will then ensure that the project scope is in line with predefined regeneration objectives and the TIP and that the proposed implementation programme is realistically deliverable.

6.7.4 The Development Board will also review all risks and mitigation measures taking into account any views of the council's internal audit team. It will provide directions to the project delivery team for any additional measures that need to be put in place to minimise risks identified.

6.7.5 A number of the controls will be brought about through the contractual process, in particular provision for addressing possible causes of delay, health and safety assurance, quality control and tight and regular reporting.

Processes for Managing Key Interfaces, Consents, and Compliance

6.7.6 The project delivery team will act as the key vehicle for liaising with the parties such as neighbouring uses, the site developer and contractor for the public realm works. As mentioned above the control mechanisms will be built into the contractual process for the developer and contractor and a regular process of monitoring will assure that contract compliance. And remedial actions where this is not achieved. The delivery team will also take responsibility for regular liaison with statutory authorities for planning and other consents required throughout the development process. A further dimension is the initial consultation and ongoing liaison with neighbouring uses so that any issues that are likely to arise during the implementation phase are dealt with in a satisfactory and cooperative manner. Extensive liaison will take place with business support providers and specialists.

Approach to Information Management

6.7.7 A designated member of the project delivery team will take responsibility for information management so that all aspects of the project and its progress and related issues arising are comprehensively recorded and reported upon where necessary. Regular monitoring reports will be submitted to the Development Board and relevant service heads within the Council.

Details for Managing Change

6.7.8 The risk register has identified a number of areas where there might be a need for managing change. These could include severe weather conditions, unexpected problems with site conditions or delays caused by labour shortages affecting the development and construction process.

6.7.9 It will be the responsibility of the Development Board to decide on alternative structures, processes, organisational and governance arrangements that may need to be put in place to address major changes of circumstances.

Arrangements for Managing Professional Service Contracts and Third-party Agreements

6.7.10 As mentioned above the contractual process would be a key tool in controlling the performance of the developers and contractors and related outcomes. The responsibility for managing these and other agreements will lie with the project delivery team, advised and supported by the Council 's legal services team.

6.8 Stakeholder Engagement

Key Stakeholders, Interests and Power to Influence Delivery

6.8.1 Key stakeholders and their role or interest in the project are listed below.

Project	Sub project	Primary Stakeholder	Comment
Development of Town Enterprise Centre	Creation of the enterprise centre building	SBC	Provides young life sciences entrepreneurs with superbly incubation space and space for expansion, close to food and beverage, retail, leisure and other amenities key to supporting staff in the post Covid era.
		Herts LEP and local bioscience industry bodies	Major champion for development of the bioscience cluster
		Local residents	Major boost in numbers of high-quality jobs for young people
		Life sciences entrepreneurs	Opportunity to take forward product and service innovations and their commercialisation. Increased scope for living and working locally
		Local food and beverage operators	Improved lifestyles offer for users of the town centre.
	Business support delivery	Life sciences entrepreneurs	De-risking of commercial concepts and acceleration of successful penetration of niche global markets

Strategy to Engage through Development, Delivery

- 6.8.2 Of these, residents of neighbouring and businesses in control of neighbouring uses will be of particular importance as regards ensuring that the design of the scheme and operational issues associated with having an adjacent new commercial building are clearly understood and appropriately addressed.
- 6.8.3 In parallel, bodies such as the LEP, local business support organisations and partners such as the Bioscience Catapult will be key stakeholders with an interest in ensuring that the development delivers the outcomes that have been promised. These parties will be fully engaged throughout the development process with a view to ensuring that high quality business support to centre clients is readily available upon opening. In each case views expressed will be considered and responded to throughout the life of the project.

Summary of Approach to Communications with Stakeholders Including the Public

- 6.8.4 The Council's stakeholder consultation and communication processes are well designed, extensive and far-reaching. Stakeholders' views have been captured more widely through the Stevenage engagement programme, encompassing a number of mechanisms. These processes will operate in parallel with the stakeholder consultation process specific to the project as described above in order to fully inform the course and outcomes of the project.

Local Residents

- A wide range of digital engagement utilising social media other related platforms
- A dedicated Visitor Centre in Town Square open to the public, where people could view, engage with and discuss the regeneration of the town.
- A 'virtual visitor centre', which contains all of the content in a digital platform on our dedicated website. This has enabled the Council to continue to reach residents of all ages and abilities during the pandemic.
- Stevenage residents' survey.
- Currently engagement is focused on the consultation and promotion of the Council's priority projects.

Business

- Business networking events, a number of project-based consultations, such as the Local Plan, SG1, and the Bus Interchange and a number of roadshow events.

Other Stakeholders

- Regular consultation with public sector bodies such as Hertfordshire County Council, the LEP and relevant statutory bodies.
- Project specific consultation as part of the planning process.

- 6.8.5 The key themes that have emerged from residents, business and community groups are:

- Create inclusive accessible transport
- Create great spaces to live in and socialise
- Create a vibrant town centre offer that is a destination for all

- Create aspiring communities and opportunities that create a lasting legacy. events through to a wide range of digital engagement utilising social media other related platforms.

6.9 Benefits, Monitoring and Evaluation

Summary of Benefits Register

6.9.1 Key benefits from the project are summarised as follows.

Economic

- Acceleration of the redevelopment of a key site in a Major Opportunity Area
- Attraction of major investment into a high prestige enterprise centre.
- Creation of a significant number of high growth businesses in Stevenage.
- Scope for creation of a significant number of additional jobs in Stevenage.
- Creation of a magnet for additional world class bioscience activities in Stevenage Town Centre.
- Catalyst for stimulating early development commitments on sites similarly released for development as a result of expansion of emerging new ventures.
- An extensive number of construction jobs will be created.
- Stronger perception of Stevenage as a place to invest by the private sector.

Environmental

- Scope for higher levels of living and working on the town centre, reducing the need to travel.

Social

- New qualifications will be generated as a result of the scheme.

6.9.2 Quantified Outputs are as follows:

Jobs Created	59
Commercial Floorspace Developed or Upgraded sqm	5,337
Net Increase in Commercial Floorspace	929
Additional homes brought forward	69
Construction Jobs	140
Additional GVA Generated per Annum	£3,375,721
Additional Annual High-Level Skills Qualifications Attained	12
Business Created	60

Approach to Developing a Benefits Realisation Plan and its Approval

6.9.3 The benefits realisation plan will focus primarily on assuring successful delivery of the following outcomes.

- Completion of the Town Enterprise Centre building and floorspace.
- Ensuring that projected business creation, new job creation and generation of additional GVA is successfully accomplished.

- 6.9.4 The benefits realisation plan will define the mechanisms through which the benefits projected from these outcomes are fully met. Thus, the plan will demonstrate how creating the necessary floor space will be a critical step in achieving the projected number of jobs to be created, how these will translate into the increase in new businesses, jobs GVA and skills qualifications attained as a direct consequence of the project. The plan will show how the realisation of these quantifiable outputs will be tracked by way of interim and post project audits conducted with the developer, commercial and residential occupiers.
- 6.9.5 Verifying the qualitative benefits will be more nuanced. The benefits realisation plan will provide for interim as well as post project reviews of the public realm project. At interim stage the plan will verify that the design of this project will be likely to suitably deliver the benefits sought. A post project stage it will validate the project's success or otherwise in meeting these criteria.
- 6.9.6 Wider qualitative benefits will be longer term in nature and dependent on parallel initiatives being taken. For the reason the benefits realisation plan will build in periodic reviews to:
- a) Assess whether parallel activities, such as promotion activity, have been established as a means of maximising scope for the attraction of additional bioscience entrepreneurs and larger life sciences businesses into the new centre and the stimulation of early development commitments on other town centre sites, a stronger perception of Stevenage as a place to invest, as a result of the scheme going ahead.
 - b) Gauging the extent to which these outcomes will have been achieved.
 - c) Evaluating the extent of higher levels of living and working in the town centre.

Arrangements for Tracking and Reporting Benefits Through Delivery

- 6.9.7 The tracking and reporting of benefits through delivery will be closely tied into the formative, interim and summative evaluation process described below. This will be based on defining what needs to be measured against each type of benefit and the method of doing so. Key mechanisms to be established in the regard will include:
- i) Regular liaison with the site developer to verify progress and those original targets and outcomes are on track.
 - ii) On-going relationship building with the operator of the enterprise centre to track levels of business startup and survival and additional job creation.
 - iii) Survey activity amongst clients of the enterprise centre to assess the quality of the workspace and facilities and impacts and usefulness of expert business support provided.
 - iv) Wider liaison with the town regeneration teams to evaluate the extent of new investment and development commitments in meeting wider regeneration aims.
- 6.9.8 These activities will be built into the benefits realisation plan and scheduled accordingly. The plan will then be presented to the town development board for review and approval.

High Level Strategy for Monitoring and Evaluating Benefits Realisation

- 6.9.9 Internally the project will be subject to continual evaluation and monitoring through the governance structures and arrangements outlined above. It is intended that key milestones are built into the programme to monitor the tracking of projected outputs and outcomes (e.g., at planning consent, start on site, completion stage).

6.9.10 In parallel, the evaluation will seek to clarify whether the project achieved what it set out to do and what benefits accrued from it from the points of view of a range of stakeholders. Points to be clarified in evaluation to discussions with stakeholders would be:

Developer and Occupiers:

- Did the Town Fund project assist with the proposed site development and help meet defined targets?
- Was the money spent wisely and could better value for money had been achieved?
- How have the centre facilities and associated business support helped to realise and accelerate successful commercialisation of new product concepts and ongoing business growth?

General Public:

- How do local people feel the project has helped add prestige and improved amenities to the area?

Stevenage Planning and Regeneration Team:

- To what extent has the project helped to build momentum for wider regeneration in the town centre and beyond?
- How have other developments or improvement projects been encouraged as a result of this project?
- To what extent has footfall within the town centre increased since the completion of the project?
- What lessons can be drawn from the policies for operation of the scheme?

Building contractors:

- How well was the project programme planned and implemented?
- Was the site preparation implemented adequately?
- How could the implementation process overall have been improved?

6.9.11 The evaluation will determine whether the outputs projected from the project have been delivered. This will partly be evaluated by quantitative measures, monitoring the impact of the project in terms of outputs i.e., the number of residential units, commercial floorspace and jobs that are created. Both core and non-core outputs will be monitored and evaluated by SBC.

This page is intentionally left blank

Meeting Executive
Portfolio Area Communities, Community Safety and Equalities
Date 16 March 2022



EQUALITY, DIVERSITY AND INCLUSION POLICY AND STRATEGY

KEY DECISION

Authors Sally Norman | 07566 788339

Lead Officers Rob Gregory | 2568

1 PURPOSE

This report presents Stevenage Borough Council's Equality, Diversity and Inclusion (EDI) Policy (Appendix A) and EDI Strategy (Appendix B). These documents set out how the council will continue to promote equality, diversity and inclusion across its services, communities and workforce over the next 4 years (2022 – 2026) and in-line with the Public Sector Equality Duty (PSED) of the Equality Act (2010).

2 RECOMMENDATIONS

2.1 It is recommended that the Executive:

- 2.1.1 Approve the Equality, Diversity and Inclusion Policy (Appendix A)
- 2.1.2 Approve the Equality, Diversity and Inclusion Strategy (Appendix B)
- 2.1.3 Request that an Equality, Diversity and Inclusion Action Plan be brought back to the Executive for consideration and approval in autumn 2022

3 BACKGROUND

3.1 The Equality, Diversity and Inclusion (EDI) Policy (2022-2026)

3.1.1 The Equality, Diversity and Inclusion (EDI) Policy (2022-2026) (Appendix A) reaffirms the council's commitment to fulfilling the requirements of the Equality Act (2010).

3.1.2 The EDI Policy contains a new set of EDI objectives which build upon the strong foundations laid down in the previous EDI Policy 'Encouraging an Equal & Diverse Town & Workplace to 2021'. It supports commitments set out within existing strategies, plans and programmes. Including but not limited to, the ambitions of 'Future Town Future Council (2026-2021)', the Workforce Strategy 'Future Town Future People (2020-2023)'; the 'Arts & Heritage (Cultural) Strategy (2018-2028), and the 'Community Safety Strategy (2021-2024)'.

3.1.3 In the EDI Policy the council are:

- Publishing a clear, updated set of equality objectives in-line with the council's responsibilities under the Public Sector Equality Duty requirement
- Reaffirming the council's commitment to the publication of equality information relating to people with protected characteristics¹ (employees, services users and residents) every year, including reporting and publishing of gender pay gap information about its workforce, in-line with the Public Sector Duty requirements

¹ age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief/non-belief; sex; sexual orientation

- Reaffirming the council’s commitment to the completion of Equality Impact Assessments (as assessed against each protected characteristic group) when there is a new or revised policy, procedure, function, service or where there is a withdrawal of a service
- Committing to extending regular consultation and engagement with local community groups to ensure that their views are represented in the implementation of equality, diversity and inclusion objectives
- Reaffirming the council’s commitment to the ‘Inclusion and Wellbeing’ theme of the Workforce Strategy: Future Town Future People (2020-2023) specifically the nurturing of a progressive, inclusive safe and healthy working environment.

3.1.4 The proposed set of objectives have been developed through the Equality, Diversity & Inclusion Working Group and take into account:

- Feedback from our residents, communities and Voluntary, Community and Social Enterprise (VCSE) stakeholders
- The views of staff obtained through online surveys and workshop events
- The views of members who attended the Portfolio Holder Advisory Group meeting in February 2022
- The good practice criteria set out in the Equality Framework for Local Government (EFLG)
- Benchmarking against other public sector bodies’ approaches to delivery of the requirements of the Equality Act (2010).

3.1.5 The proposed objectives for 2022-2026 are set out in Figure 1.

Stevenage Borough Council will work together with our partners, to:

- **Understand the diverse needs of our communities and how to meet them effectively**
- **Actively engage, encourage and support local people, groups and organisations to participate in local democracy to improve opportunity and inclusion**

- **Promote equality, diversity and inclusion through our strategic partnerships, service delivery and supply chain(s)**
- **Use local data to shape services so that the needs of our diverse population are met**
- **Aim to improve the diversity of our organisation at all levels so that our communities are represented**
- **Ensure staff have the values, skills and knowledge to maintain a positive and inclusive workplace culture that values all employees equally**

Figure 1

3.2 Consultation

3.2.1 The objectives in Figure 1 have been shared with local VCSE groups, staff and residents for comment via an online survey. The survey was open for responses between December 2021 and February 2022. The survey was promoted across a number of social media platforms. The questions were available in a variety of formats (braille, large-print and translated) and respondents were also invited to contact the Corporate Policy & Research Officer to request a face-to-face meeting. 103 local VCSE sector groups were contacted directly by email and this was then followed-up with an email/telephone call and/or a visit by officers from the Community Development Team.

3.2.2 Thirty responses were received and a good balance of views obtained with the aims of the objectives agreed by ninety-four per cent (94%) of respondents. Most commented that the objectives were “positive”, “realistic” and had the “right focus”. Whilst the council is delighted with the feedback, it is acknowledged that the number of responses is lower than hoped and reinforces our commitment to maintaining a dialogue with the local community and workforce going forward.

3.2.3 As part of the consultation and engagement, and in addition to seeking local views on the new objectives, the council also sought suggestions on equality, diversity and inclusion activities and areas of focus that could be

introduced over the next 4 years. The recommendations received from residents, staff and local VCSE groups are covered in more detail within the Strategy section of this report.

3.3 Equality Impact Assessments (EQIAs)

3.3.1 In response to the recommendations received as part of the consultation, the council is proposing the publication of all future Equality Impact Assessments (EqIA) on the Council website. EqIAs are a tool to help council officers and members ensure that any new policies, practices and changes to services are fair and do not inadvertently discriminate against any protected characteristic group. For example, if a policy shows a possible 'adverse impact' on any group, the council must consider how this might be reduced.

3.3.2 The policy commitment to publish EqIAs will ensure that the council continues to promote transparency and accessibility as part of the decision-making process. It will indicate to staff and residents the importance of EqIAs and the role they play in delivering equitable services. It will fulfil best practice requirements as set out in the Equality Framework for Local Government (ELFG) criteria and demonstrate the council's commitment to delivering robust and meaningful assessments.

3.3.3 Underpinning the commitment to publishing EqIAs online will be a new EqIA template, toolkit and process. This suite of documents will clarify the EqIA process and reaffirm the importance of the impact assessment as part of the council's function under the Equality Act (2010). The new documents will include guidance on completion of the assessment, and also the role of Corporate Policy & Business Support as a critical friend. The refreshed EqIA documents will be launched to staff in summer 2022.

3.4 Equality, Diversity and Inclusion Strategy

3.4.1 The EDI Policy, as proposed, will be sufficient to meet the requirements of the Public Sector Equality Duty, however, in-line with the council's Cooperative Principles the council are keen to strive beyond this. To fully embed the aims of the objectives across services and the workforce, the council is proposing the publication of an EDI Strategy (Appendix B). The

EDI Strategy will be accompanied by an annual EDI Action Plan which will bring together all strands of EDI work across all existing strategies, services and programmes. It will allow the council to monitor and centralise ongoing EDI activity in a consistent and meaningful way.

3.4.2 At the outset, and key to identifying realistic and attainable EDI Action Plan deliverables, it is proposed that a self-assessment of current council EDI activity is undertaken against the Equality Framework for Local Government (EFLG)² criteria. The purpose of the EFLG is to help organisations review and improve performance against best practice criteria and the ‘Developing’, ‘Achieving’ and ‘Excellent’ levels. The council has previously assessed itself against the Achieving level criteria. By using the EFLG as a self-assessment tool the council can establish a baseline from which progress can be monitored. It will ensure that the activities and ambitions in the Action Plan are realistic and attainable. It is proposed that this work will begin in April 2022 and it is expected that the outcome will provide clear parameters from which the council can move its EDI work forward.

3.4.3 Establishing a clear baseline through the self-assessment work will allow the council to consider, for future inclusion, additional EDI activities that compliment existing commitments. It is proposed that the excellent suggestions received as part of the online survey be considered for inclusion during the initial stages of the action planning process. This would include a commitment to explore:

- the council’s approach to digital inclusion as more services move online
- initiatives that could be implemented to address community safety fears within the local night-time economy
- current debates concerning safe spaces for women in public places
- staff EDI training so that staff are provided with the tools to confidently tackle discrimination (e.g. a racial literacy module)

² <https://www.local.gov.uk/publications/equality-framework-local-government-eflg-2021#underlying-principles>

- the council's approach to encouraging diversity through its recruitment methods (e.g. building on the councils blind recruitment practices through the introduction of unconscious bias training)
- HR Policies so that they incorporate feedback from the LGBTQ+ workshop, including the council's position on adoption, fertility treatment, and medical leave for transgender staff
- the socio-economic impact of the pandemic alongside the rising cost of living across all protected characteristic groups

3.4.5 As well as consultation and engagement activities with the local community and workforce, in February 2022 the EDI Working Group attended the Portfolio Holder Advisory Group to discuss its proposals and gather member views on the objectives and next steps. Feedback from the session was positive and members were in agreement that the EDI Policy and Strategy should be progressed, with particular support expressed for the following:

- Publication of Equality Impact Assessments on the council website to aid transparency and accountability
- Introduction of the Senior Leadership Team Equalities Champion to promote visibility of the equality, diversity and inclusion agenda.
- Findings from the Stevenage Equalities Commission to be discussed for inclusion in the Action Plan
- The Overview and Scrutiny Committee to have an ongoing role in the scrutiny of the Action Plan.

3.4.6 As indicated, the findings of the Stevenage Equalities Commission will be integral to how the council tackles inequalities experienced by residents of Black and Minority Ethnic (BAME) heritage. The Commission was established in summer 2021 to undertake a strategic assessment of the nature, extent, causes and impact of race inequality in Stevenage. The outcome of this work will be the publication of a final recommendations report to the Stevenage Together Board in July 2022. The forthcoming

Commission report will be central to determining BAME EDI activities throughout the duration of the council's EDI Strategy.

3.4.7 In the development of the EDI Action Plan the council will also use existing research to help shape our conversations with residents and local community groups. This includes but is not limited to:

- Stevenage Ward Profile Reports (2020)
- Annual Diversity and Equality Report (2021)
- Office of National Statistics 2021 Census data
- Residents Survey (2021)
- Tenants Survey (2021).

These data sets and the subsequent conversations will help the council steer work on inequality, as well as demonstrate the results and impact of work to advance equality. It will allow the council to develop a better understanding of the diversity of our community and some of the challenges and opportunities this brings.

3.4.8 Central to the advancement of the council's EDI work, is recognition that dialogue with residents, community groups and staff must be maintained to ensure that the activities are meaningful. This is why; following self-assessment against the EFLG framework, it is suggested that further consultation activities with staff, residents and local community groups regarding the content of the proposed EDI Action Plan takes place. This consultation work will include a mix of online surveys, face-to-face interviews and network meetings, as well as attendance at larger events such as Stevenage Day in June.

3.4.9 Following the self-assessment and consultation work it is proposed that the EDI Action Plan is presented to the Executive for approval in autumn 2022, and that activities be reviewed annually throughout the duration of the EDI Strategy. After the first year, an EDI Progress Report will be presented alongside the Action Plan for information. To demonstrate transparency,

promote accountability and outline progress against the EDI objectives, the council is committed to publishing the Action Plan and the Progress Report on the council website.

3.5 Equality, Diversity and Inclusion Governance

3.5.1 As per the current arrangements, the EDI Policy will be overseen by the Portfolio Holder for Equalities. The Portfolio Holder for Equalities will chair the Equality and Diversity Governance Group (EDGG) and membership will include the Portfolio Holder for Housing, Health and Older People, as well as senior officers within the council. Further work will be undertaken to expand the membership with consideration being given to the role of external stakeholders.

3.5.2 The EDGG will meet quarterly and it will monitor progress against the aims of the policy objectives and the actions within the annual EDI Action Plan. The EDI Progress Report will be reported back to the Executive, alongside the Action Plan, on an annual basis.

3.5.2 Central to the new governance proposals will be the introduction of a Senior Leadership Team (SLT) Equalities Champion whose role it will be to:

- Provide visible leadership and promote good practice on equality, diversity and inclusion
- Help to promote all aspects of equality, diversity and inclusion within our community to help improve visibility of the council's approach to EDI
- Regularly communicate the benefits of Equality and Diversity, and promote any council success within that agenda to the Senior Leadership Team and the workforce
- Champion the timely use of Equality Impact Assessments at the start of a change in service/policy/project and identify (via the SLT sign-off process) where this has not been done
- Liaise regularly with the Portfolio Holder for Equalities and attend the EDGG

- 3.5.3 The day-to-day responsibility for the EDI Action Plan and its implementation will be overseen by a newly created Officer Equality Group (OEG). Membership of the OEG will consist of representation from officers from across the council who will help to champion and implement delivery and monitoring of EDI activities. Further work will be undertaken to develop the group membership so that it is representative of all services within the council and brings together all strands of EDI work. The OEG will be responsible for providing a quarterly progress update on the EDI Action Plan to the Equality and Diversity Governance Group (EDGG).

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

- 4.1 Publication of the EDI Policy alone would be enough to fulfil the requirements of the Equality Act. However, whilst this would be sufficient, this would not allow the council to build upon the good work it has delivered under 'Encouraging an Equal & Diverse Town & Workplace to 2021'. Approval of a Strategy and Action Plan, alongside the EDI Policy would allow the council to clearly indicate its commitment to strive beyond the fulfilment of its EDI objectives and meaningfully advance equality, diversity and inclusion ambitions across services, communities and the workforce for the next 4 years.

5 IMPLICATIONS

5.1 Financial Implications

- 5.1.1 Any financial implications that are identified as a result of the Strategy will be incorporated into priority growth requests for the 2023/24 budget setting process.

5.2 Legal Implications

- 5.2.1 The approval and publication of the EDI Policy (Appendix A) will ensure that the Council continues to meet its responsibilities and duties under the

Equality Act (2010), whereby all functions must be carried out in a way that gives due regard to:

- Removing discrimination, harassment, victimisation and any other conduct that is unlawful under the Equality Act (2010)
- Promoting equal opportunities between people who have a protected characteristic(s) and those who don't
- Encouraging good relations between people who have a protected characteristic(s) and those who don't

Under the EDI Policy (Appendix A) and in-line with section 149 of the Equality Act - the Public Sector Equality Duty (PSED), the council are committed to publishing:

- equality information relating to people with protected characteristics (employees, services users and residents) every year, including reporting and publishing of gender pay gap information about our workforce
- a clear set of equality objectives every 4 years setting out what we need to achieve in order to fulfil the requirements of the Equality Act (2010)

5.3 Risk Implications

5.3.1 If the council does not fulfil its Public Sector Equality Duty through the publication of EDI Policy objectives and the Annual Equality & Diversity Report, then there would be reputational and financial risks in regards to compliance and potential enforcement action by the Equality and Human Rights Commission.

5.4 Policy Implications

5.4.1 The objectives set out in the EDI Policy reaffirm the council's position on equality, diversity and inclusion in-line with the requirements of the Equality Act (2010). This position is applicable to all policies, strategies and plans across the council. The Borough Solicitor has advised that the council's formal documents be updated to include a pro-forma equalities section

setting out the formal legal requirements of the Equality Act (2010) and the EDI objectives contained within the Policy. It is proposed that this work is taken forward as part of the EDI Action Plan.

5.5 Environmental Implications

- 5.5.1 The position set out in the EDI Policy regarding the publication of EqlAs is expected to improve transparency around the council's decision-making process. This would benefit understanding of the impact on protected characteristic groups in regards to raising energy prices, fuel poverty and the drive towards net zero targets.

5.6 Staffing and Accommodation Implications

- 5.6.1 The proposed activities and actions will primarily be delivered as part of the core responsibilities of staff within the relevant services. Any unforeseen implications for staff resulting from the implementation of this policy and action plan will be fully considered at an appropriate time, and with consultation and engagement as required.

5.7 Human Resources

- 5.7.1 The proposed recommendations will bring together the existing and forthcoming workforce EDI activities as set out in the Workforce Strategy. This approach seeks to advance equality, diversity and inclusion activities across the workforce.

5.8 Equalities and Diversity Implications

- 5.8.1 The EDI Policy, alongside the proposed EDI Strategy and Action Plan will form the framework by which the council promotes equal opportunity in all aspects of its work. The framework includes a range of actions that are designed to challenge discrimination, advance equality, diversity and inclusion, and ensure that impacts on protected characteristic groups are considered throughout all stages of the council's decision-making process.

5.9 Service Delivery Implications

5.9.1 Service delivery implications will emerge through implementation, development and agreement of the EDI Action Plan. It is anticipated that the approach to delivery, engagement and governance will continue to sit within the current operating model.

5.10 Community Safety Implications

5.10.1 The Community Safety Strategy 2021-24 has a core objective of tackling hate crime and this has been embedded into the Stevenage Community Safety Partnership (CSP) Action Plan. The OEG will seek member representation from the Community Safety Team to ensure that existing and forthcoming activities are captured within the EDI Action Plan. It is anticipated that this work will have positive implications for community safety aims.

5.11 Safeguarding Children Implications

5.11.1 It is anticipated that the EDI Policy, Strategy and Action Plan will have positive implications for safeguarding children, enhancing our approach to community engagement, and fulfilment of our responsibilities under the Children Act (2004).

5.12 Other Corporate Implications

5.12.1 Communications: To promote openness and transparency around the decision-making process, the Strategy, Policy and Action Plan as well as all future EqIAs will be published on the council website. A dedicated EqIA page will be set-up to sit alongside the existing EDI web pages.

Background documents

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

Arts & Heritage (Cultural) Strategy (2018-2028)

<https://democracy.stevenage.gov.uk/documents/s4794/20170123-Cultural%20Strategy-Appendix.pdf>

Community Safety Strategy (2021-2024)

<https://democracy.stevenage.gov.uk/documents/s28848/CSC%20-%20Appendix%20A%20-%20SoSafe%20Community%20Safety%20Strategy%202021.pdf>

Encouraging an Equal & Diverse Town and Workplace to 2021

<https://www.stevenage.gov.uk/documents/equality-and-diversity/equality-and-diversity-policy-to-2021-acc.pdf>

Future Town Future Council Corporate Plan (2016 - 2021)

<https://www.stevenage.gov.uk/about-the-council/plans-and-performance/corporate-plan-future-town-future-council>

Our Cooperative Commitment (Stevenage Borough Council 2020)

<https://www.stevenage.gov.uk/documents/about-the-council/co-operative-commitment.pdf>

The Equality Act (2010)

<https://www.legislation.gov.uk/ukpga/2010/15/contents>

The Public Sector Equality Duty

<https://www.gov.uk/government/publications/public-sector-equality->

APPENDICES

- A. Equality, Diversity and Inclusion (EDI) Policy
- B. Equality, Diversity and Inclusion (EDI) Strategy

Equality, Diversity and Inclusion Policy

Date created	February 2022
Version	1
Author	Sally Norman (Corporate Policy & Research Officer)
Department	Communities & Neighbourhoods
Policy Review Date	February 2024

For translations, braille or large print versions of this document please email equalities@stevenage.gov.uk or telephone 01438 242242.

1. Purpose

- 1.1 Stevenage Borough Council is committed to promoting equality, diversity and inclusion across its services and within its workforce. This policy builds upon the strong foundations laid down in 'Encouraging an Equal & Diverse Town & Workplace to 2021' and sets out the equality objectives that will underpin the council's approach to advancing equality, diversity and inclusion over the next 4 years (2022 to 2026).

2. Scope

- 2.1 This policy applies to all employees of the council, councillors and contractors or suppliers who provide services on behalf of the council. It underpins all policies, strategies and schemes.

3. Legal Framework

- 3.1 Stevenage Borough Council will comply with the requirements of the Equality Act (2010) and carry out functions in a way that gives due regard to:

- Removing discrimination, harassment, victimisation and any other conduct that is unlawful under the Equality Act (2010)
- Promoting equal opportunities between people who have a protected characteristic(s) and those who don't
- Encouraging good relations between people who have a protected characteristic(s) and those who don't

- 3.2 The nine protected characteristics set out in the Equality Act (2010) are:

- age;
- disability;
- gender reassignment;
- marriage and civil partnership;
- pregnancy and maternity;
- race;
- religion or belief;
- sex;
- sexual orientation.

Although the socio-economic duty has been removed from the Equality Act (2010), the council's elected members and officers are encouraged to consider the impact of their decisions on people who are less fortunate because of their social/economic background.

- 3.3 In-line with the Public Sector Equality Duty requirements we will publish:

- equality information relating to people with protected characteristics (employees, services users and residents) every year, including reporting and publishing of gender pay gap information about our workforce
 - a clear set of equality objectives every 4 years setting out what we need to achieve in order to fulfil the requirements of the Equality Act (2010)
- 3.4 To demonstrate that we have sought to identify and mitigate discrimination and inequality in-line with the Public Sector Equality Duty, we will complete and publish Equality Impact Assessments (as assessed against each protected characteristic group) when there is a new or revised policy, procedure, function, service or where there is a withdrawal of a service. These Equality Impact Assessments will be reviewed and updated throughout the development and implementation of proposals to ensure potential negative impacts are anticipated and mitigated where possible.

4. Objectives

- 4.1 Stevenage Borough Council is committed to listening to the voices of the communities it serves. Views upon our objectives have been sought from multiple voluntary and community sector groups, local people, organisations and partners. The following objectives set out what we need to do to advance equality, diversity and inclusion and respond to the requirements of the Public Sector Equality Duty.
- 4.2 Stevenage Borough Council will work, together with our partners, to:
- Understand the diverse needs of our communities and how to meet them effectively
 - Actively engage, encourage and support local people, groups and organisations to participate in local democracy to improve opportunity and inclusion
 - Promote equality, diversity and inclusion through our strategic partnerships, service delivery and supply chain(s)
 - Use local data to shape services so that the needs of our diverse population are met
 - Aim to improve the diversity of our organisation at all levels so that our communities are represented

- Ensure staff have the values, skills and knowledge to maintain a positive and inclusive workplace culture that values all employees equally

5. Valuing our Communities

- 5.1 Delivery against the ambitions of our Future Town Future Council Corporate Plan means that equality, diversity and inclusion must be embedded across all we do. Underpinning these ambitions are the Council Values and the 5 Co-operative Principles:
- The council as a strong community leader
 - Working together with the community and other agencies to provide services based on needs
 - Communities empowered to design and deliver services and play a role in their local community
 - A clear understanding between the council and our communities – this is what we do, this is what we will help you to do
 - Joined-up and accessible services that offer value for money and focus on the customer.
- 5.2 The Co-operative Principles and the Cooperative Neighbourhood ambitions of the Corporate Plan promote and support close working relationships between the council and the town's residents. We will continue to build upon these relationships and undertake regular consultation to ensure that the views of all communities are heard in the implementation of our equality, diversity and inclusion objectives.

6. Valuing our Workforce

- 6.1 The council's expectations of its workforce and our commitment as an employer to combatting harassment, discrimination and victimisation at work are set out in the Council Values, the Staff Code of Conduct and the Dignity at Work Policy. Within this framework the training of our staff will also be reviewed and updated in-line with equality, diversity and inclusion legislative requirements. We will continue to require new starters to complete equality, diversity and inclusion training as part of the induction process.
- 6.2 Building upon this existing framework we have, under the 'Inclusion and Wellbeing' theme of the Workforce Strategy: Future Town Future People (2020-2023) committed to further engagement with staff to nurture a progressive, inclusive safe and healthy working environment. This will include staff workshops aligned with national events that promote the advancement of equality, diversity and inclusion amongst protected characteristic groups.

- 6.3 Staff will be supported to complete Equality Impact Assessments (EqIA) through the introduction of a revised EqIA toolkit and form. The toolkit will be supplemented by additional briefings and communications designed to raise awareness and increase knowledge of best practice.

7. References and Resources

Annual Equality and Diversity Report's (Stevenage Borough Council)

<https://www.stevenage.gov.uk/about-the-council/equality-and-diversity/our-community-and-council>

Dignity at Work Policy

<https://mysbc.invotra.com/manual/dignity-work-policy/2-policy>

Encouraging an Equal & Diverse Town and Workplace to 2021

<https://www.stevenage.gov.uk/documents/equality-and-diversity/equality-and-diversity-policy-to-2021-acc.pdf>

Future Town Future Council Corporate Plan (Stevenage Borough Council 2021)

<https://www.stevenage.gov.uk/about-the-council/plans-and-performance/corporate-plan-future-town-future-council>

Our Cooperative Commitment (Stevenage Borough Council 2020)

<https://www.stevenage.gov.uk/documents/about-the-council/co-operative-commitment.pdf>

Staff Code of Conduct

<https://mysbc.invotra.com/manual/employee-handbook/3-code-conduct>

The Equality Act (2010)

<https://www.legislation.gov.uk/ukpga/2010/15/contents>

Workforce Strategy: Future Town Future People (2020-2023)

<https://democracy.stevenage.gov.uk/documents/s26597/Item%204%20-%20Workforce%20Strategy.pdf>

This page is intentionally left blank

Stevenage Borough Council's Equality, Diversity and Inclusion Strategy (2022 - 2026)

Introduction...

This strategy sets out Stevenage Borough Council's ambitions for the advancement of equality, diversity and inclusion across its services and workforce between 2022 and 2026. It builds upon the strong foundations laid down in 'Encouraging an Equal & Diverse Town & Workplace to 2021' and sets out how the council's equality, diversity and inclusion activities will be progressed and monitored over the period of this strategy.

Underpinning this commitment is our ambition to make Stevenage a great place to live, work and visit for all. This is central to our Future Town Future Council Corporate Plan. In achieving these ambitions we recognise there is enormous strength in diversity and that by bringing people together from a wide range of backgrounds we can enhance our understanding, broaden our perspectives and improve the quality of life for our residents.

This strategy is in response to feedback from our communities. We know from local debates arranged by the Stevenage Equalities Commission that further work is needed locally to address the inequalities experienced by Black and Minority Ethnic (BAME) groups. We know from consultation with residents that national debates on the gender pay gap and the safety of women in public spaces has brought about an ever sharper focus on inequalities between men and women. We know from our staff survey that we need to do more to give our workforce the tools to tackle discrimination with confidence. We know that the pandemic and recent increases in the cost of living will hit groups within our community hard.

Our communities' expectations have understandably been raised, and through this strategy we are committed to working with our local community groups, residents and staff to identify and address these challenges.

The Legal Background...

The Equality Act 2010 is the legal framework by which the rights of individuals and the advancement of equality of opportunity for all are protected. As a public sector body we are required to carry out functions in a way that gives due regard to:

- Removing discrimination, harassment, victimisation and any other conduct that is unlawful under the Equality Act (2010)

- Promoting equal opportunities between people who have a protected characteristic(s) and those who don't
- Encouraging good relations between people who have a protected characteristic(s) and those who don't

The nine protected characteristics set out in the Equality Act (2010) are:

- age;
- disability;
- gender reassignment;
- marriage and civil partnership;
- pregnancy and maternity;
- race;
- religion and belief;
- sex;
- sexual orientation.

Whilst the Equality Act (2010) does not include a socio-economic duty, it is the councils policy position that elected members and officers consider the impact of their decisions on people who are less fortunate because of their social/economic background.

As a public sector body we are also required to publish:

- equality information relating to people with protected characteristics (employees, services users and residents) every year, including reporting and publishing of gender pay gap information about our workforce
- a clear set of equality objectives every 4 years setting out what we need to achieve in order to fulfil the requirements of the Equality Act (2010).

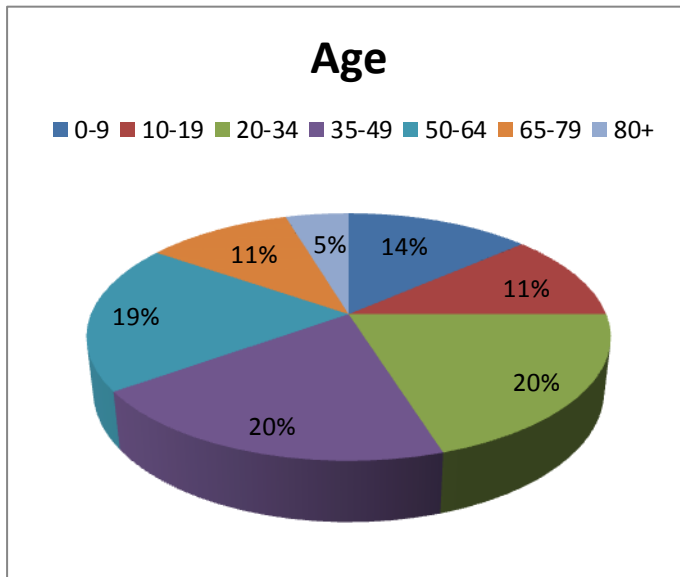
We fulfil these requirements through the Annual Equality and Diversity Report and a four-yearly Equality, Diversity and Inclusion Policy which includes our objectives.

Diverse Stevenage – what does the data tell us?

We know that people who share certain characteristics will have differing experiences and life opportunities. To build our understanding of local community groups and shape our services in response to this it is important to consider the data.

Here are some examples which demonstrate the diversity of Stevenage against each of the protected characteristic groups.

Age – Stevenage has a slightly younger age demographic than both Hertfordshire and England. This is most easily seen in the 65-79 age range, where the Stevenage percentage (10.7%) of total population is below both the county (12.0%) and the national (13.4%) level.

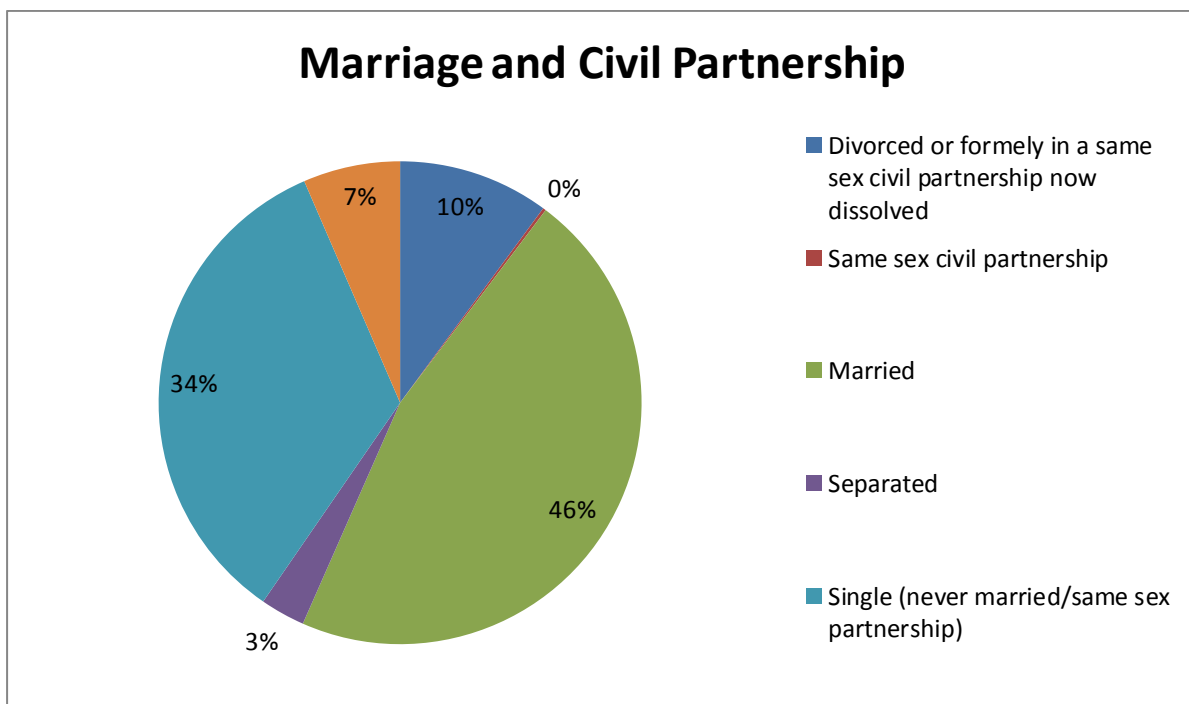


The under twenties are one of the largest age groups in Stevenage (21,941) and represent 25% of the local community.

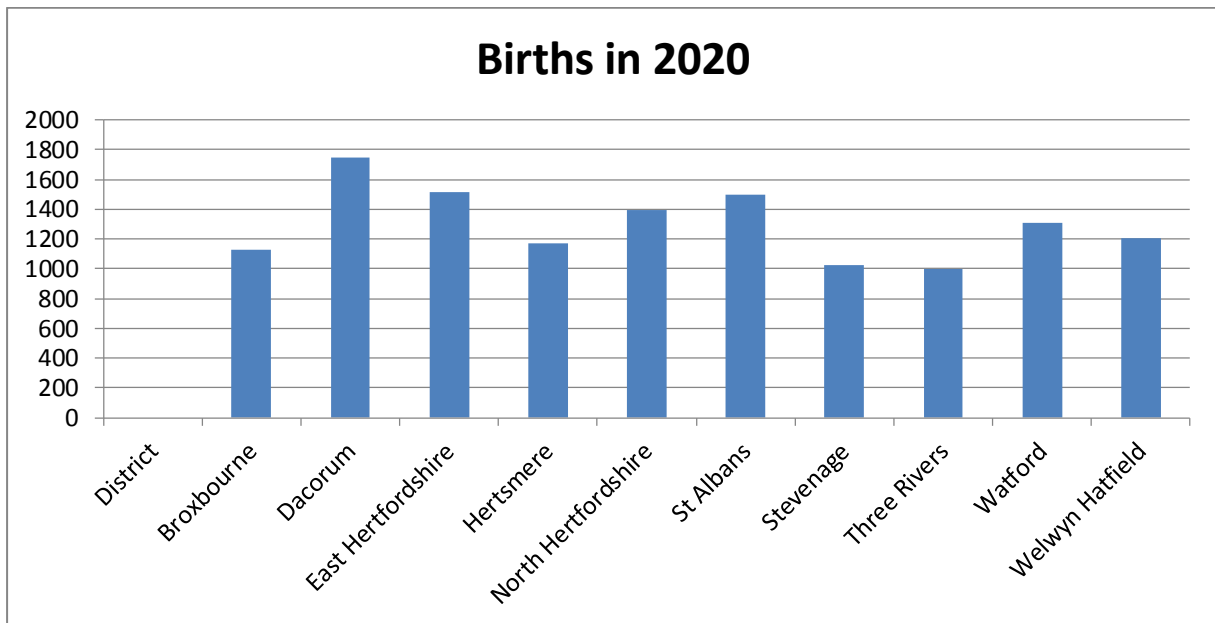
Disability - In 2011, 7.5% of all Stevenage residents had a disability which limited their day to day activities. This is above the county (6.2%) level but below the national level (8.3%).

Gender Reassignment – Gender Reassignment data is not currently available at the local level but will be available following the upcoming publication of the Office for National Statistics 2021 census data.

Marriage and Civil Partnership - In 2011, 46.3% of Stevenage residents aged 16 and over were married and 0.2% where in a civil partnership. 34% of people over 16 in Stevenage were single (the highest in Hertfordshire), 3% were separated, 0.1% were divorced and 6.5% were widowed



Pregnancy and Maternity - There were 559,728 babies born in NHS Hospitals nationally during 2020-21. In 2020 there were 1,021 births in Stevenage which is the second lowest number of births compared to other districts in the county.



Race - According to the 2011 census, 83.1% of Stevenage's population was white British, which was higher than the Hertfordshire and England averages of 80.8% and 79.8% respectively. The Black and Minority Ethnic (BAME) population of Stevenage had increased from 8.52% in 2001 to 16.9% in 2011.

Religion and Belief/Non-Belief – In 2011, the majority of responses (54.4%) indicated that Christianity was the most practised religion. This figure is slightly below the Hertfordshire (58.3%) and England (59.4%) levels. Stevenage also has a significantly higher than average amount of individuals responding with No religion (34.1%).

Sex - In 2020, 49.6% of the population of Stevenage was Male with Females representing 50.4%.

Sexual Orientation – Data on sexual orientation is currently not available at any areas lower than regional level. Office for National Statistics sexual orientation data from 2019 estimates that in the East of England 95% of the population would identify as Heterosexual/Straight with 2% not knowing or refusing to answer and 1% as either Gay or Lesbian, 1% as Bisexual and 1% as Other.

What our Communities and Residents have told us...

As a council we are committed to undertaking regular consultation with local community groups and residents to ensure that their voices are reflected in the actions we take. This is why hearing local residents, staff and community group's views on our proposed equality, diversity and inclusion objectives, and our previous equalities work has been central to the development of our EDI policy and strategy.

The EDI Objectives Survey was open for responses between December 2021 and February 2022. We contacted 103 voluntary, community and social enterprise groups using a mix of direct email, telephone and in-person or online meetings. We also promoted the survey to residents and staff via various social media platforms. We would like to thank everybody for their contribution and their willingness to make their voices heard. We will continue to maintain an ongoing dialogue with our residents and local community groups, and the feedback received will inform and shape our EDI activities for the duration of this strategy.

The findings indicate that the majority of respondents (94%) were in favour of the proposed EDI objectives; with most agreeing that the aims of the objectives were “positive”, “realistic” and with “the right focus”. Respondent’s feedback also indicated that there is a real appetite in Stevenage for the council to address specific EDI issues, such as:

- exploring how the council can support residents as services move online - this includes supporting people who may not have the knowledge, skills or opportunity to access IT equipment
- annually identifying a selection of causes which reflect the diversity of Stevenage and dedicating resources to arranging and publicising events to promote these
- reviewing how the EDI objectives are reflected across the council’s Corporate Plan – Future Town Future Council and other key strategies
- exploring the safety of the local night-time economy for workers and identifying initiatives that could be implemented to address community fears
- consider current debates concerning safe spaces for women in public places and commit to exploring this further
- reviewing the socio-economic impact of the pandemic alongside the rising cost of living across all protected characteristic groups

What the consultation work with stakeholders and communities has told us is that there is more we can do. The broad range of recommendations provided in response to the survey gives a good indication of key local issues and we are committed to exploring the recommendations provided through continued dialogue with residents and local community groups throughout the duration of this strategy.

Alongside our resident and community group engagement activities, we have also been working with the Stevenage Equalities Commission to focus on the disproportionate impact of inequalities on the lives of Black Asian and Minority Ethnic (BAME) individuals and communities. The Commission was established in summer 2021 to undertake a strategic assessment of the nature, extent, causes and impact of race inequality in Stevenage and to make recommendations for tackling them.

Central to the Equalities Commissions approach to exploring race inequality has been the focus group events which cover the following themes: Health; Criminal Justice; Education; Employment and Business; and Community, Culture and Sport.

The outcome of this work will be the publication of an Equalities Commission Final

Report to the Stevenage Together Board in July 2022. The forthcoming report will be central to determining how we take forward EDI activities to tackle race inequality in Stevenage.

What our Staff have told us...

In addition to our consultation work with residents and local community groups we have also engaged with staff to understand their views on diversity and inclusion in the workplace. A recent survey on this subject indicated that sixty-nine per cent (69%) of staff agreed that inclusion and diversity is a priority for the council. In the same survey, nearly seventy five per cent (75%) of staff felt that people of all cultures and backgrounds are respected and valued. Recommendations from the EDI Objectives Survey suggest that the following activities could help build on current diversity and inclusion activity:

- updating council staff EDI training to include racial literacy so that staff are confident when tackling discrimination
- reviewing the council's approach to encouraging diversity through its recruitment methods, to ensure current practices are robust

Alongside this we also know from feedback following a Lesbian, Gay, Bisexual, Transgender and Questioning (LGBTQ) workshop event held in June 2021 that staff feel more could be done to explore the key barriers and enablers that impact LGBTQ workplace inclusion. Recommendations from the workshop varied from:

- changes to HR Policies so that they reflect LGBTQ experience, including the council's position on adoption, fertility treatment, and medical leave for transgender staff
- representation at Senior Leadership Team level in the form of an Equalities Champion who promotes and supports the activities of colleagues committed to advancing the LGBTQ agenda
- creation of a LGBTQ Network to help share learning and identify how we move the LGBTQ agenda forward

In January 2021 we also met with staff of Black and Minority Ethnic (BAME) heritage to discuss the subject of unconscious bias. It was clear from this meeting that the majority of participants felt the council was progressive in its approach to EDI, but that more could be done organisationally to overtly challenge discrimination and explore the impact of unconscious bias. Recommendations from the group varied from:

- reinforce the council recruitment methods (such as the council's current blind recruitment practices) with unconscious bias training for managers across all services
- continue to actively challenge discrimination through the utilisation of policies and procedures to hold individuals to account, and to be more vocal about this process and the support available for staff who have experienced discrimination
- create a BAME Network to provide support for staff and help move the agenda forward.

As an employer, we recognise that there is further work to do and our consultation and engagement activities indicate that our equality, diversity and inclusion objectives have the right focus for us to do this. We will continue to engage with our staff to build a strong foundation from which we can take meaningful action and support our commitment to the ambitions set out under the 'Inclusion and Wellbeing' theme of the Workforce Strategy: Future Town Future People (2020-2023).

Our Equality, Diversity and Inclusion Objectives...

In response to the feedback from our residents, staff and local community groups, the following set of objectives will be the basis from which we will advance equality, diversity and inclusion across our services and workforce for the next 4 years.

We will work together with our partners to...

- Understand the diverse needs of our communities and how to meet them effectively
- Actively engage, encourage and support local people, groups and organisations to participate in local democracy to improve opportunity and inclusion
- Promote equality, diversity and inclusion through our strategic partnerships, service delivery and supply chain(s)
- Use local data to shape services so that the needs of our diverse population are met
- Ensure staff have the values, skills and knowledge to maintain a positive and inclusive workplace culture that values all employees equally
- Aim to improve the diversity of our organisation at all levels so that our communities are represented

Working Together ...



As a Cooperative Council we want to strive beyond the requirements of the Equality Act. We want to give more say and choice to local people about how we advance equality, diversity and inclusion. We want to help to remove or reduce obstacles which get in the way of every communities

voice being heard. Underpinning this approach are our five cooperative council principles. These are:

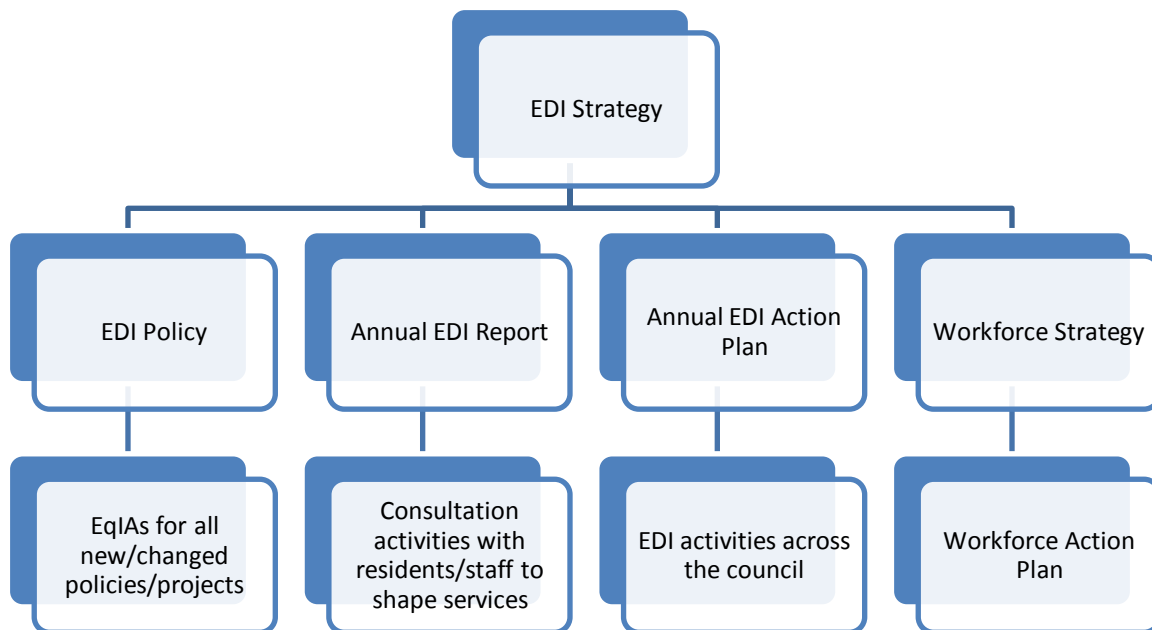
- The council as a strong community leader
- Working together with the community and other agencies to provide services based on needs
- Communities empowered to design and deliver services and play a role in their local community
- A clear understanding between the council and our communities – this is what we do, this is what we will help you to do
- Joined-up and accessible services that offer value for money and focus on the customer.

Following consultation with residents, local community groups and staff we understand that we need to focus on deeds not words, and as such we are committed to the implementation of an annual EDI Action Plan to achieve the aims of our EDI objectives. Throughout the development of the Action Plan we will continue to undertake effective engagement through the application of our Community Engagement Framework, this will ensure that local residents, groups and staff voices are reflected in the actions we take.



Our Commitment...

To advance equality, diversity and inclusion across our services and workforce we will deliver the following:



To ensure effective monitoring, each of our EDI Policy objectives is aligned with one of the four performance themes of the Equality Framework for Local Government (EFLG) 2021. The deliverables within the annual EDI Action Plan will be aligned with the Achieving Level criteria associated with an EFLG theme. The council will provide an update on progress against the theme criteria requirements on a regular basis and this will be published on our website.

Collective Responsibility...

We recognise that equality, diversity and inclusion is the responsibility of everyone and to be successful we need a collective effort to realise our vision. The following sets out the roles and responsibilities of those who will be central to delivering our objectives.

Lead Equality, Diversity and Inclusion Councillor ... A named Councillor will have specific responsibility for equality and diversity and will champion inclusive practices and be held accountable for delivery of actions.

Equality & Diversity Governance Group ... will monitor progress against equality and diversity objectives and the actions within the annual Equality, Diversity & Inclusion Action Plan.

Our Communities ... are vital to the delivery of our objectives and central to our overall vision. Everyone in our community has their role to play in shaping and delivering inclusion, helping us to identify inequalities and working with us to reduce or remove barriers.

Our Partners ...will help us identify inequalities and provide feedback on how we can continue to reduce or remove barriers in the community, as well as identify collective actions to improve outcomes.

Our Employees ... will ensure that where there is any change in service, a new policy or project, effective consultation is undertaken and the potential impacts on different people reported and acted upon.

Officer Equalities Group ... a cross-council officer group that meets regularly to identify and report on progress against the council's EDI Action Plan. This includes workforce, service delivery and community relation activities.

Senior Officers ... will drive the delivery of our equality, diversity and inclusion agenda. A member of the Council's Strategic Leadership Team will be our **Equalities Champion** and will be responsible for promoting good practice on equality, diversity and inclusion; championing the timely use of Equality Impact Assessments across all services and help improve visibility of the council's equality, diversity and inclusion activities.

Reference and Resources

Annual Equality and Diversity Report (Stevenage Borough Council)

<https://www.stevenage.gov.uk/about-the-council/equality-and-diversity/our-community-and-council>

Encouraging an Equal & Diverse Town and Workplace to 2021

<https://www.stevenage.gov.uk/documents/equality-and-diversity/equality-and-diversity-policy-to-2021-acc.pdf>

Future Town Future Council (Stevenage Borough Council)

<https://www.stevenage.gov.uk/documents/about-the-council/future-town-future-council/corporate-plan-future-town-future-council.pdf>

Equality Framework for Local Government (Local Government Association)

<https://www.local.gov.uk/sites/default/files/documents/Equality Framework For Local Government 2020.pdf>

Our Cooperative Commitment (Stevenage Borough Council)

<https://www.stevenage.gov.uk/documents/about-the-council/co-operative-commitment.pdf>

Population Estimates and Live Births (Office for National Statistics)

<https://reports.instantatlas.com/210af72b-a860-49d2-b808-e5aa74bd110f>

<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/livebirths/datasets/birthcharacteristicsinenglandandwales>

Appendix 1 – Contributions

As part of the consultation exercise we contacted 103 voluntary, community and social enterprise groups using a mix of direct email, telephone and face to face meetings between December 2021 and February 2022. We also promoted the survey to residents and staff via a variety of social media platforms and our own intranet. We are committed to maintaining an ongoing dialogue with all local residents and community groups about our approach to EDI, and we will continue to use the feedback obtained as part of this survey to inform and shape our EDI activities within the annual EDI Action Plan.

We would like to thank everybody for their contribution and their willingness to either meet with us or provide their responses online. This includes:

Age Concern (Stevenage)

Ahmadiyya Muslim Community (Stevenage North Branch)

Baha'i Faith Group

Bandley Hill Play Centre

BeMe (Black Ethnic Minority Empowerment)

Citizens Advice Bureau

Grace Community Church

Haven First

Irish Network

Junction 7 Creative

Longmeadow Evangelical Church

Pin Green Play Centre

Stevenage Family Support Services

St. Hugh and St John's Church

St. Nicholas Play Centre

Stevenage Equalities Commission

Part I – Release to Press



Meeting Executive
Portfolio Area All
Date 16 March 2022



CORPORATE PERFORMANCE QUARTER THREE 2021/22

KEY DECISION

Authors Chloe Pullen | 2501
Contributor Charlie Smith, Assistant Directors | 2457
Lead Officer Matt Partridge | 2456
Contact Officer Richard Protheroe | 2938

1 PURPOSE

- 1.1 To highlight the Council's performance across key priorities and themes for quarter three 2021/22.
- 1.2 For Members information a presentation will be provided at the Executive meeting which will cover updates in relation to delivery against FTFC Cooperative Corporate Plan Priorities and the key themes resulting from the performance indicator information.

2 RECOMMENDATIONS

- 2.1 That the delivery of priorities which form the Future Town, Future Council Programme and performance of the Council across the key themes for quarter three 2021/22, together with the latest achievements, be noted.

- 2.2 That the continued impacts of Covid-19 on the Housing Options and Homelessness services and actions to recover performance are noted (para 3.75 to 3.96).
- 2.3 That performance challenges relating to housing voids are noted and actions to improve performance are endorsed (para 3.97 to 3.114).
- 2.4 That the challenges related to garages with asbestos, the letting of council garages, and the planned measures to improve performance are endorsed (para 3.115 to 3.136).
- 2.5 That the key customer service related challenges (including performance within the Customer Service Centre, Complaints and Website) are noted and the associated improvement activities are endorsed (para 3.137 to 3.180).
- 2.6 That the Executive Action Tracker at Appendix 3 be noted.

3 CONTEXT

- 3.1 Stevenage as a town, and Stevenage Borough Council, faces an unprecedented set of challenges that are continuing to impact on our financial and operational performance.
- 3.2 The COVID-19 pandemic has affected our performance in some specific areas and stretched our resources. This led to increased demand for a number of services, including homelessness support and advice, significant and ongoing demand for property repairs, high levels of demand related to advice for Council Tax and Housing Benefits, income and rents, and the capacity of Environmental Health team who played a leading role in Local Outbreak Management. Council teams reprioritised workloads to address particular challenges, for example, to deliver £22.5Million of business grants and £32Million of business rate reliefs and a range of grants, and working with commercial tenants using a COVID-19 policy to help them pay their rents.
- 3.3 The number of people who have seen their income impacted by the pandemic continues to rise, with the full implications of furlough ending, the universal credit uplift of £20 per week being removed, increased energy and fuel bills and wider inflation pressures yet to become clear. The upcoming increases in National Insurance is also likely to impact on household budgets.
- 3.4 The number of people facing eviction or at risk of becoming homeless is increasing. People's health, including their mental health, has come under unprecedented scrutiny, with many seeking additional support or re-evaluating their housing circumstances, employment, work life balance and other priorities.
- 3.5 As the remaining COVID-19 restrictions are gradually lifted, there are continuing efforts to encourage vaccinations (including boosters), to maintain critical service delivery and to respond to changing national trends also provide further challenges.

- 3.6 The crisis in Ukraine resulting from the invasion by Russia in February 2022 is likely to have wide reaching implications for countries across the world including the United Kingdom. Further increases in fuel, energy, utility and food prices, potential interruptions to supply chains including materials and labour, increased cyber security threats, local community relations and support for refugees could all affect the Council, local residents and local businesses. The Council is already closely monitoring the situation, and will work with local partners to identify and strive to mitigate potential and actual impacts as they arise.
- 3.7 Council teams continue to be focussed and engaged on delivery of the agreed priorities, from creating new social and affordable housing, to driving forward the transformation of the town centre and embedding the cooperative neighbourhoods approach.
- 3.8 Some local authorities have been unable to maintain all their services and have taken difficult decisions about what to continue, suspend or stop providing altogether. This includes some registered social landlords moving to emergency only repairs, and waste collections becoming less frequent.
- 3.9 That Stevenage Borough Council has been able to continue providing all its current services, as well as introducing new ones (such as Test and Trace and covid marshalls), at the same time as progressing priorities in the Future Town Future Council programme, is testament to the hard work of Members and officers.
- 3.10 However, despite best efforts it has not been possible to maintain all services at the same level as they were previously. Performance has been affected in some areas especially where demand has increased to beyond pre-pandemic levels including Repairs and Voids and the Customer Service Centre.
- 3.11 Accordingly the report that follows outlines where performance has been affected as a result of the cumulative impact of these multiple challenges, which officers anticipate will continue to be the case throughout Quarter 4 and potentially into the next financial year. However, the report also demonstrates the continuing commitment of the Council to implementing clear action plans to address and improve performance where necessary.
- 3.12 The Council is focussing on areas of challenging performance, and considering how to address them whilst continuing to provide services and support residents. The sections that follow set out the impact of the challenges the Council faces, but also the proposed actions that are being implemented to address them. Whilst it will take time for the impact of these mitigations to materialise, there are already positive signs against some of the measures. The ongoing scrutiny of Members and officers should ensure that meaningful and sustained progress is achieved over the coming months.

FUTURE TOWN FUTURE COUNCIL PROGRAMME

- 3.13 Members approved the FTFC Cooperative Corporate Plan in December 2016. This sets the Council's focus on cooperative working and outlines the key outcomes and priorities for the town through the Future Town, Future Council (FTFC) Programme as seen in Figure 1.



Figure 1 - Future Town Future Council Programme

- 3.14 At the Council meeting on 24 February 2021, Council agreed to continue with the current Co-operative Corporate Plan beyond the original 5 year term. This is planned to be refreshed by Summer 2023.
- 3.15 At its meeting on 14 July 2021, the Executive agreed the deliverables for each of the five FTFC programmes. The town and Council's COVID recovery plans, were agreed in July 2020, with key actions now largely embedded within the updated FTFC programme.
- 3.16 'The Council published its Annual Report for 2020/2021, in July 2021. A copy is available online: <https://www.stevenage.gov.uk/documents/about-the-council/annual-report/annual-report-202021.pdf>

Customer, Place and Transformation and Support

- 3.17 In addition to tracking progress against the delivery of the FTFC Programme, performance across all Council services is monitored throughout the year to highlight achievements and identify areas for improvement.
- 3.18 A complete set of performance measures aligned to both service delivery and the FTFC programme delivery is attached as Appendix One. Summaries of performance measure results are outlined at paragraph (para 3.69).
- 3.19 Towards the end of Quarter 4 2019/20, COVID-19 began to impact on both FTFC programme activities and on council services. The impacts of the Covid-

19 pandemic are still being felt in some service areas as highlighted within this report.

Future Town, Future Council Programme progress update

- 3.20 The focus and scope of the FTFC programmes for 2021/22 is outlined in Appendix Two. Delivery of the agreed outcomes is monitored to ensure that the Programme remains on track.
- 3.21 Programme delivery updates for the FTFC Programmes together with an outline of any focused activity being implemented to keep the programmes on track are set out in the following paragraphs.

Future Town, Future Council Programmes

Transforming Our Town Programme Delivery Update

- 3.22 The Transforming Our Town programme has progressed at pace during 2021/22, including the work to complete 9 detailed Business Cases to access £37.5m Towns Deal funding whilst continuing to deliver a range of projects onsite. Earlier in 2021/22, the Town Square refurbishment was completed and launched, alongside the new Co Space co-working facility at 25 Town Square. Progress has also been made with regards to getting the SG1 scheme on site. As part of this, the demolition of site Plot K (Former Police Station and Towers Garages) has commenced, with the former already handed back to the Council. Letters and FAQs have been distributed to residents and businesses close to Plot A (Swingate House) to advise them of the demolition programme for that site.
- 3.23 Works have continued for the new bus interchange, with positive progress made and including investment in the pavements and public realm that link the bus interchange with the Town Square. Work to procure a supplier for the operational management of the site is in progress. The main site is due for completion in Quarter 4.
- 3.24 A report for the Station Gateway Town Deal Business Case including the multi-storey car park (MSCP) was approved by the Executive in December 2021. At a Special Executive meeting in February 2022 the remainder of the funding for the MSCP part of the project was approved.
- 3.25 Sectional completion of retail and residential units at the Queensway scheme occurred during Quarter 3. To date, 42% of the residential units have been let and the overall site was completed in February 2022.
- 3.26 A report was presented and approved by Full Council in October 2021 to give delegated authority to the Executive to approve the business cases for projects which make up the Stevenage Town Investment Plan and Business Cases have been developed to report to relevant decision making bodies ahead of 9th March. Through the Stevenage Town Investment Plan, the town will benefit from investment in new facilities including a new leisure and sport

hub in the town centre, a new Heritage Centre, SICTEC (Single Cell Technologies) facility, walking and cycling improvements, Garden Square / public realm and enhanced facilities for local people.

More Social and Affordable Housing Programme Delivery Update

- 3.27 Work continues both internally and externally at the North Road (21 Homes) scheme. As at the end of quarter 3 there were 14 reservations on site realising £4.3m in potential sales. Handover of the scheme is anticipated in Quarter 4.
- 3.28 Work has progressed at the Symonds Green (29 Homes) site, with brick and blockwork continuing. Framing of internal rooms has completed, and plaster boarding has commenced on the lower floors.
- 3.29 The neighbourhood centre development scheme at Kenilworth Close is well underway. Brick and block work has commenced on the ground floor for block A1 of the Kenilworth Close site. Work continues on the properties accessible from Stirling Close, with marketing of these properties expected to occur in Quarter 4. The properties at Malvern Close have completed and handover to the purchasers has taken place. The sales receipts from these properties will help to support the town's regeneration aims.
- 3.30 The Dunn Close Housing First scheme received planning permission at Planning Committee in December 2021. A start on site at the scheme will begin once the necessary planning conditions have been met. The current expectation is that the scheme will be built out over an 18 month build period.
- 3.31 The open market acquisitions (OMA) scheme within the Wholly Owned Company (WOC) is progressing; three purchases were completed in early 2022.

Co-operative and Neighbourhoods Programme Delivery Update

- 3.32 Work to embed the Co-operative Neighbourhoods programme has continued to this quarter. Through a series of pop-up events, over 400 conversations with residents took place. Analysis of this data is being undertaken and will be considered in conjunction with the findings of the residents and tenants surveys.
- 3.33 Once the full analysis has been completed, the Co-operative Neighbourhood Groups will then be able to use the results to help inform future community priorities and projects that will be captured within their respective Neighbourhood Community Plans.
- 3.34 The further £100,000 Health Protection Board (HPB) funding has been allocated to all organisations that applied. The funding is designed to help local Voluntary Community and Social Enterprise (VCSE) organisations mitigate the ongoing costs of the pandemic, now that central government support has started to be drawn back, and support them to resume operations. The completion of this work will free up significant capacity in the Community Development team to help support the delivery of the Community Renewal

Fund delegated grant scheme, which seeks to support and embed the community wealth building programme.

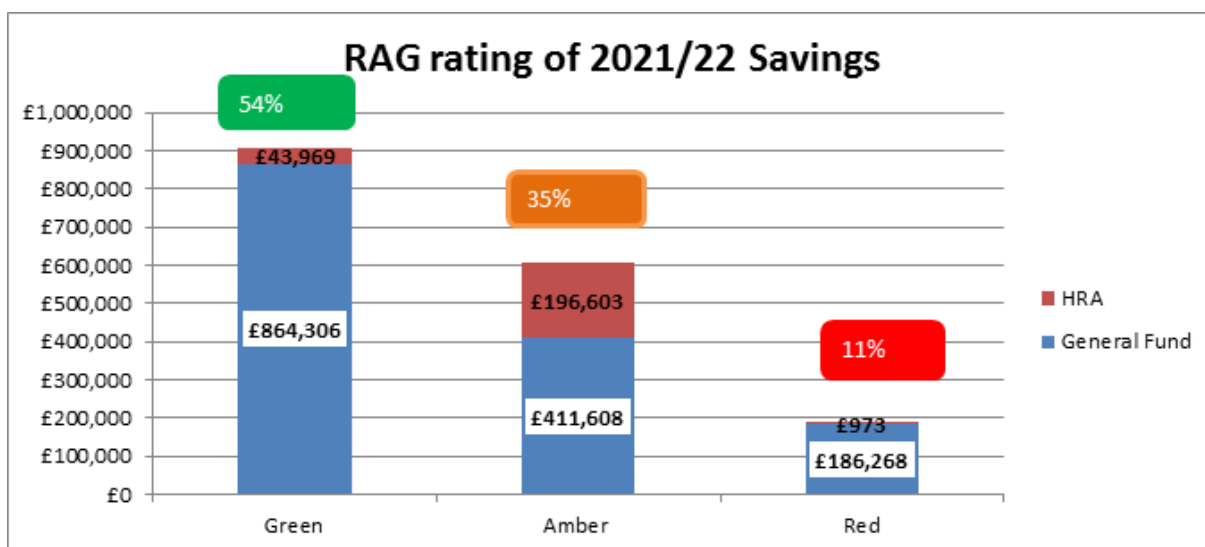
- 3.35 The Stevenage Equalities Commission (SEC) held another thematic meeting this quarter, focussing on criminal justice. The meeting was well attended with representation from police, courts and probation. The Commission are in the process of co-producing a Diversity Community Showcase for Stevenage and North Herts. The event will consist of a community organisation marketplace, an entertainment area and a programme of lectures & workshops. This will be in partnership with North Herts Community and Voluntary Sector, North Herts Diversity & Culture Group & North Herts African & Caribbean Community.
- 3.36 Phase three and four of the flatblock refurbishment programme has continued to progress. Delivery will continue into Quarter 4, alongside customer engagement activities and events. The pandemic continues to affect material and labour supply to the programme, but this is being monitored closely by the contractors and by the council's Housing Investment team.
- 3.37 Through the Garage Improvement Programme (GIP) 9 sites with 77 garages were handed back from the contractor this quarter. An additional site at Vinters Avenue was demolished and a lease agreed with UK Power Network to use the space to build a modern new substation. A further ten sites with 140 garages (66 of which are void) have also been approved to proceed for refurbishment or rebuilding, with a combined order value of £730k. The GIP team are now working on securing agreement and payment from the owners of freehold garages on these sites to enable the work to proceed.

Making Your Money Count Programme Delivery Update

- 3.38 At the December 2021, Executive Members approved a package of savings to meet the making Your Money Count Target (MYMC) totalling £792,945 for the General Fund versus a target of £760,000. In the January Draft Budget report this reduced to £780,945, but remained above the original target set for the General Fund. Additional budget pressures reported in the January and subsequent February 2022 General Fund budget report has meant an increase in the MYMC target for future years to a total of £2.14Million with a target of £810K for 2023/24. The options have been reviewed by the Overview and Scrutiny Committee and are due to be presented to the February Executive and Council.
- 3.39 In the January and February 2022 Executive reports the CFO recommends that savings are identified early and reported in a June 2022 budget report to ensure the financial resilience of the General Fund. Other measures taken have been to ring fence business rate gains relating to 2021/22 and 2022/23 totally £1Million to an allocated reserve until they are realised. Once realised, the first call will be on financial stability and thereafter for Regeneration and Co-operative Neighbourhoods.
- 3.40 The Housing Revenue Account MYMC target was not reached and there was significant growth approved at Council in the January 2022 HRA rent setting

and budget report, this will be reviewed as part of the refresh of the HRA Business Plan in the Summer of 2022.

- 3.41 Progress in relation to the 2021/22 savings is shown below. The amber savings relate to options where the saving has been implemented but until the actual position is known for the year it will not be certain that the saving has been made i.e. saving on printing, increase in trade waste and garage income. The majority of the red rated MYMC options relate to the projected savings on the Leisure contract for 2021/22 being £108K lower than approved due in part to the impact of COVID and the timing of some options which will deliver a full year saving in 2022/23.



- 3.42 There are future Co-operative and Commercial options that will contribute to the MYMC target for example the Filming Policy which was approved by the Executive in February 2022. This will help to promote the town and create and additional sustainable revenue stream for the Council, whilst supporting the local economy.
- 3.43 Work on the Transformation programme is continuing in line with the high level principles agreed by Executive in August 2021. A central programme team has been mobilised and discovery work has commenced focusing initially on the Customer theme.

A Clean, Green, Safe and Thriving Town Programme Delivery Update

Clean and Green

- 3.44 An artwork competition was held during October half-term to invite the children of Stevenage to produce a poster that, if picked as the winner, would be used on the Council's waste vehicles. The four winning pieces of artwork were chosen by the Mayor and the Portfolio Holder for Environment and Regeneration, and it is anticipated that a photo opportunity for the children and their artwork will be facilitated in Quarter 4 in line with Coronavirus guidelines.

- 3.45 A campaign to tackle dog fouling across Stevenage is currently in development. Officers from Environmental Services are working in collaboration with Neighbourhood Wardens to educate offenders and encourage a behavioural change towards dog fouling. Following data collection to establish a baseline, a pilot project will commence in Quarter 4.
- 3.46 Capital funding of £133k has been approved for 2022/23 to commence the programme of renovating tired shrub beds, and the detailed programme will be considered by the cooperative neighbourhood areas. A further assessment of environmental standards in the context of current resources will be undertaken, to inform priority setting for the future.

Healthy Stevenage

- 3.47 Officers are taking part in ongoing discussions with Lawn Tennis Association (LTA) regarding tennis development across Stevenage parks. As part of the £32million funding pot for improving tennis facilities in the UK, the LTA have advised that Stevenage is a priority area and are supportive of a funding improvement bid for Shephall tennis courts and potentially at King George V Playing fields.
- 3.48 Ongoing suicide prevention work has encouraged more effective partnership working with key stakeholders and commissioning of a crisis café. This is being implemented at the Healthy Hub (Adult) to support mental health and wellbeing of the town with the Head of Integrated Care commissioning the team.

Community Safety

- 3.49 Further funding has been received from the Home Office and the Police and Crime Commissioner to extend the Council's work around the County with domestic abuse perpetrators until September 2022. The project is being reviewed by the Home Office quarterly.
- 3.50 Accreditation has been sought for the No More Service through RESPECT which will allow the service to receive payments from the courts.
- 3.51 The Anti-Social Behaviour team have met with partners to scope out a hybrid version of the Anti-Social Behaviour Forum which will go live in April 2022. The revitalised forum will run quarterly and residents will be engaged.

Stevenage Re-Imagined

- 3.52 The borough's Arts & Heritage Strategy continues to deliver cultural growth for our communities. In the last quarter, events including a further webinar to support BAME communities in relation to health and racial equality, a local history reminiscence workshop and other recording sessions were held at Stevenage Museum and Junction7 Creative (J7C).
- 3.53 The heritage timeline was successfully installed on Lytton Way with an extended timeline uploaded online. The online timeline continues to be promoted through the town's 75th anniversary engagement.

Community Wealth Building

- 3.54 Following the successful county-wide bid for funding to support Community Wealth Building activities from Central Government in November, work to deliver this programme has begun at pace. A Programme Manager has been appointed to support the delivery of the programme during Quarter 4.
- 3.55 The two crucial tranches of the programme are:
- The delivery of a £500,000 delegated grant scheme to support micro-businesses and the VCSE sector. Providing investment into training and skills and supporting organisations to become more enterprising.
 - Alongside the creation of two county wide working groups on procurement and strategic planning. Looking at the opportunities to embed and develop learning, quantify the potential benefits and opportunities and work to create a joined up approach throughout Hertfordshire.

Climate Change

- 3.56 Following an annual update on the council's climate change action plan and associated activities in October 2021, Members of the Executive agreed additional measures to support the Council's climate change journey. These include:
- To develop the business case to migrate the Council's corporate and waste fleet to low or zero carbon from 2028, in the interim commit to switching fuel supplies to low or zero carbon alternatives, subject to a detailed business case.
 - Following the Executive's commitment to accelerate the SG1 Phase 2 programme, including a move to the low carbon Public Sector Hub by 2026, the Council will develop proposals and a business case to reduce energy use, reduce our physical and carbon foot print of our other Council buildings.
 - Support residents and business to reduce their carbon footprint by illustrating a comprehensive range of measures they can take, including education and publicity campaign, through a Communication and Collaboration Plan.
- 3.57 Stevenage is in the first wave of Hertfordshire's Sustainable Travel Towns Programme. An Implementation Plan is being developed with Hertfordshire County Council (HCC) officers and gaining support – with a list of strategies to support an emerging Sustainable Travel Town in Stevenage.
- 3.58 A dedicated page on the Council's website has been set up in relation to Climate Change: <https://www.stevenage.gov.uk/about-the-council/climate-change>. The page is regularly reviewed and updated to ensure it contains the most up to date information on what is being done and could be done to reduce impacts on the environment.

Sustainable Transport

- 3.59 The scope is being produced for the Town Deal Pedestrian and Cycling Connectivity project. This hopes to include a variety of interventions that will support active travel and connectivity aligning with the Local Cycling and Walking Infrastructure Plan (LCWIP). This project will include a heritage trail, which will further enhance and encourage people to be active and utilise the cycleways and pedestrian routes.
- 3.60 Hertfordshire County Council (HCC) has been working to develop an Electric Vehicle (EV) Strategy that seeks to ensure residents and businesses across Hertfordshire can safely and reliably access EV charging infrastructure in line with Local Transport Plan policies. An initial scoping workshop was held by HCC and consultants WSP in October 2021 with officers. This sought to review best practice, mapping and demand analysis to identify gaps in provision and to identify and develop an action plan and implementation plan.
- 3.61 The Council is supporting Arriva and HCC's bid to central government for the Zero Emission Bus Regional Areas (ZEBRA) decarbonise funding to electrify most of Arriva existing buses, based out of their Stevenage depot.

Biodiversity

- 3.62 Three new externally funded community orchards have been planted as part of National Tree Week in Shephalbury Park, St Nicholas Park and Raleigh Crescent Open Space. This funding will also provide support to deliver a further three sites in 2022.
- 3.63 The enhanced range of meadowlands that were implemented during 2021 have been reviewed, with some changes for 2022, to include a reduction in some parkland settings, and some increases to road verge locations.

Stevenage Old Town

- 3.64 As this report covers broad priority areas, particular themes may be reported to the Executive to provide some fuller context hence why a short update on the Old Town has been provided.
- 3.65 A dedicated website was set up to support local business with re-opening safely as Covid restrictions began to lift, as well as officers giving advice to businesses. Support was also provided to local food and beverage businesses with temporary outside seating space on the High Street and safer spaces for pedestrians. Officers are working with these businesses towards making some of the space in the south of the High Street permanent.
- 3.66 Parking in the former Waitrose car park was made free of charge for three hours to encourage footfall to the Old Town for those businesses that were able to re-open. Also the Council successfully bid for Sustainable Travel Town status from HCC, without removing the free on High St Parking HCC had requested.

- 3.67 The Council supported the first ‘Old Town Live’ festival in September 2021 as well as being involved in the organising and financing of the event. The festival received positive feedback both to Officers and on social media and discussions are taking place to
- 3.68 To date the Council has consulted with over 1,600 local people and business on what works well and what we can improve about the High Street with more engagement planned. The Council is committed to work cooperatively with the local community to set out a joint vision for the High Street.

CORPORATE PERFORMANCE HIGHLIGHTS AND AREAS FOR IMPROVEMENT

- 3.69 Results for the full set of current corporate performance measures across all themes (FTFC programme and the Customer, Place and Transformation and Support themes) are attached at Appendix One. The overview of these results for April 2021 to December 2021 are outlined below:

Number of Measures Reported	Meeting or exceeding target	Amber Status (within a manageable tolerance)	Red Status (urgent improvement action required)	Missing Data
45	29	3	13	0

- 3.70 Further to this 9 baseline measures are being baselined in 2021/22 (Appendix One refers). These will be introduced into the corporate suite in 2022/23.
- 3.71 Three community safety partnership measures are also monitored through the Corporate Performance Suite. The data for these measures is provided by the Police and HCC.

Spotlights and Areas for Improvement

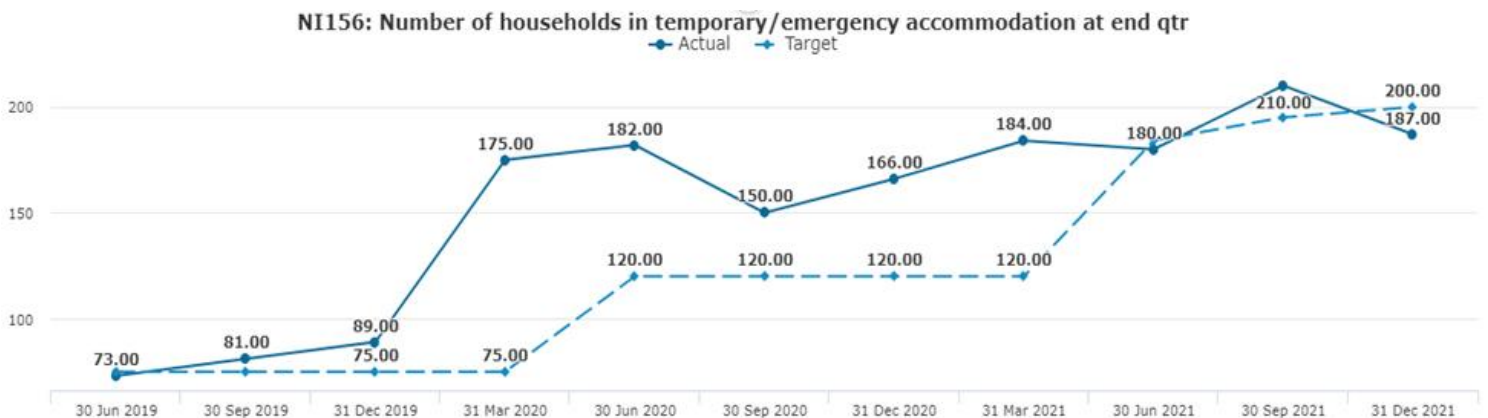
- 3.72 A summary of Council areas for improvement (April 2021 to December 2021) is set out in the following paragraphs across the three key delivery themes: Customer, Place and Transformation and Support.
- 3.73 The areas of focus below were reported to be at red or amber status for Quarter 3. They have been split into four main areas of challenge – Temporary Accommodation, Voids, Garages and Customer Services.
- 3.74 For these four main areas officer Performance Clinics have been held over the last two quarters. Each performance clinic has included attendees from all relevant service areas. These sessions have considered performance data, related issues, actions planned and in place, and future forecasting. Each service area has developed an improvement plan, the implementation of which will be monitored by the Strategic Leadership Team.

Temporary & Emergency Accommodation

NI156: Number of households in emergency/temporary accommodation at the end of the quarter

- December 2021 target 200 households
- December 2021 actual 187 households (green)

3.75 The Council has specific duties to meet the needs of those who are considered as eligible for Emergency or Temporary Accommodation. The below graph shows numbers across all Emergency/Temporary Accommodation (EA/TA) provision (including B&B) from June 2019 to the present, measured against performance target.



3.76 This chart clearly highlights that numbers in EA/TA provision soared when the 'Everyone In' directive was issued by Government during the pandemic, seeking to ensure all who are homeless or rough sleeping were supported to come off the streets (March 2020). The Council has adopted a Housing First approach to provide support to those who are homeless, and is also taking wider steps to increase the supply of homes for those who are homeless.

3.77 The following table shows Bed and Breakfast (B&B) use between April 2021 and December 2021. In July 2021, B&B units were built into the IT module and automatic reports were developed to ensure more accurate records were kept..

Total Number in B & B								
30/04/21	31/05/21	30/06/21	31/07/21	31/08/21	30/09/21	31/10/21	30/11/21	31/12/21
74	73	62	57	70	69	55	53	39

3.78 B&B use has significantly reduced since Quarter 2 2021/22, yet remained high during periods of low housing stock availability. Performance was also affected by reduced staffing in the housing team despite best efforts to secure

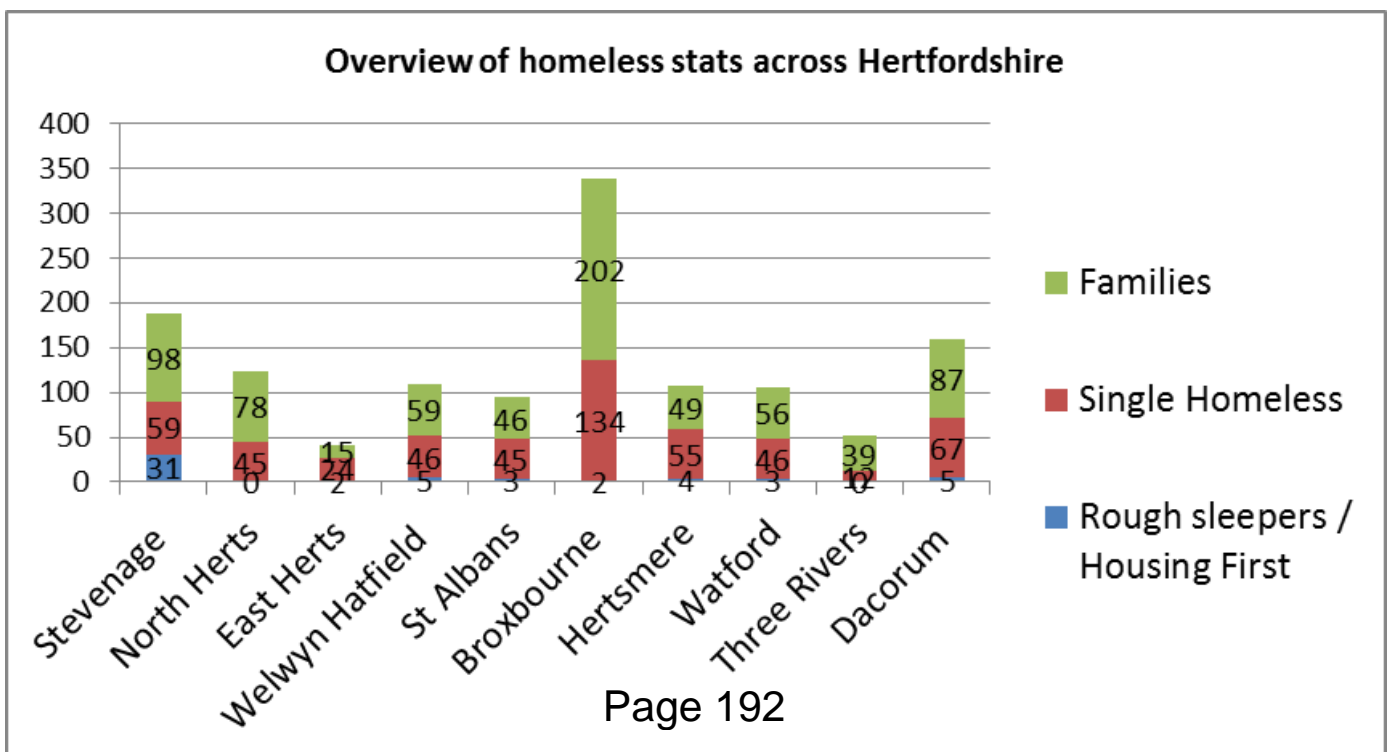
more resources. Unlike some other local authorities, the council did not end provision for its rough sleeper cohort when restrictions were lifted. Instead, the council's work has been guided by the SBC Homelessness and Rough Sleeper Strategy 2019-2024, the ambition of which was to eradicate rough sleeping within the town by 2024. This strategy was implemented and the Housing First approach was initiated. This explains why numbers remain far higher than those reported June 2019 – March 2020.

Service Demand Issues

3.79 The Temporary Accommodation service is measured against numbers in B&B and numbers in SBC provision. However the Council has limited control over these indicators as they reflect demand within the community. The numbers of those who are eligible for support provision is determined by the Housing Options Service using national guidance and local policies, whilst the number of people who move on to more permanent accommodation is greatly impacted by the availability of both social housing and private rented units that enables the rehousing of clients.

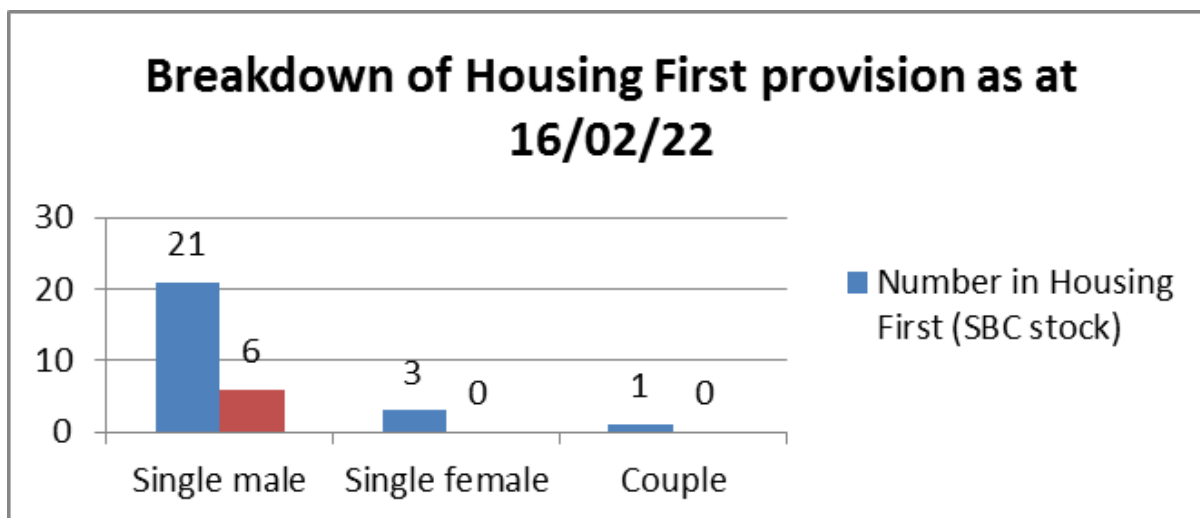
- Since April 2021 the Housing Options Service have had 1211 new case approaches
- As at 16/02/22, 464 cases remain open to the service, 158 of which are in provision under our statutory homeless duty
- An additional 31 cases are currently housed under the Housing First provision

3.80 The below chart demonstrates that Stevenage has the second highest number of homeless households in provision when compared with the other 9 local authorities across Hertfordshire. Stevenage's figures are higher than most of the other local authorities within the county despite its population being lower.



Housing First

3.81 Current status of Housing First numbers and placement is shown below:



3.82 Whilst reporting year to date includes figures for Housing First, from April 2022 the Housing First units will be reported on separately.

3.83 Further time is being spent attending multi-agency meetings to look at 'move on' pathways and ensure a multi-agency approach is taken to support this cohort with their integration into the community.

3.84 Funding streams from HCC are being negotiated and a full viability report on the Housing First Service will be prepared for the Executive in early 2022/23. This will explain in further detail, what the approach will be.

3.85 The significant increase in cases and the councils case management arrangements are being reviewed and benchmarked against other local authorities with a view to identifying potential lessons learned to inform future actions.

Improvement Actions

3.86 An IT system review is underway and the Homelessness/Housing Options service are working with the Transformation and Housing IT Systems teams to establish which system can best meet our legal reporting requirements and case and property management needs.

3.87 It has taken some time to procure and obtain planning permission to secure enough EA/TA provision to meet the demand placed on the service as a result of the pandemic. The council has further increased supply by 67 units since April 2020 (40 of which are Housing First). A further 19 units are expected for Housing First use over quarter 4 and during early 2022/23.

3.88 The TA Team continue to work closely with Housing Development and Investment to identify general needs conversions and open market acquisitions, with more due to be brought into service in the coming months.

The aim is to continue to reduce B&B use whilst work is undertaken to develop a purpose built hostel in Dunn Close. The site has now received full planning and, once operational, should facilitate the return of some current provision back to general needs stock, for allocation through the housing needs register.

- 3.89 The TA Team are in regular liaison with Lettings and Voids teams to obtain updates on void properties and ready to let dates. Officers continue to let all available units as soon as is possible and performance in this regard is being tracked through the quarterly void EA/TA indicators.
- 3.90 Officers have identified the need to review quotas of direct lets as part of the allocations policy review to ensure we are making the most effective use of our stock and helping those most in need. There is also a need to review the process for awarding homeless prevention priority to ensure effective use of officer time.
- 3.91 The Housing Options Team are continuing to reduce the number of households requiring interim accommodation and are making good use of grant funding to assist households in the private rented sector.
- 3.92 The Providing Homes Service will continue to apply for any available government funding, to assist various groups such as ex-offenders and rough sleepers. To achieve this we will review our resources and benchmark our services against other local authorities.
- 3.93 A further TA Assistant post was recruited to in November 21 to focus on general DIY jobs, in order to reduce the amount of properties sent to voids, in turn increasing the available supply of Temporary Accommodation. Consideration is also being given to the number of fixed term posts required to provide the council's statutory housing advice and homelessness responsibilities in response to the continuing high levels of demand. This is deemed necessary to ensure that skilled staff turnover is kept to a minimum providing a more resilient and stable service.

Forecasting

- 3.94 For the purposes of separating statutory duty cases from the Housing First project, EA/TA and Housing First placement figures will be reported separately from Q1 2022/23. Consideration should be given to the fact that Temporary Accommodation Officers remain responsible for the maintenance and turn-around of void Housing First stock.
- 3.95 Officers anticipate an increased demand for accommodation during Quarter 4, in response to the ending of temporary COVID-19 protection measures provided to tenants from March 2020 to September 2021. However, court delays in processing possession proceedings have reduced performance below the forecasted figures. Demand for accommodation, for the remainder of 2021/22 and for 2022/23, is dependent on multiple factors including:
- Courts clearing the back log and issuing final possession orders for eviction of those in PRS accommodation

- Affordability issues that may arise as a result of the increasing rents, cost of living and the energy crisis which could see a rise in fuel poverty throughout 22/23

3.96 For this reason Q1 projections will be kept at those set for Q4.

Void Loss, Voids Sheltered, Voids Sheltered Major Works, Voids General Needs & Voids General Needs Major Works

VoidLoss1: Void Loss in year (£)

- December 2021 target £239,856
- December 2021 actual £419,701.87 (red)

VoidsSheltered: The time taken to relet standard sheltered voids

- December 2021 target 70 days
- December 2021 actual 177.63 days (red)

Voids ShelteredMW: The time taken to relet major works sheltered voids

- December 2021 target 70 days
- December 2021 actual 126.33 days (red)

Voids GN: The time taken to relet general needs voids

- December 2021 target 32 days
- December 2021 actual 35.52 days (red)

Voids GNMW: The time taken to relet major works general needs voids

- December 2021 target 65 days
- December 2021 actual 27.38 days (green)

3.97 The number of voids is almost 3 times higher for the year than was expected (1.55%) due a number of people choosing not to move during the pandemic. For the budget the council anticipated a projected and overall void rate of 0.49% across different types of stock. This included sheltered and temporary accommodation, which tends to have a higher void rate; while general needs void rate tends to be lower.

3.98 The table below shows the number of voids coming in each month through to December 2021. The numbers of voids reported are significantly higher than the target.

Total Voids	April	May	June	July	Aug	Sept	Oct	Nov	Dec
GN Standard Target	12	12	12	12	12	12	12	12	12
GN Standard	14	23	27	40	50	85	30	24	21
GN Major Target	6	6	6	6	6	6	6	6	6
GN Major	10	2	5	5	6	19	16	13	7
SH Standard Target	15	15	15	15	15	15	15	15	15
SH Standard	65	56	53	54	54	26	52	29	32
SH Major Target	7	7	7	7	7	7	7	7	7
SH Major	4	2	4	5	4	2	3	5	4
Other Voids	25	27	29	27	27	5	30	40	41
Total Target	40	40	40	40	40	40	40	40	40
Total	118	110	118	131	141	137	131	111	105
% of total rented stock Target	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49
% of total rented stock	1.49	1.39	1.49	1.65	1.78	1.77	1.69	1.37	1.29

3.99 The target for void loss for the year has been recalculated by officers due to the higher than expected number of voids. At Quarter 3 on a straight line projection the void loss would be £599K, which represents an overall void rate of approximately 1.46%. However, in modelling for the latter part of the year, Officers continue to anticipate improvement in void turnaround times during the back part of the year and therefore a reduced loss of £556K is forecast. This is based on a void loss of 1.35%.

3.100 Void loss and void turnaround times for domestic properties have been heavily impacted by a number of factors during this financial year, as reported in previous quarters. These include the threefold increase in the number of void properties requiring void work compared to the levels anticipated prior to the pandemic. A small decrease was recorded in Quarter 3, but remained above the longer-standing void rate. (Q2 void rate of rented stock, 1.73%, Q3 void rate of rented stock, 1.45%). Alongside this significant increase in volume, there are a number of other factors which have impacted performance:

National Material Shortages

3.101 National material shortages, with some supplies now delayed by an additional 4 to 6 weeks.

Allocation of Long-Term Void Sheltered Properties

3.102 As the properties that have been empty for some time are let, we will inevitably see an increase in the time reported to let void sheltered properties. Over time performance will improve as the average time to let properties reduces and the backlog of empty properties is addressed. There will be some exceptions to this where we have complex cases that need more time to support their transition to a new property.

- 3.103 The Specialist Accommodation team are proactively working to let the remaining Sheltered Standard and Major properties that have been historically void for a long time, as well as the properties that are returned continuously. This includes actively contacting new applicants to the housing register who are eligible for Independent Living and providing assistance to move where required.
- 3.104 An increase in the number of tenants transferring into independent living scheme units alongside the decanting of some schemes is further increasing the total number of void properties.
- 3.105 There are additional void times being incurred as part of the HCC contract for Flexicare, as there are not enough suitable referrals coming through from Adult Care Services for the properties/service where people meet the scheme criteria.

Workforce

- 3.106 Recruitment and retention of staff which as per the material shortages issues, are national matters which are not unique to Stevenage and are impacting upon capacity levels within the Repairs and Voids Service.

Changing Needs

- 3.107 Pent up customer demand on the Voids Service post the lockdowns remains high. This relates to the lack of moves during the pandemic. Moves during the pandemic were limited and additionally the wait for a Housing Needs report has increased significantly due to occupational therapists resourcing issues.
- 3.108 There is an increasing list of residents requiring adapted properties. The greatest requirement is for 2 bedroom, level access properties.
- 3.109 The demand for larger 3, 4 and 5 bedroom properties is constant.

Complex Works

- 3.110 An increase in more complex works required when properties are void e.g. roof replacements, or substantial works required at the end of long-standing tenancies is leading to longer void turnaround times for such properties.
- 3.111 The Major Refurbishment Contract (MRC) Programme works are also extending void periods and impacting outturn figures. However, in the longer term changes made through the MRC contract such as studio conversions to make properties more attractive to prospective tenants should help reduce the number of voids. Material supply chain delays have also affected the time taken to complete major works.

Improvement Actions

3.112 The Repairs and Void and Providing Homes teams are implementing a range of actions to seek to mitigate or reduce the impacts of the factors listed in paragraphs 3.101-3.111. These include:

- Streamlining the lettings process so that lettings are completed within six working days, and reducing the verification process to five working days. The Lettings Team and Voids Team are working together to ensure that as much prior notice as possible is given when a General Needs property is ready to let. This enables the Lettings Team to prepare customers for their move sooner which should reduce or avoid delays. This improved process has resulted in lettings times being within target during Quarter 3.
- Completion of the end to end process review for void properties which ensure all parts of the voids and lettings process are working together effectively. This has already started to have a positive effect with proactive sharing of information has assisted lettings colleagues.
- More proactively work to let historically empty properties. In the short term the lettings figures and void loss for sheltered voids will be affected but over time performance will improve as the average time to let properties reduces and the backlog of empty properties is addressed.
- Reviewing the resources allocated to the sheltered housing re-let process. Steps are also being taken to provide more accurate indication of re-let times and associated void loss where sheltered housing units have been identified for repurposing or redevelopment.
- Refreshing the council's HRA Asset Management Strategy which will result in a more effective cyclical and planned maintenance approach to maintaining and repairing council homes.
- Continuing to work with partners and contractors to seek to improve material supply times.
- A third (temporary) voids project officer being recruited and using contractors to supplement the Voids team where required.
- Recruitment and retention issues are currently being looked at through the Business Unit Review which is underway
- Working closely with suppliers to seek to reduce material delays
- Redeploying housing staff to support the Lettings team.

3.113 An action plan is being finalised by relevant teams across the council, the implementation of which will be tracked on a regular basis.

3.114 Void numbers have reduced since November 2021 and this trend continued in January 2022. Based on current projections and the above actions being implemented, it is anticipated that the council will see an improvement in void turnaround times quarter by quarter. However the end of year, cumulative targets are unlikely to be achieved.

Garage Voids

CNM2g: Garage Voids as a Percentage of Stock

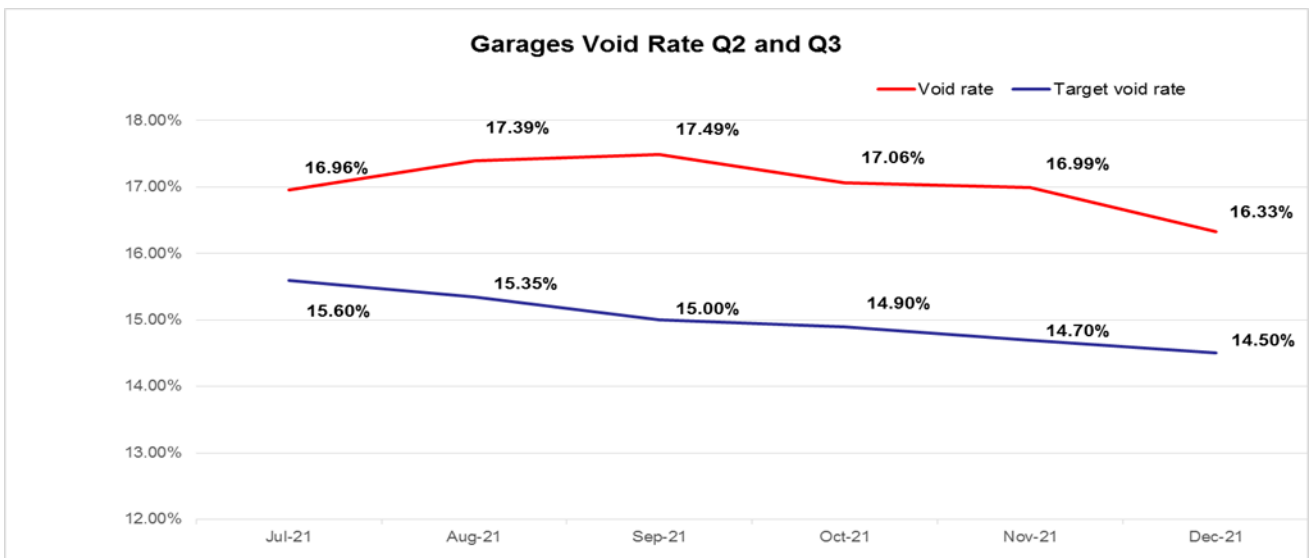
- December 2021 target 14.5%

- December 2021 actual 16.32% (red)

3.115 The targets for 2021/22 did not accurately reflect the extent of the impact of sprayed asbestos on the garage stock along with garage services capacity and an assumption that Choice Based Lettings would go live on the original date of May 2021 (now expected spring 2022).

3.116 The overall garage void rate for Quarter 3 is 16.32%, still above target (14.5%)
The void rate has reduced from 17.49% at Quarter 2, resulting in an additional £5k of rental income for the quarter.

3.117 The graph below shows performance against target this financial year.



3.118 Since Quarter 2 the entire void list has been reviewed. Voids are now categorised as 'avoidable' voids or 'unavoidable' voids which allows the garage services team to focus more on those under their control and to progress those ready for re-letting as soon as possible. At the end of Quarter 3 there were 1059 void garages of which 405 were avoidable voids and 654 unavoidable voids.

3.119 There are three key areas for focus to improve the garage void rate which are; garage repairs, asbestos issues and lettings.

Garage Repairs Issues

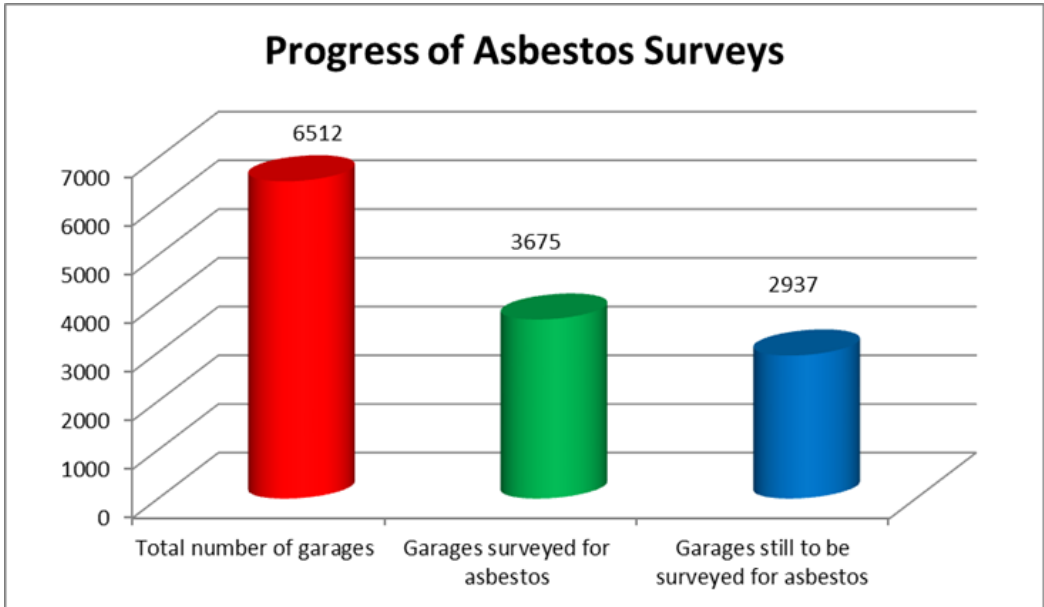
3.120 The voids identified as needing immediate repairs are being worked through with the assistance of the Estates team. 110 avoidable voids are due to be inspected by the end of Q4 to ascertain. These inspections will determine if further repairs are required.

3.121 Increasing levels of repairs has financial implications on the garage repairs budget; this pressure is being monitored and managed weekly.

3.122 Currently repairs contracts / orders are raised for each garage unit. As an interim measure the backlog work will be packaged up and let on a quotation basis. In future a Term Service Contract(s) looks favourable for the high volume repetitive type void repairs e.g. garage doors (overhauls, replacements and lock changes) roof repairs, and general building work.

Asbestos Issues

3.123 56% of garages have been surveyed for asbestos. Of the 1059 void garages in Q3, 137 (12.9%) are due to sprayed asbestos and 145 (13.7%) are due to asbestos remedial works (including temporary decants). The Q3 void loss value for asbestos issues is £45,322, broken down into £21,774 for sprayed asbestos and £23,548 for asbestos remedial works.



3.124 Arrangements with the interim asbestos surveyor continue to work well and alongside the increased volume of repairs, this has resulted in increased levels of garages being returned for letting in comparison to previous quarters.

3.125 The number of asbestos surveys in occupied garages has stalled due to no further reports of sprayed coatings being found. Garage asbestos survey data supplied by the void garage survey programme will continue to be monitored; this provides asbestos surveys for an estimated 800 voids per year.

3.126 A programme has been prepared to survey a total of 1451 garage blocks and subsequently undertake an annual re-inspection of any asbestos found. All existing garage block survey data has been inputted on to the garage asbestos register and this data will be maintained as and when new surveys are received.

3.127 Completing the asbestos register and any further asbestos surveys however will require significant financial investment and a business plan is being prepared to outline the estimated costs of this work/ resources required.

3.128 Whilst consideration is given to how best to deliver the garage survey programme, including what long-term procurement is needed, void garage surveys will continue to be prioritised through an interim contract, via mini competition.

Lettings

3.129 During November and December there were 177 offers made compared to 117 garage offers made between August and September. Acceptance rates for Quarter 3 were on average 41.71%. This compares to a 37.36% acceptance rate from the same period in 2020.

3.130 As the team have comprehensive data sets from the last 21 months, trends can be identified and steps can be taken, in advance, to mitigate the peaks and troughs in demand, terminations and acceptances. Weekly call backs continue to prove successful in chasing up garage applicants and the re-allocation of garages can be carried out the same week to ensure minimal delay.

3.131 The termination notice period will be extended from 1 to 4 weeks' notice from April 2022. This will enable pre-termination inspections, repairs and the re-allocation of garages to be carried out in the 4 week lead time and may mean that the availability of garages is advertised in advance of being able to be let. Notification of the change to the garage terms and conditions of licence has been prepared and will be included in the Rent Increase Letter to be issued in February 2022.

3.132 The development of an online presence for garage lettings is being progressed. Consultants are building the platform during January and it is due to go live in spring 2022. This will improve the customer experience and will mean that residents will be able to view available garage stock online and will be able to bid on garages of their choice. In order to address the immediate issue the option to list available garages on the council's website is also being explored.

Unavoidable Voids

3.133 The position for unavoidable voids at the end of Quarter 3 is below:

- 23 void garages that sit within disposal sites are being addressed and progressed by the Estates Team. The other 102 are being reviewed by the Housing Development team.
- 145 voids requiring asbestos remedial works are being programmed in for work.
- 137 void garages remain affected by the sprayed asbestos and are not fit for re-letting until the remedial works/future of those garages are established.
- 193 garages are being held under the Garage Improvement Programme and are earmarked for decants where required.

- The majority of Awaiting Major Works garages fall under the GIP once they are returned and will come out of AMW ready for re-letting.

Forecasting

3.134 The trajectory of the void rate for the remainder of 21/22 and for 22/23 is dependent on multiple factors, including:

- Levels of available garage stock (being returned from asbestos surveys/repairs)
- Levels of termination (historically high Feb/March)
- Capacity of the garage services team

3.135 Given the current economic forecast and the increases in cost of living, the risk of increased terminations over the coming months cannot be underestimated.

3.136 A business case detailing the levels of investment required to reduce the voids rate has been developed. It outlines the case for investment in repairs resourcing, garages services resourcing and asbestos management and the anticipated outcomes from this investment. The business case details the interdependencies between the recommendations, provides cost/benefit analysis and outlines income projections from the void stock over the next 5 years. The business case will be drawn together in Q4 and for consideration early in the Financial Year 2021/22.

Customer Services and Complaints

CSC12: Percentage of calls abandoned in the Customer Service Centre

- December 2021 target 15%
- December 2021 actual 33.8% (red)

CTOC1: Percentage of customer complaints responded to within deadline

- December 2021 target 95%
- December 2021 actual 64.31% (red)

Website Satisfaction

WebSat1: Customer Satisfaction with Council website. (This is calculated using three different options for customer to provide feedback, a red face, amber face, green face, which in turn relate to a score of -1 negative score, 0 neutral score, +1 positive score and is then drawn together into a total result)

- December 2021 target 0.1
- December 2021 actual -0.24 (red)

- 3.137 Call abandonment improved in Q3. The quarter concluded with 30% abandoned, leading to a cumulative result for the year so far of 34%.
- 3.138 The key challenges for the service include a very high turnover of staff this year and back office service backlogs in particular Housing Management and Repairs & Voids.

Staff Issues

- 3.139 Staff turnover has been over 50% in the year to date. Pre pandemic typical staff turnover was 20%.
- 3.140 Most staff have moved to more senior roles elsewhere in the organisation, such as Stevenage Against Domestic Abuse (SADA) and Housing & Investment. The primary reason for this is catch up from an abnormally low movement of staff to other roles last year, in which the only staff changes were due to retirement or contract changes.
- 3.141 In addition, the council has been recruiting to large number of roles elsewhere in the organisation this year at “next step” grades for our advisors.
- 3.142 The CSC’s recruitment processes have been improved considerably in recent years, and we maintain ongoing advertising for candidates to express an interest. The team can then quickly contact this shortlist when a vacancy becomes available. However, new starters still take around 2 months of training to be effective, and 6 months to be working fully independently.

Customer Demand Issues

- 3.143 Customer demand for services has varied considerably in the past two years, and continues to change in different ways.
- 3.144 Repairs continue to be the most enquired about service, and the CSC received around 2500 contacts a month from customers in Q3. Usually in the winter higher demand is anticipated, and lower demand in the summer, due to seasonal weather changes. However, the pattern of demand for Repairs has been very unusual over the past 18 months, with the demand pattern inverted e.g. receiving only around 1500 contacts per month Jan-Feb 2021. Accordingly it is difficult to predict or plan for resourcing needs for this service at present. The changes in demand are most likely due to variations in what the service have been able to deliver operationally at different times due to restrictions, some changes in customer expectation, and some build-up of incomplete works. Routine fencing recommenced in February 2022 and the backlog of routine fencing is being carried out as a programme to ensure that historic work is cleared without impacting new work requests. This should help with the customer demand.
- 3.145 Waste and Recycling is another service with high demand from customers. During 2020 there was lower than normal contact, around 600 contacts per month, but since the end of the “third lockdown” in March 2021, the volume increased sharply and has nearly doubled to around 1100 contacts month. There is no obvious cause for this significant difference other than a change in

customer expectation or behaviour, but again it impacts upon the ability to plan and forecast. There are plans to categorise these contacts once the CSC reporting tools have been installed by IT.

3.146 In August 2021, the CSC team supported customers to pay council bills through online payments, automated telephony, and internet banking, instead of through an advisor. This planned change was to ensure we continued to meet banking rules to protect card payment details. As well as a successful and smooth change, we have also found this has approximately halved the number of phone calls about housing rent, and many of the remaining 600 contacts per month for this service are the important calls in which advisors need to help and guide tenants with debt and money issues.

3.147 These performance challenges sit alongside success in continuing to meet our EAA1 Customer Satisfaction measure and CSC13 reported resolution measures.

Improvement Actions

3.148 In September 2021, there was an informal executive meeting on customer service performance and members gave a steer on the options to be taken to address performance.

3.149 A snapshot of the actions being taken forward over the next 14 months can be here:

Q1 2022/3	Q2 2022/3	Q3 2022/3	Q4 2022/3
Opening hours Change control CSC Digital first Waste & Recycling Streetscene & Greenspace Garage Lettings	Prioritisation of phone options Digital First approach : Routine repairs	Digital tool to help find right form / service online Garage keys via locker/ post	Self-service scanning Housing options digital redesign

3.150 Actions to address performance issues fall under three key areas

- Staffing and operational issues
- Promoting self-service/ digital first
- Improving the phone options/ prioritisation

3.151 Recent improvement work has focussed on accelerating new starter training, through revised training materials and coaching training for the team leaders.

This area has been prioritised because of the high staff turnover this year and the increase in recruitment.

- 3.152 Longer term improvement work focusses on making targeted changes to move customers to digital services where possible and to focus telephone services on the people and services that need them most. Approaches to this were discussed at an Informal Executive and with relevant portfolio holders in Q3, and a plan for the next 5 quarters has been developed.
- 3.153 There will be a phased introduction of an “online first” approach for services that have good functionality. When customers phone up for these services they will be asked to hang up and go online unless the phone is their only option. This was originally planned to start in Q1 for Waste and Recycling and other environmental services as many end-to-end digital services are already in place, and delivery is now being accelerated into Q4 21/22.
- 3.154 Significant further enhancements to the online repairs reporting service are in development and scheduled for release in early Q1. Once in place a digital first approach to reporting of routine repairs will be implemented, although follow-ups and urgent/emergency work will still be dealt with over the phone.
- 3.155 A significant revision to the service choices customers are given when they phone Customer Services is planned. The team will be creating a new set of service choices for customers that will help to better prioritise advisor resource to customers wanting to contact us for SADA or being homeless on the day.
- 3.156 As well as working with IT to make changes to the phone system, the Customer Services management team are developing new training schedules to ensure we have enough of the right skillsets in place. These changes are currently planned for Q2, but will be implemented sooner if possible.
- 3.157 Another key element of the improvement will be the introduction of self-scanning for documentation. Customers are often required to supply original documents to support benefits and housing processes, and scanning and returning these occupies around 2 advisors each day. Enabling customers to scan documents for themselves should speed the process up for them and free advisors for other tasks. As technical development is required for this, it is currently planned for Q4 22/23.
- 3.158 Marketing and communications activity is increasing in order to encourage customers to utilise and take advantage of our website services.

Forecasting

- 3.159 Because customer demand patterns are unusual at the moment and because there may be more staff turnover, neither of which the CSC can fully control, our quarterly performance forecasting is particularly challenging this year.
- 3.160 That said, the general expectation is for generally more customer demand due to poor weather and annual year-end processes in March. Consequently the

CSC12 forecast for Q4 is 37% which contributes for a cumulative result forecast of 35%.

Complaints

Issues

- 3.161 Late complaint closures in Q1-Q3 have primarily related to six services: Repairs, Residents & Estates, Environmental Health, Engineering Services, Gas and Investment. However, Engineering & Environmental Health performance has greatly improved and they both achieved 100% monthly performance in November & December.
- 3.162 High customer demand is also compounding officer capacity to respond to complaints within target timescales. The total number of direct complaints handled Q1-Q3 was 14% more than the same period in 20/21, and 42% more than the same period in 2019/20.
- 3.163 The sharpest rise in volume received is for Member Enquiries. The total number of Member Enquiries (customer issues reported via members) handled Q1-Q3 was 42% more than the same period 20/21 and 36% more than the same period 2019/20.
- 3.164 The highest volume of complaints and member enquiries overall are:

	Complaints 1 st Apr 21 – 20 Jan 22	Whole year 2020/21	Overdue as at 20 Jan 22
Repairs	628	457	31
Residents and Estates	416	299	34

- 3.165 In some cases it's been found that complaints were closed with the customer on time, but had not been closed in the system hence requiring the closure date to be retrospectively amended.

Improvements

- 3.166 The Assistant Director Digital and Transformation established a working group with key service managers to identify issues and solutions. Reminders have been sent to service managers on the correct process for handling a complaint, and additional help has been offered to the services that are struggling most. It is anticipated that monthly performance will start to improve following the introduction of these measures. However, there are many cases beyond target date that will have a detrimental effect on the service level once they are closed, so we will not achieve our cumulative target this financial year.
- 3.167 A more detailed approach to understanding the underlying problems in Repairs and Residents & Estates is being developed and implemented to help support improved complaints resolution in these services. With regards to repairs, over 40% of the complaints are service requests. The fencing programme now in place should help this to improve.

3.168 The Customer Focus team is providing monthly reports for each service area showing performance to help improve resolution timescales. They are providing detailed weekly reports to the six service areas with the highest level of late and overdue complaints.

3.169 Housing have temporarily brought in additional support, three Complaints Managers on short term contracts, to help them catch up on their backlog of overdue cases and assist with a number of complex cases. The Repairs service has also recruited a dedicated officer to support complaints investigations.

Forecasting

3.170 It is difficult to forecast performance as the previously mentioned service areas have cases that are beyond target that will adversely affect service levels when they are closed. Due to the high volumes it is possible that, even with the improvement activity in place, it will be several months before the service levels start to improve.

3.171 The performance target for CTOC1 for each quarter this year is that 95% of complaints should be resolved on time. The most recent data (table below) shows that these two services are still performing significantly below this.

3.172 As well as previous reported supporting actions the following positive actions are also being undertaken for Repairs and Resident and Estate Services:

- Services agree additional time for complaint resolution with the customer if it's realistically needed to effectively investigate and resolve the complaint
- Management teams focus efforts on clearing backlogs of overdue complaints, while the dedicated complaints managers to continue focussing on in-date complaints; to make it more likely new complaints coming in are resolved on time and stop a vicious-cycle
- Root-cause analysis to understand why volumes of new complaints remain high, and take preventative actions

3.173 It is imperative that services close all the remaining overdue cases in Q4 so we can start with a clean sheet in 2022/23. If many of the overdue cases are not closed before 31 March 2022 we will not be able to achieve target in the next financial year either.

Website Satisfaction

3.174 This measure continues to be challenging to interpret due for two reasons.

3.175 Firstly, the website received 1760 satisfaction ratings in the first three quarters. This sounds a lot, but as there were 7.9million website page views, it means the feedback sample is very small, around 0.02%. Feedback tends to be skewed towards people with strong opinions and of those 1760 ratings, customers only provided written feedback 28% of the time.

3.176 Secondly, from the written feedback that is received, it's clear that comments (good, bad, or neutral) are made for a variety reasons. A recent analysis found the following:

- 40% related to the website itself
- 35% were about council services themselves or the town in general
- 10% were specifically related to parking fines
- 10% were not possible to understand
- 5% should have been looking for a different council

3.177 Consequently this measure is of really quite broad sentiment, rather than specifically views on the website.

3.178 Nevertheless this is still an important motivator for continuing to develop the council's website. Good working arrangements are in place with the Communications and Marketing team, which enabled 34 News stories to be published in Q3 – around three a week. New template styles have also started to be used to help with publishing more complex pages. For instance, some long pages like Right to Buy have been reformatted using “accordion text”, this quickly shows all the sub-headings on the page, so the reader can easily find the part of interest to them and then click to reveal the detailed information.

3.179 The Council Tax section of the website has been re-written to reduce the number of pages, and make it really simple to find the topic of interest to the customer.

3.180 Other areas that are red or amber status for Quarter 3 that are also being monitored are below:

Human Resources

Apprentices

EoC4a: Percentage of apprentices in post as a percentage of workforce

- December 2021 target 2.5%
- December 2021 actual 1.05% (red)

3.181 During this quarter a number of apprentices have gone on to secure more senior roles within the Council or have completed their qualifications.

3.182 The Learning & Development team is working with service managers to identify new apprenticeship opportunities

Sickness Absence

Pe4a: Sickness Absence Rate for the Current Workforce (FTE)

- December 2021 target 8 days
- December 2021 actual 9.17 days (red)

3.183 Whilst sickness absence levels have increased this quarter compared to previous quarters, sickness does remain below levels seen before the

Coronavirus pandemic (Quarter 3 2019/20 sickness absence was 9.56 days per FTE).

- 3.184 Data, derived from Good Shape services (our absence reporting provider), shows that across all sectors, the nationwide average absence rate in December 2021 was at 5.34% - its highest level since January 2021. The national historical 5-year average [2016-2020] for absence rates during December is 3.72%. The 5.34% from Good Shape is a national average so includes all sectors and all types of role and is therefore a good indicator that absence is high across the board. For percentage comparison purposes, in the second week of January when reporting to the COVID-19 reporting group for Hertfordshire, absence percentages went up to 6.5% with the SBC percentage tracking at 4.35%.
- 3.185 Levels of short term sickness are being impacted by those off with seasonal issues such as coughs and colds, coupled with those off with Covid-19 related sickness absence. Levels of long term sickness have increased during 2021/22, with increased levels of absence for serious health issues such as cancer treatment making up 18% of all long term absence from work. Additionally we have seen an increase in those absent from work due with issues linked to stress, anxiety and depression, this type of absence makes up 27% of all long term sickness absence.
- 3.186 Stevenage Borough Council alongside the other Hertfordshire districts have been successful in bidding for a small pot of COVID-19 recovery funding to support a programme of work designed to support mental health wellbeing and resilience in the workplace.

Finance

Savings

FS1a: Percentage GF approved savings removed from GF budget for current year

- December 2021 target 95%
- December 2021 actual 87% (amber)

FS4: Percentage of HRA savings identified to meet one year target

- December 2021 target 95%
- December 2021 actual 25.45% (red)

- 3.187 87% of General Fund savings are estimated to be delivered, some savings are green and have been delivered and some within the 87% are at amber status because the actual delivery won't be known until year end such as savings on postage and printing.
- 3.188 A number of pressures have arisen for the HRA which have been included in the 2022/23 budget pending the HRA BP review to be reported to the Executive during 2022, this will address the future savings target required and the level of growth the HRA can afford.

Council Tax and Non Domestic Rates

BV10: % of non-domestic rates due for the financial year received by the authority

- December 2021 target 89%
- December 2021 actual 86.6% (amber)

BV9: % council tax collected

- December 2021 target 88%
- December 2021 actual 86.1% (red)

3.189 Council Tax continues to be below what was collected pre-COVID, but the taxbase is higher and negates some of the potential loss. This is borne out by the projected surplus due on the Collection Fund for 2021/22 of which £50K is applicable to Stevenage.

3.190 Business Rates continues to be impacted by COVID reliefs which skew the collection position. This is going to be further affected as a result of the announcement in December regarding the COVID Additional Relief Fund (CARF), through which Stevenage has been allocated a maximum of £2.6Million to allocate to the 2021/22 financial year based on the criteria set out by the government. This will impact on the 4th quarter results as the scheme will be going live in February 2022.

Housing Benefit Claims (Time Taken)

NI181: Time taken (days) to process housing benefit new claims and change events

- December 2021 target 10 days
- December 2021 actual 11.69 days (amber)

3.191 The Benefits Team experienced increased demand in October 2021 which saw a monthly figure of 17.09 days, however subsequent months have been below target (November 6.6 days, December 8.61 days, January 8.02 days) However due to the cumulative nature of the KPI the October result has turned the indicator amber.

Jobs Created through the Business Technology Centre

BTC1a: New jobs created through the BTC (ytd)

- December 2021 target 45
- December 2021 actual 20 (red)

3.192 Due to the nature of this measure having targets which come from a contract which is now in its 3rd year, it may well be difficult to achieve target this year because the adverse impacts of COVID-19 on the economy are not reflected in the original targets that were set.

3.193 The lockdown and the Omicron Variant has had a significant impact on the BTC and those accessing one to one advice and webinars support. However, it is on target in terms of achieving its financial performance targets.

3.194 Occupancy continues to be very strong, even with a regular churn of businesses leaving the centre and new ones taking up space

Next Quarter Focus

3.195 The Assistant Directors are responsible for improving the performance of measures that fall within their Business Units. Performance clinics have also been introduced over the last two quarters to main a strong focus on performance improvement.

3.196 Following a number of assessments, and the new red and amber measures arising at December 2021, the improvement activities outlined below have been identified for ongoing monitoring by the Senior Leadership Team:

- Continuing to implement Housing First plans and other plans within the Housing Options and Homelessness team to assist with numbers in temporary/emergency accommodation (paras 3.75 to 3.96)
- Continuing to implement plans and improve processes for Voids measures (paras 3.97 to 3.114)
- Ensuring that issues with the letting of council garages are recognised and performance is monitored closely. Implementation of plans to improve the process of garages lettings. Implementation of plans to recover from asbestos issues (paras 3.115 to 3.136)
- Implementing improvement plans within the Customer Service Centre (including Complaints and Website) (paras 3.137 to 3.180)

3.197 In addition, the development and implementation of the ICT strategy will continue to be monitored by the IT Shared Service Partnership Board to ensure that services are delivered that meet customer needs and are fit for the future. This will also be informed by the recent review of the strategy that has been undertaken.

3.198 The Senior Leadership Team will also continue to closely monitor the impact of Covid-19 on performance across all service areas during 2021/22. This will help to establish the level of impact and inform where activity and resources need to be allocated.

3.199 The Council's approach to performance management and monitoring allows the organisation to proactively identify issues and challenges and ensure prompt management intervention. The fluid nature of the framework enables the Senior Leadership Team to amend targets to ensure that they continue to reflect revisions to service delivery models where necessary and to support and drive forward additional improvements in services for the benefit of internal and external customers.

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

- 4.1 The information presented in this report is collated from the information provided to monitor delivery of the Future Town, Future Council Programme and corporate performance for the quarter. It aims to give Executive an overview of the achievements the Council has made for the year to date, with a focus on the previous quarter and identifies plans for continued improvements in some areas to ensure the Council is fit for the future.
- 4.2 The Senior Leadership Team and Service Managers have been consulted to determine the appropriate content and to identify the key achievements.

5 IMPLICATIONS

5.1 Financial Implications

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

5.2 Legal Implications

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

5.3 Equalities and Diversity Implications

- 5.3.1 The report outlines performance against key priorities that form the Future Town, Future Council Programme and performance of the Council across key business unit themes. Where necessary, Equality Impact Assessments will be completed for improvement activity identified.

5.4 Risk Implications

- 5.4.1 There are no direct significant risks to the Council in agreeing the recommendation(s). Officers responsible for developing performance improvement plans will need to consider any risk implications from the improvement activity identified.
- 5.4.2 The Council has an embedded approach to risk management that mitigates any adverse effect on delivery of the Council's objectives and internal control processes and also provides good governance assurance.

5.5 Other Corporate implications

- 5.5.1 Improvement activity outlined may impact on the development of future policy or procedure.








APPENDICES

- Appendix One: Compendium of Performance Results
- Appendix Two: Future Town, Future Council Programme Scope/Focus for 2021/22
- Appendix Three: Executive Action Tracker
















































This page is intentionally left blank

Executive Report Appendix One

Key to Performance Status Symbols

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

Customers

Measure Name		Actual - Quarter 4 2020/21 YTD	Actual - Quarter 1 2021/22 YTD	Actual - Quarter 2 2021/22 YTD	Actual - Quarter 3 2021/22 YTD	Target - Quarter 4 2021/22 YTD
CS10: Domestic Abuse per 1,000 population	Community Safety	5.77 	6.07 	6.15 	5.67 	5.70
CS8: Anti-social behaviour per 1,000 population	Community Safety	5.67 	11.00 	10.10 	6.27 	5.00
NI15b: The rate of violence against the person (victim based crime) per 1,000	Community Safety	6.31 	7.62 	18.15 	7.80 	7.00
ECHFL1: Percentage of Homes maintained as decent	Investment	68.76 	73.23 	71.93 	75.82 	66.52
BV66a: Rent collection rate	Managing Homes	97.81 	90.36 	93.58 	97.10 	97.81
BV213: Homelessness preventions	Providing Homes	262.00 	37.00 	99.00 	163.00 	160.00
NI156: Number of households in temporary/emergency accommodation at end qtr	Providing Homes	184.00 	180.00 	210.00 	187.00 	180.00
Void loss: Void loss in year (£)	Repairs & Voids	409,224.00 	148,145.65 	279,964.85 	419,701.87 	319,245.00
Voids Sheltered MW - The time taken to relet major works sheltered voids	Repairs & Voids		99.67 	192.60 	126.33 	70.00
Voids sheltered: The time taken to relet standard sheltered voids	Repairs & Voids	123.60 	161.50 	188.93 	177.63 	70.00
VoidsGN: The time taken to relet standard general needs voids	Repairs & Voids	31.59 	29.00 	38.86 	35.52 	32.00
VoidsGNMW - The time taken to relet major works general needs voids	Repairs & Voids	62.08 	67.46 	68.44 	27.38 	65.00

Page 215

Place	Measure Name	Actual - Quarter 4 2020/21 YTD	Actual - Quarter 1 2021/22 YTD	Actual - Quarter 2 2021/22 YTD	Actual - Quarter 3 2021/22 YTD	Target - Quarter 4 2021/22 (YTD)	
	ELL1a: Percentage of Houses in Multiple Occupation (HMO) that are broadly compliant	Commercial and Licensing	99.70	99.08	99.56	97.72	92.50
	NI184: Food establishments in the area broadly compliant with food hygiene laws	Environmental Health	82.00	95.40	96.60	98.30	95.00
	NI191: Residual household waste per household (kgs)	Environmental Services	535.00	138.00	268.00	400.00	540.00
	NI192: Percentage of household waste sent for reuse, recycling and composting	Environmental Services	36.00	41.00	43.00	39.00	37.00
	CNM2g: Garage Voids as a percentage of stock	Garages	16.01	16.70	17.49	16.32	14.00
	HDD1b (formerly NB1) - New Build Spend v Budget of development activity that is contracted	Housing Development	88.00	101.00	103.52	95.90	85.00
	HDD1d: Number of affordable homes delivered (gross) by the Council (since 2014)	Housing Development	261.00	272.00	278.00	286.00	304.00
	HDD1e: Number of affordable homes delivered by the Council (current quarter)	Housing Development		11.00	6.00	8.00	29.00
	BTC1a: New jobs created through Business Technology Centre	Planning & Regulation	33.00	12.00	16.00	20.00	60.00
	BTC1b: New business start up in Business Technology Centre	Planning & Regulation	25.00	12.00	15.00	19.00	24.00
	NI157a: Percentage of major planning applications determined in 13 weeks	Planning & Regulation	100.0%	100.0%	100.0%	100.0%	60.0%
	NI157b: Percentage of minor planning applications determined within 8 weeks	Planning & Regulation	91.4%	94.7%	94.0%	88.5%	65.0%
	NI157c: Percentage of other planning applications determined within 8 weeks	Planning & Regulation	93.0%	96.3%	94.8%	89.3%	80.0%
	ECH-Rep3: Percentage repairs appointment made & kept	Repairs & Voids	99.79	97.03	97.48	98.18	95.00
	ECH-Rep4: Percentage repairs fixed first time	Repairs & Voids	99.31	99.75	99.91	98.68	87.50
	Rep Cost1: Average responsive repair cost per dwelling	Repairs & Voids	211.16	61.60	130.45	201.19	327.07
	Rep-Time1: Average end to end repairs time (days) - Emergency Repairs	Repairs & Voids	0.24	0.22	0.34	0.65	1.00
	Rep-Time2: Average end to end repairs time (days) - Urgent Repairs	Repairs & Voids	0.47	2.39	2.87	4.76	5.00
	Rep-Time3: Average end to end repairs time (days) - Routine Repairs	Repairs & Voids	0.93	8.61	9.30	9.39	20.00

Page 22 of 100

Measure Name		Actual - Quarter 4 2020/21 YTD	Actual - Quarter 1 2021/22 YTD	Actual - Quarter 2 2021/22 YTD	Actual - Quarter 3 2021/22 YTD	Target - Quarter 4 2021/22 (YTD)
CTOC1: Percentage of customer complaints responded to within deadline	Customer Focus	92.31	69.66	65.37	64.31	95.00
Cust1: Percentage complaints progressing to stage 2 and 3 that are upheld or partially upheld	Customer Focus	26.39	16.00	22.67	17.56	35.00
CSC12: Percentage of calls abandoned in the Customer Service Centre	Customer Service Centre	10.20	35.90	35.10	33.80	15.00
EAA1: Customer satisfaction with CSC customer service	Customer Service Centre	96.00	91.00	91.00	91.00	90.00
WebSat1: Customer satisfaction with Council website	Digital	-0.08	-0.27	-0.26	-0.24	0.20
BV10: Percentage of non-domestic rates due for the financial year received by the authority	Finance & Estates	97.8%	33.6%	58.2%	86.6%	99.0%
BV9: Percentage of council tax collected	Finance & Estates	95.1%	32.9%	59.3%	86.1%	96.8%
FS1a (LACC1): Percentage GF approved savings removed from GF budget for current year	Finance & Estates	67.00	93.00	93.00	87.00	95.00
FS2a (LACC2): Percentage HRA approved savings removed from HRA for current year	Finance & Estates	40.00	97.00	97.00	100.00	95.00
FS3 (Futsav1b): Percentage of GF savings identified to meet one year target	Finance & Estates		38.00	75.06	100.00	100.00
FS4 (Futsav2b): Percentage of HRA savings identified to meet one year target	Finance & Estates		7.00	37.08	25.45	100.00
NI181: Time taken (days) to process housing benefit new claims and change events	Finance & Estates	4.96	12.54	7.78	11.79	10.00
EoC4a: Percentage of apprentices in post as percentage of workforce	Human Resources	3.65	2.29	2.11	1.05	2.50
EoCrec: Time to recruit	Human Resources	36.00	54.00	47.60	40.00	45.00
Pe1: Workforce Stability	Human Resources	85.87	84.80	88.34	87.80	85.00
Pe2: Agency Usage as a percentage of total workforce	Human Resources	7.85	62.00	61.22	49.20	50.00
Pe4a: Sickness Absence Rate for the Current Workforce (FTE)	Human Resources	7.09	6.20	7.03	9.17	8.00

Baseline

Measure Name		Actual - Quarter 4 2020/21 (YTD)	Actual - Quarter 1 2021/22 (YTD)	Actual - Quarter 2 2021/22 (YTD)	Actual - Quarter 3 2021/22 (YTD)	Target - Quarter 4 2021/22 (YTD)
NEW - FT1: % of successful outcomes with flytipping	Community Safety		58.00	45.00	66.00	52.00
NEW - SLL1: SLL overall footfall (ytd)	Culture, Wellbeing & Leisure Services		80,880	157,969	339,658	250,000
NEW - CSC13: % of calls to Customer Services reported as resolved by customers	Customer Service Centre		73	71	71	84
NEW - Dig1: % of digital customer transactions	Digital		15	20	19	24
NEW - CR1: % of commercial rent collected from estates	Finance & Estates		78.00	85.00		80.00
NEW - DH1: % of tenants satisfied with Decent Homes works	Investment		100.00	100.00	100.00	70.00
NEW - MRC1: % of tenants and leaseholders satisfied with MRC works	Investment		73.00	36.50	38.37	70.00
NEW - EA1: Time taken to relet an emergency accommodation unit (6 working days)	Providing Homes		6.80	6.00	9.71	6.00
ECHFL5: Percentage of Repairs service customers satisfied (telephone survey)	Repairs & Voids				85.50	95.00

FTFC Programmes 2021/22

Transforming Our Town Programme

1.1 Programme Aims

- **Create a vibrant town centre where people want to live, work and play**

1.2 Programme Outcomes

- A new vibrant town centre delivered through a phased regeneration programme
- A healthy, sustainable and vibrant town centre for the 21st Century
 - Reflecting on our new Town's heritage
 - Enhancing sustainable transport
 - Transforming the town centre for businesses, residents and visitors
 - Upskilling and providing opportunities
 - Supercharging businesses of our national and international base

1.3 During 2021/22 this programme will focus on:

- SG1 preparation and Phase 1 to start on site, and developing plans for SG1 acceleration.
- Delivery of Queensway North Development.
- Delivery of Town Square and the new North Block.
- Delivery of the Bus Interchange.
- Development of business cases and plans to implement the £37.5m Towns Fund programme for Stevenage.
- A programme of communications and engagement.
- Developing proposals for the regeneration of Marshgate.
- Supporting plans for a thriving life sciences cluster in Stevenage.

More Social and Affordable Homes Programme

1.4 Programme Aims

- **Increase the number of social and affordable homes in Stevenage**

1.5 **Programme Outcomes**

- Increased number of social and affordable houses in Stevenage
- Improved access to the housing market in Stevenage for greater number of residents

1.6 Next year this programme will focus on:

- Delivering 21 new homes at North Road.
- Delivering 29 new homes at Symonds Green.
- Develop a pipeline of new homes to 2025 /2026.
- Continuing to deliver the regeneration of Kenilworth Close - by end of 2021/ 22 we will have completed the Malvern Close element of the site, as well as the first homes at site A4 (bordering Stirling Close). Substantial progress will also be made on blocks A1 (flats and retail) and A2 (independent living scheme).
- Developing options for housing and bringing forward new homes at a number of Council-owned sites (subject to planning).
- Achieving sales of individual units at North Road and Malvern Close.
- Developing proposals to access funding for accelerating affordable housing including engaging with Hertfordshire Growth Board on acceleration options.
- Setting up and operating the Wholly Owned Company (WOC) to provide new homes in Stevenage.

Co-operative Neighbourhoods Programme

1.7 **Programme Aims**

- **Work with our communities to improve our neighbourhoods**

1.8 **Programme Outcomes**

- Clean and green neighbourhoods.
- Residents feel that they can work with the Council and other organisations to help meet the needs of the local area.
- Staff better understand the town's communities and through doing so are more able to deliver the change that is required, including through community plans.
- Public spaces to be seen as community assets – officers to work with the local communities to rejuvenate the spaces in a co-operative and co-productive way. This will encourage their use, make them more attractive, engender ownership and responsibility, and result in them being better cared for by the Council and residents.

- The community centres are efficiently run, well-managed and most importantly, meet local needs.
- Improved quality and safety of the Council's built assets in neighbourhoods including council housing, garages and community buildings.

1.9 During 2021/22 this programme will focus on:

- Embedding the Co-operative Neighbourhood Model as a modern, agile operating model for the delivery of council services in local areas.
- Completing community plans for each of the 6 neighbourhoods, informed by communities drawing from the principles of the Community Engagement Framework and championed by ward members. SBC will seek to work in a co-productive way with local groups, businesses and partner agencies.
- Supporting residents in becoming more active members of their community who make a positive contribution to the town and local area.
- Developing and maintaining a Corporate Community Engagement Plan for the next 18 month period.
- Creating a more streamlined approach to increase and enhance volunteering within the Council.
- Working with the Social Inclusion Partnership to support funding bids contributing to the recovery of VCSE sector.
- Implementing a Community Centre Forward Strategy through the Locality Review Programme and continuing to offer support to Community Associations to aid recovery from the pandemic.
- Delivering the Housing and Garage Major Improvement Programmes and the Locality Review Programme, to improve the quality of council homes, garages and community buildings.
- Developing 'Clean and Green' targeted initiatives and enforcement campaigns in neighbourhoods pro-actively tackling fly-tipping, littering, dog fouling etc.
- Improving recycling facilities and opportunities at neighbourhood recycling banks and flat blocks.

Clean, Green, Safe and Thriving Town

1.10 **Programme Aims**

- **Improve the quality of life of Stevenage residents and enhanced experience for visitors**

1.11 **Programme Outcomes**

- Working to reduce health inequalities and improve the health and wellbeing of Stevenage residents
- Building resilient communities, reducing crime and disorder and helping people feel safe
- Making Stevenage a 'destination creative' town
- Unlocking opportunities for the local economy and our residents, ensuring that future regeneration and growth in Stevenage works for everyone
- Achieving net zero Council emissions by 2030 and leading work to achieve this aim for the town, its businesses and residents
- Establishing Stevenage as a leader in sustainable transport
- Enhancing Stevenage's biodiversity by conserving, restoring, recreating and reconnecting wildlife habitats, whilst increasing awareness and appreciation of Stevenage's wildlife

Community Safety

1.12 During 2021/22 the programme will focus on:

- Embedding and implementing the Community Safety Strategy action plan including:
 - The introduction of the No More Youth Service to help divert young people from becoming involved in crime and ASB
 - Developing the work of the Stevenage Against Domestic Abuse Service to provide safe reporting and support to domestic abuse survivors and victims of modern slavery
 - Working with partners to encourage reporting of crime and address perceptions of crime, and develop new initiatives to tackle emerging community safety issues such as the safety of women and girls.

Culture and Leisure

1.13 During 2021/22 the programme will focus on:

- Undertaking a visioning exercise for the future offer of leisure and culture across the town and using this to inform a Leisure Management Options Appraisal and implement an agreed procurement strategy.
- Developing new museum plans and activity for re-location.
- Developing plans for a new wet/dry leisure facility and replacement for Stevenage Arts and Leisure Centre.
- Delivering an Arts & Heritage programme including the 75th New Town anniversary and the delivery of Creative Use Schemes and arts and heritage trails.

Healthy Stevenage

1.14 During 2021/22 the programme will focus on:

- Launching the Diabetes Prevention Service through the Healthy Hub.
- Further progressing plans for the development of a Young People's Healthy Hub.
- Supporting health partners with the development of integrated care system plans with a particular council focus on supporting activities to reduce health inequalities emerging from Covid-19.
- Further work with sport and physical activity partners to tackle obesity.
- Further driving work with mental health partners to tackle mental ill health and social isolation.

Community Wealth Building

1.15 During 2021/22 the programme will focus on:

- Development of a Social Value Portal for council procurements.
- Supporting a County-wide adoption of a Community Wealth Building approach - including an early county-wide CWB project scope / bid against Hertfordshire Growth Board project funds.
- Sourcing support to grow and develop community and social enterprises.
- Further developing Stevenage Works as a programme to drive employment and training opportunities for local residents and young people, drawing on and adding to the current CITB programme.
- Driving the commitment of anchor institutions to community wealth building in Stevenage.

Climate Change

1.16 During 2021/22 the programme will focus on:

- UK100 Pledge – working towards COP26 Climate Change Summit and pledging to at least one inclusive climate change action (Glasgow, November 2021).
- Implementing the Climate Change Action Plan.
- Hertfordshire Climate Change & Sustainability Partnership (HCCSP) – continued development of partnership, co-produce four key Action Plans for: water, biodiversity, carbon and transport.

- Developing a Communication and Collaboration Plan with our residents, businesses and the LEP. The Plan will be a medium term approach to support our collective goal across the community of Stevenage for zero carbon by 2030.

Sustainable Transport

- 1.17 During 2021/22 the programme will focus on:
- Securing potential funding through HCC's Sustainable Travel Towns programme, subject to review of opportunities and any constraints.
 - Developing the Area Action Plan for the Stevenage Connection Gateway.
 - Continue promoting cycling and walking and seeking funding for infrastructure improvements.
 - Implementing actions resulting from Hertfordshire Climate Change & Sustainability Partnership Transport plan.

Biodiversity

- 1.18 During 2021/22 the programme will focus on:
- Developing additional areas of meadow managed grasslands.
 - Raising awareness of the links between biodiversity loss and climate change and provide a range of opportunities for the residents to support the delivery of the town's Biodiversity action plan.
 - Implementing the Biodiversity Supplementary Planning Document.
 - Actions resulting from Hertfordshire Climate Change & Sustainability Partnership Biodiversity action plan.

Making Your Money Count Programme

1.19 Programme Aims

- **Ensure sufficient resources are available to deliver on the Council's priorities while remaining financially resilient to withstand the impact of COVID and/or recovery phase**

1.20 Programme Outcomes

- To improve the customer journey and experience by enabling customers to engage and communicate with the Council when and how it best suits them including the provision of enhanced digital interventions

- To improve the productivity of the workforce through the introduction of streamlined processes and ways of working
- To retain wealth locally and support local employment through the insourcing of contracts wherever it is deemed viable to do so
- To ensure the Council remains financially resilient in order to continue to deliver its key priorities and operate its services for residents & businesses

1.21 During 2021/22 the programme will be renamed the Making Your Money Count programme and will focus on:

- Ensuring delivery and implementation of the approved 2021/22 savings options and fees.
- Developing and implementing a productivity focused Transformation programme and the associated governance to ensure delivery of the 2022/23 savings and beyond. (Further detail regarding the Transformation programme will be provided in a future report to the Executive.)
- Integrating transformational projects from internal programmes such as Excellent Council Homes, Performing at our Peak, Employee of Choice and Connected to our Customers, to help maximise the use of resources and the benefit for residents.
- Identifying commercial options and insourcing opportunities which will support the Council's financial security.
- Identifying further budget options to ensure the continued viability of the Council, should the impact of COVID or associated factors on the Council's finances be worse than budgeted.

This page is intentionally left blank

EXECUTIVE – ACTION TRACKER

APPENDIX 3

MEETING DATE	REPORT ITEM	RESPONSIBLE OFFICER	ACTIONS	PROGRESS
8 December 2021	Covid-19 update	Corporate Policy and Research Officer (GW)	<ul style="list-style-type: none"> The Corporate Policy & Research Officer undertook to chase up progress on the Mobile Vaccination Unit that was promised for the Bedwell Ward, and that, when dates were agreed, signage advising of the dates/locations be displayed in both the Bedwell and Rockingham Way Neighbourhood Centres; Officers were requested to publish a Briefing Note regarding the Omicron variant on the Council’s website. 	<p>Pop up vaccination clinics are planned for 5th and 12th March 2022. The clinics are to be held at the United Reformed Church. Both of the clinics will be walk in and open to those who are eligible for a 1st, 2nd or booster vaccination. Both digital and non-digital marketing is planned to take place in advance of the clinics being held.</p> <p>Completed.</p>
8 December 2021	Construction of a New Station North Multi-storey Car Park and Cycle Hub as	Assistant Director (Regeneration) (CB)	<ul style="list-style-type: none"> Officers were asked to give consideration to the re-instatement of the Fairlands Valley Showground “Park and Ride” bus service for the 	Completed

	<p>part of a Sustainable Transport Interchange</p>		<p>duration of the construction works on the new MSCP;</p> <ul style="list-style-type: none"> • In view of the ever-changing car parking landscape in the town, Officers were requested to add a new section to the SBC website showing visitors where to park in the Town Centre, which could be regularly updated as changes were brought about through the various stages of the Town Centre Regeneration Programme; • Officers undertook to investigate and report back to Members on the provision of disabled parking spaces on the Station South Car Park whilst construction of the new MSCP was taking place on the Station North Car Park; • Following conclusion of the planning process, officers were asked to 	<p>Underway</p> <p>Underway</p> <p>Completed via Feb Exec report</p>
--	--	--	--	--

			<p>report back to Members to update them on Hertfordshire County Council's comments with regard to any highway impacts of the proposed development;</p> <ul style="list-style-type: none"> The Assistant Director (Regeneration) was asked to give provide an overview of the project to the next meeting of the Overview & Scrutiny Committee. 	Completed
8 December 2021	Corporate Performance – Quarter 2 2021/22	<p>Assistant Director (Housing Development) (AA)</p> <p>Assistant Director (Stevenage Direct Services) (SD)</p>	<ul style="list-style-type: none"> Paragraph 3.28 – Dunn Close garage conversion scheme: Officers were asked to ensure that, for enhanced security, the temporary lighting around the hoardings bounding this site was adjusted to be at a higher level than the existing; Paragraph 3.35 – Garage Improvement Programme: Officers were requested to publish details of the 	<p>The lighting was adjusted in December and this action is complete.</p> <p>Completed. Garage compounds within the programme for Jan and July 2022 has been published on the council's website.</p>

		<p>Assistant Director (Communities and Neighbourhoods) (RG)</p>	<p>Programme on the Council's website;</p> <ul style="list-style-type: none"> • Paragraphs 3.44 & 3.45 – Healthy Stevenage: the Portfolio Holder for Housing, Health & Older People agreed to ensure that officers included updates from the Equalities Commission to the Healthy Stevenage Partnership on the health inequalities in minority communities; 	<p>Updates are planned for future Healthy Stevenage Partnership meetings.</p>
		<p>Assistant Director (Communities and Neighbourhoods) (RG)</p>	<ul style="list-style-type: none"> • Paragraph 3.50 – Arts Projects: Officers were reminded to ensure that engagement with Ward Councillors took place regarding local arts projects in their areas; 	<p>Completed. Relevant officers have been advised.</p>
8 December 2021	Making Your Money Count Options 2022/23	Strategic Director (CF)	<ul style="list-style-type: none"> • In respect of Paragraph 4.8.11 of the report, the Leader requested that officers endeavour to ensure that the proposed increases in fees and charges commence from 	

			<p>January 2022 rather than February 2022.</p> <ul style="list-style-type: none"> In response to a Member's question, officers undertook to check details concerning the existing and proposed tariffs relating to the Primett Road Car Park. 	
19 January 2022	Covid-19 update	Senior EH & Licensing Manager (MC)	<ul style="list-style-type: none"> New Nightingale Ward at Lister Hospital – the Senior Environmental & Licensing Manager agreed to raise at the next meeting of the Hertfordshire Health Protection Board the issue of whether this building would be remain in situ at the hospital for other uses once the Covid-19 pandemic had subsided; Hospitalised Covid-19 cases – the Senior Environmental & Licensing Manager agreed to raise a request for the latest 	<p>Confirmation received from the Director of Operations, East and North Hertfordshire Clinical Commissioning Group that the facility was required to remain on standby for the time being in order to enable response to a surge in covid-related admissions anywhere in the NHS Eastern Region.</p> <p>Verified local data relating to local trust facilities is not currently available but national data has been provided by the Corporate Policy and Research Officer.</p>

			<p>figures regarding the numbers of those hospitalised who were unvaccinated at the next meeting of the Hertfordshire Health Protection Board;</p> <ul style="list-style-type: none"> • Pop-up vaccination centre in Bedwell Ward – Officers were requested to continue to pursue the need for this facility, and that it should be provided on both weekdays and weekends with Public Health colleagues. 	<p>Pop up vaccination clinics are to be held in the Bedwell Ward on 5th and 12th March.</p>
19 January 2022	Future Town Future Transport Strategy – 12 month review	Assistant Director (Planning & Regulation) (ZA-J)	<ul style="list-style-type: none"> • the Assistant Director (Planning & Regulation) was requested to endeavour to arrange for meetings to take place with appropriate disability groups in order to consult them and seek their ideas on how to overcome practical difficulties experienced by them in transport-related matters; 	Underway

			<ul style="list-style-type: none"> the Assistant Director (Planning & Regulation) undertook to highlight the issue of e-scooters as part of the Sustainable Travel Town initiative, with a view to urging the Government to introduce greater regulation of these vehicles, in order that they can be safely used on Stevenage's extensive cycleway network; the Assistant Director (Planning & Regulation) was requested to ensure that disabled access issues were fully taken into consideration as part of the planning process, in order to avoid the need for the retrofitting of disabled facilities after the completion of projects. 	<p>Taken back to the STT working group</p> <p>Underway</p>
9 February 2022	Covid-19 update	Strategic Director (RP)	<ul style="list-style-type: none"> officers were asked to ensure that, as well as digital, non-digital forms 	Both digital and non-digital communications are being planned in conjunction with the Herts Community

			<p>of communication be used (such as posters displayed at the Bedwell and Monkswood Shopping Parades) to advertise the pop-up vaccination clinics to be held in the Bedwell Ward in early March;</p> <ul style="list-style-type: none"> the Strategic Director (RP) agreed to request information from the Lister Hospital to confirm their position in relation to the backlog for elective surgery, along with any associated proposals for tackling the matter; if statistics became available at national level regarding the 39% of those hospitalised who had received a first, second and/or booster vaccination, then officers would report this information to Members. 	<p>Health Trust for the two pop vaccination clinics that will be held in March 2022.</p> <p>Request has been submitted.</p> <p>Noted and officers will disseminate to Members any further information that is made available.</p>
9 February 2022	Railway Station Multi-Story Car Park	Assistant Director (Regeneration)	<ul style="list-style-type: none"> In reply to a Member's question, the Assistant Director (Regeneration) 	Completed

	<p>– Business Case</p>		<p>stated that the discussions with Network Rail regarding the project had not thus far included the possibility of passengers using nearby stations for their rail journeys whilst the MSCP construction work was taking place. Although the existing parking capacity at nearby stations was limited, he agreed to raise this matter with Network Rail;</p> <ul style="list-style-type: none"> • The Chair asked that officers arrange for a leafletting campaign to take place at the Railway Station in the run up to the start of the MSCP construction contract to advise passengers of the reduced car parking at the station for the duration of the contract and their options for parking in the other town centre car parks or travelling to the station 	<p>Underway</p>
--	------------------------	--	--	-----------------

			by other means.	
9 February 2022	Stevenage Design Guidance Supplementary Planning Document 2021: Public Consultation Feedback	Assistant Director (Planning & Regulation)	<ul style="list-style-type: none"> the Assistant Director (Planning & Regulation) was requested to provide details in the next report on the SPD in respect of the refining of the design guidance for non-residential development; officers were requested to consider what action could be taken to direct telecommunications companies away from siting their apparatus in green leisure/community spaces, and instead locating them in more appropriate areas; officers were asked to include Liquid Amber trees in the list of tree species that should be considered set out in the "Movement" section of the SPD; officers agreed to engage further as part 	<p>Underway</p> <p>Underway</p> <p>Underway</p> <p>Underway</p>

			of the next consultation phase in respect of the most appropriate signage to be used in the Borough's Conservation Areas.	
9 February 2022	Filming Opportunities in Stevenage	Strategic Director (TP)	<ul style="list-style-type: none"> The Chair requested the Strategic Director (TP) to liaise with Hertfordshire County Council colleagues to ascertain details of the process and cost for the fast-tracking of road closures in association with filming productions. 	Officers have made contact with Hertsmere to understand the processes they use and are seeking further information from HCC.
9 February 2022	Capital Strategy 2021/22 – 2025/26	Strategic Director (CF)	<ul style="list-style-type: none"> A Member requested that consideration should be given in the future to the use of funding for a more regular upgrading and maintenance programme for the Borough's Shopping Parades. 	

This page is intentionally left blank

Part I – Release to Press



Meeting Executive
Portfolio Area Resources
Date 16 March 2022



APPROVAL OF THE DISCRETIONARY 'ENERGY REBATE' SCHEME

KEY DECISION

1 PURPOSE

- 1.1 On 3 February 2022 the Government announced a package of support known as the **Energy Bills Rebate** to help households with rising energy bills. This included a £150 non-repayable rebate for households in England in council tax bands A – D*, known as the Council Tax Rebate (the Main Scheme), and also discretionary funding for billing authorities to support households who are in need but are not eligible for the Council Tax Rebate (the Discretionary Scheme). The Discretionary Scheme details were published on 23 February 2022.

A-D. This includes property that is valued in band E but which has an alternative valuation band of band D, as a result of the disabled band reduction scheme*

- 1.2 As a consequence of the Discretionary Scheme details only being received from the Government on 23 February 2022, this item was not given the requisite 28 days' notice for a Key Decision, as required by the Council's Constitution. The decision is required urgently to enable the scheme to commence from 1 April 2022. The Chair of the Overview and Scrutiny Committee has been consulted as to why the decision is urgent and cannot

reasonably be deferred, and under the provisions of the Constitution, has given her agreement that the decision may be taken under such circumstances.

- 1.3 Stevenage has been allocated £161,500 for the Discretionary Scheme. This is a cash limited allocated which will not be topped up, and unspent funds must be returned to the Government at the end of the scheme in November 2022.
- 1.4 The criteria are for local authorities to determine but awards should not be made to a household that has received an award under the Main scheme.
- 1.5 The Guidance states:
 - Councils can determine locally how best to make use of this funding to provide payments to other households who are energy bill payers but not covered by the Council Tax Rebate.
 - This could include households living in property valued in bands E – H that are on income related benefits or those where the energy bills payers are not liable for council tax.
 - Occupants of class M (student halls) are unlikely to be eligible for discretionary support, unless they are exposed to rising energy prices in a similar way to other households.
 - Discretionary support should not be offered to occupants of property in exemption class O, where the Ministry of Defence will provide cost of living support.
- 1.6 Unlike the Main Scheme for eligible residents of properties in band A-D who will receive £150.00 based on occupancy on the 1 April 2022. The Discretionary Scheme can be more flexible in respect of the date and an amount ‘up to’ £150.00 per household can be awarded.
- 1.7 Applications must be submitted by the liable person and prepayment checks in line with the requirements of the main scheme are to be carried out on all applications.

2. RECOMMENDATIONS

- 2.1 That the proposed scheme detailed below (4.1) be approved.
- 2.2 That delegated authority be given to the s151 officer in conjunction with the portfolio holder to make revisions to the scheme criteria as specified in section H of the proposed scheme.

3 BACKGROUND

- 3.1 The funding allocated would permit 1076 grants of £150.00, or more if the grants were smaller (i.e. 1615 cases @£100).
- 3.2 We currently have 4580 properties in bands E –H, but we do not know how many households in the borough are not individually liable for Council Tax, for

example living in multiple occupation dwellings, or other arrangements.

- 3.3 The proposed approach therefore aims to address the ‘unknowns’ and target the limited funds to the most vulnerable in the Borough.

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

- 4.1 The table below shows the proposed scheme:

A	An application window is open for at least one month: No grant will be paid unless an application is completed and verification checks cleared.
B	Residents liable for properties in band E –H (a chargeable dwelling) and in receipt of Council Tax reduction scheme (CTS) Housing Benefit or Universal credit on 1.4.2022 are eligible to apply.
C	Households who have a liability for rent on 1.4.2022, but not Council Tax, and are also liable for energy bills, and in receipt of universal credit or Housing Benefit are eligible to apply.
D	Only one grant, main or discretionary will be paid to a household
E	The household must occupy the property as their main residence and be liable for rent or council tax on 1.4.2022. (Backdated liability rules apply as for the main scheme*)
G	Consistent with the main scheme, no award will be made to a local authority, a corporate body or other body such as a housing association, the government or governmental body.
H	If funds remain available after the initial application period is completed, a further scheme will be launched, inviting customers not previously awarded a grant. Any revisions to the criteria to be approved by the S151 officer in conjunction with the portfolio holder.

Backdated liability*

- Eligibility should be determined based on the position at the end of the day on 1 April 2022. Where a council has reason to believe that the information they hold about the valuation list, liable taxpayer(s) or residents’ circumstances in respect of 1 April 2022 is inaccurate, they should withhold the payment and take reasonable steps to determine the correct information.
- Where records relating to the liable taxpayer(s) or residents’ circumstances in respect of 1 April 2022 are retrospectively updated, councils should take reasonable steps to pay or clawback payments.

- Where the property band recorded on a valuation list is amended retrospectively to 1 April 2022, for example as a result of a successful appeal made to the Valuation Office Agency ('VOA') that concluded after this date, councils are not required to pay or clawback payments. The exception is where a property is a new build and awaiting an official banding from the VOA. In these cases, eligibility should be determined based on the official band subsequently allocated by the VOA, where this has an effective date before or on 1 April 2022.
- Where a review, proposal or appeal pre-dating the announcement on 3 February 2022 is successful after 1 April 2022 and as a result, a property would have been eligible for the rebate, councils may wish to provide support using their Discretionary Fund.
- Where a review, proposal or appeal was made after the announcement, a decision will not be made by the VOA before 1 April and therefore taxpayers will not be eligible for the Council Tax Rebate.

5 IMPLICATIONS

5.1 Financial Implications

5.1.1 The scheme is funded by the government.

5.1.2 The scheme is designed to use all, but not exceed the available funding.

5.2 Legal Implications

5.2.1 The scheme is discretionary but guidance on core qualifying criteria has been specified by the Government as detailed in the report.

5.3 Risk Implications

5.3.1 Whilst the scheme cannot be appealed against as it is discretionary, a judicial review can be requested if the process agreed is not applied correctly.

5.4 Equalities Impact Implications

5.4.1 The scheme has to be within the guidance set out by the government. The scheme is targeted at those in receipt of Council Tax Support or other benefits. There are no wider specific equality implications for those with protected characteristics within the meaning of the Equality Act 2010.

6. BACKGROUND DOCUMENTS

<https://www.gov.uk/government/publications/the-council-tax-rebate-2022-23-billing-authority-guidance>

Meeting: EXECUTIVE

Agenda Item:

Portfolio Area: Resources



Date: 16 March 2022

3RD QUARTER REVENUE MONITORING REPORT – GENERAL FUND AND HRA

KEY DECISION

Author – Tim Greenwood/Keith Reynoldson Ext. 2403/2943
Contributor – Clare Fletcher, Finance team and budget Managers
Lead Officers – Clare Fletcher Ext. 2933
Contact Officer – Clare Fletcher Ext.2933

1. PURPOSE

- 1.1 To update Members on the projected General Fund and Housing Revenue Account (HRA) 2021/22 net expenditure and seek approval to amend the General Fund and HRA budgets as part of the quarterly revenue review.
- 1.2 To update Members on the reserves and balances available to support revenue expenditure and seek approval for revisions to the allocated reserves.

2. RECOMMENDATIONS

General Fund

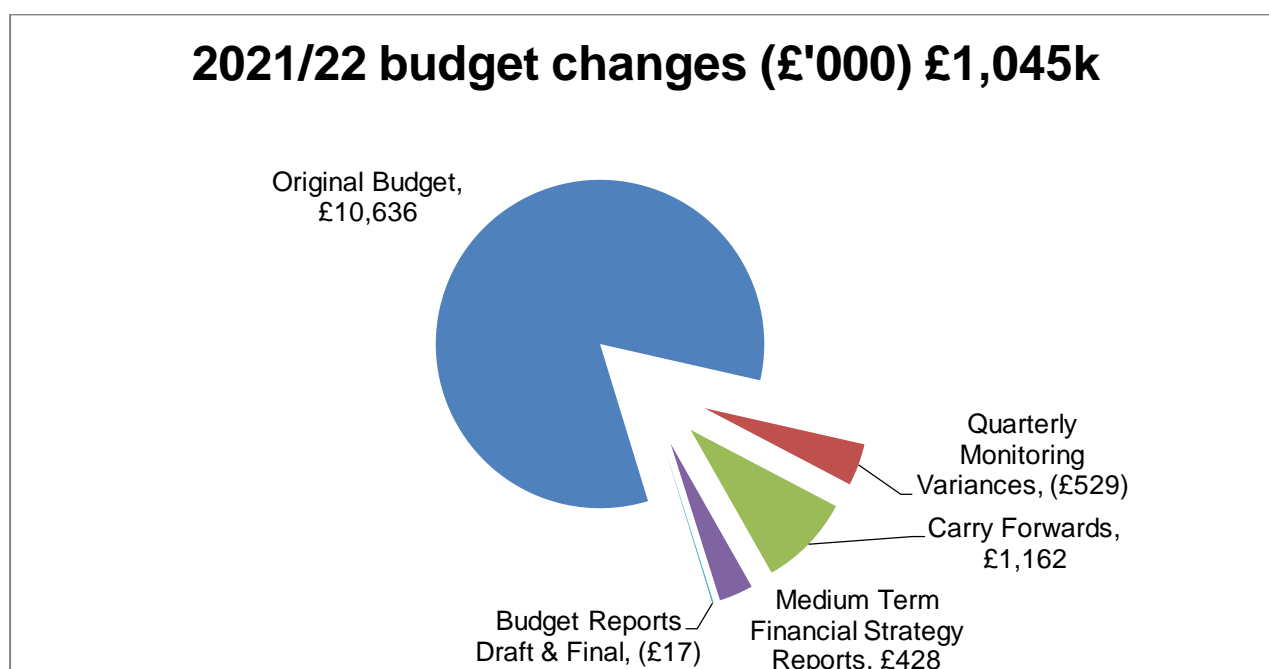
- 2.1 That Members approve the 2021/22 3rd quarter projected net decrease in General Fund expenditure of £14,680.
- 2.2 That Members note the cumulative changes made to the General Fund net budget remains within the £400,000 increase variation limit delegated to the Executive, as set out in paragraph 4.1.21.
- 2.3 That Members approve the changes to the 2022/23 General Fund budget of £80,000 reduction in spend as set out in paragraph 4.2.24.

Housing Revenue Account

- 2.4 That the 2021/22 3rd quarter projected net saving in the HRA budget of £391,960 be approved.
- 2.5 That the carry forward request of £325,000 for decant costs on redevelopment schemes be approved.

3. BACKGROUND - GENERAL FUND

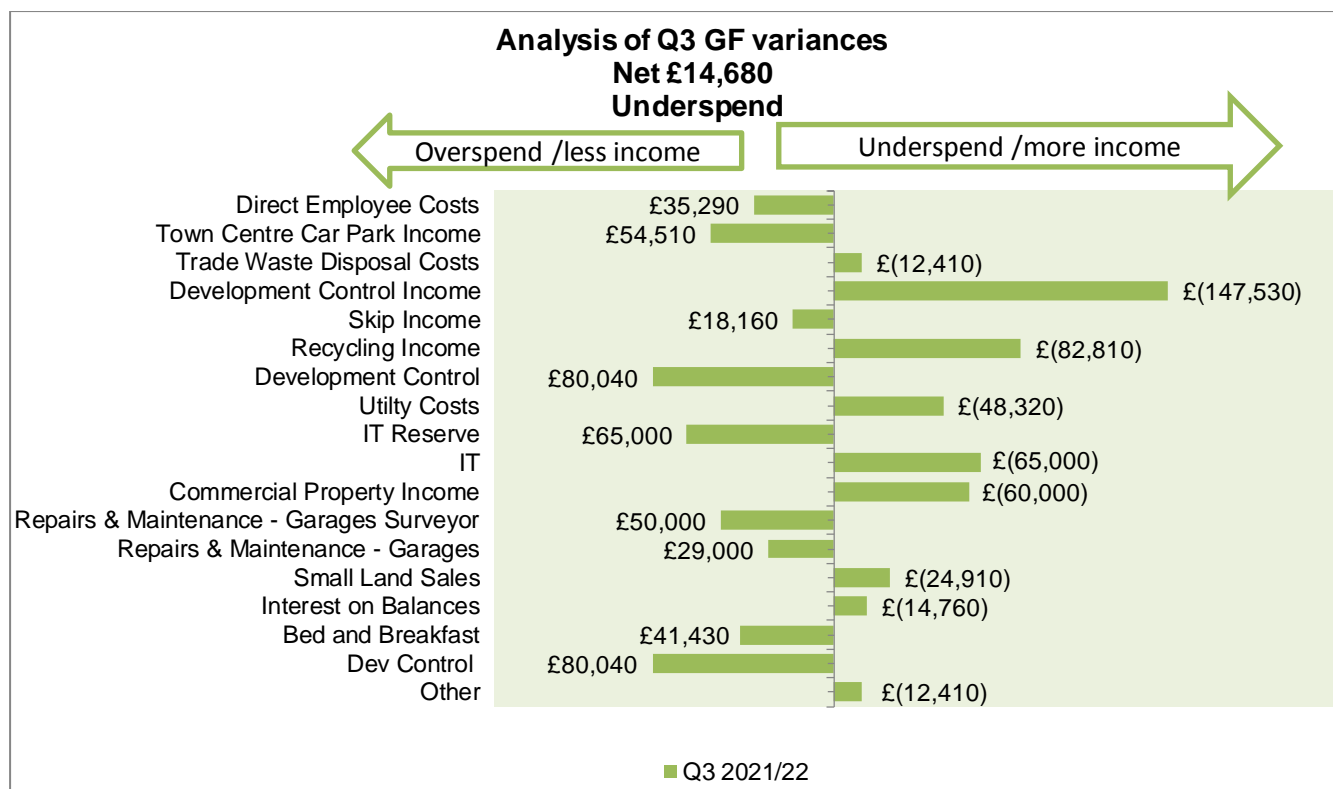
- 3.1. Since the General Fund net budget of £10,635,570 was approved at Council, Members have approved net budget changes of £1,044,940 as detailed in the chart below:



4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1 General Fund – Budget Review

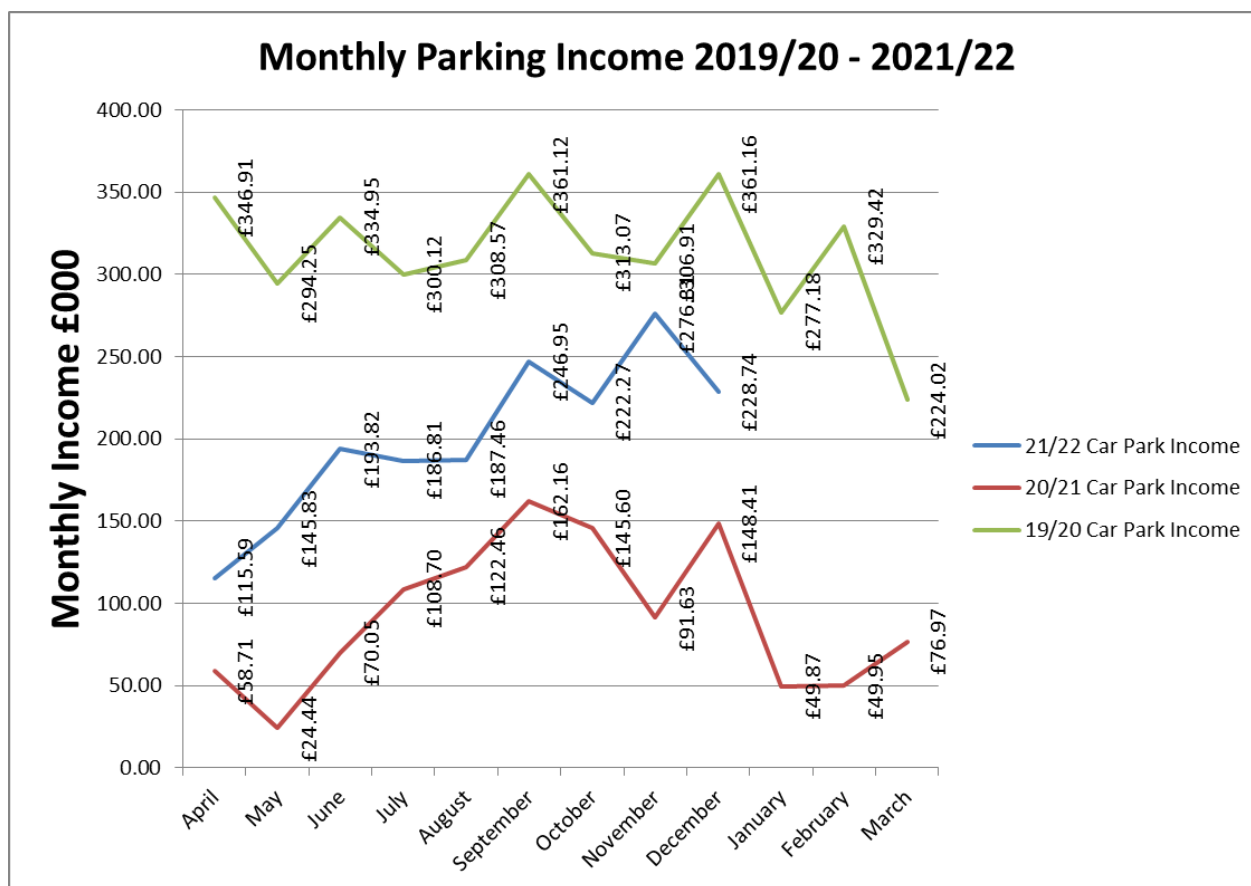
- 4.1.1 Following the 3rd quarter review of revenue budgets officers have identified the following budget movements.



(-) lower expenditure / more income

4.1.2 Direct Employee Expenses – pressure £35,290. Stevenage Direct Services business unit, additional agency staff required due to an increase in the levels of sickness experienced by the cleansing service unit.

4.1.3 Town Centre Parking Income– in year pressure £54,510. Parking income has been significantly impacted by COVID, in 2020/21 there were losses of £2.8Million compared to the original budget. As part of the 2021/22 budget setting process it was anticipated that there would be further losses of £1.5Million budget setting with a further £200K quarter 1 monitoring). During the period September to December there was an projected improvement in parking income reversing the £200K additional loss. But further COVID restrictions (Plan B) have had an adverse impact on that and a further increases in losses of £54K is now projected. Members should note the 2022/23 budget does assume a reduction in pre-COVID parking income of £694K of losses, anticipating that changes made to working patterns and parking behaviour will continue into 2022/23.



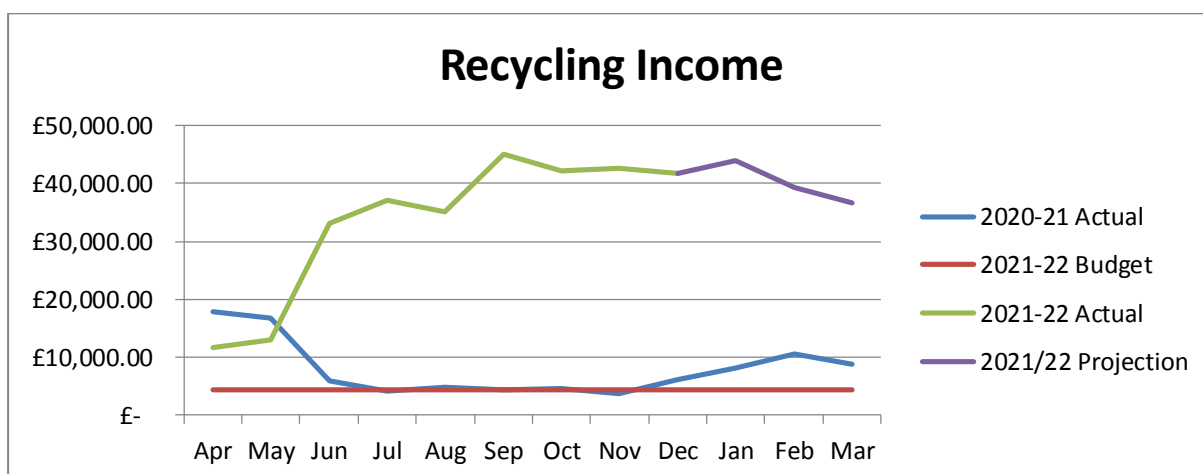
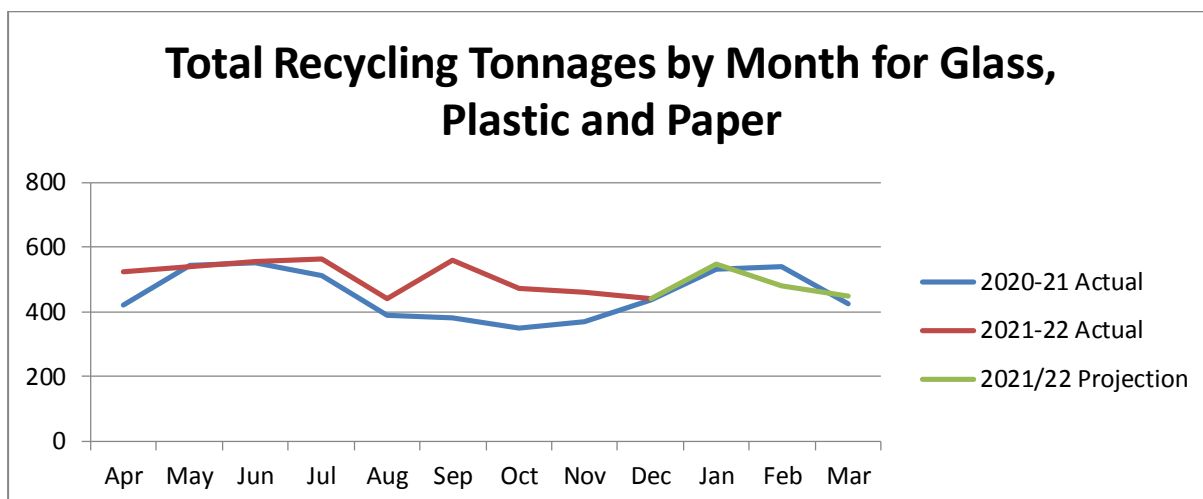
- 4.1.3 **Trade Disposal Costs – in year saving of £12,410.** Disposal costs have reduced for trade waste, mainly due to the reduced use of the skip service. This reduction has helped offset the reduced income from skips.
- 4.1.5 **Development Control Income – in year increased income £147,530.** As part of the quarter 2 monitor a 17% increase in income was reported. A further increase is now anticipated following pre-application advice; this represents a further 31% increase in income.
- 4.1.6 **Skip Service – pressure £18,160.** Following on from the reduced income reported in quarter 2 of £60,060. Pressures for HGV drivers resulted in a three week closure of the service over the Christmas and New Year period. The level of income assumed going forward needs to be reviewed and if lower will offset any on-going gains identified for trade waste and recycling income.
- 4.1.7 **Recycling Income – saving £82,810.** Included in the 2021/22 budget was a pressure of £120,000 as the market price had dropped for recycling plastics. At the time income for recyclates dropped from £140 per tonne to just £10 - £20 per tonne with the added haulage costs.

In 2021/22 tonnage has been higher, possibly as more people have worked at home, together with resale improving. This improving picture has seen

- 1st quarter a £193,740 increased income reported

- 2nd quarter £64,810 increased income reported
- 3rd quarter a further £82,810 projected now.

There has been significant recycle price volatility and it is difficult to accurately predict levels of income and if tonnages will remain higher than pre-pandemic years. An assessment of 2022/23 income has been completed and in addition to the increase already reported to the base budget of £203,740 a further £110,000 is recommended but with a corresponding increase of £50,000 to the income equalisation reserve. This is to protect the General Fund against volatility in pricing and tonnage in the recycling market.



4.1.8 Development Control – pressure £80,040. At the 2nd quarter a pressure of **£43,360** was reported. **There is a further in year financial pressure as a result** of a planning proposal challenge (judicial review) and drainage advice both of which are the Council’s responsibility to fund. The ability to reclaim some of these costs is currently being investigated.

4.1.9 Repairs and Maintenance Garages – pressure £29,000. Backlog of works required to bring garages back into a condition where they can be re-let and asbestos removal. For more details see corporate performance report.

- 4.1.10 **Garage Surveyor – pressure £50,000.** The backlog of repairs to garages mentioned above is having a detrimental effect on the income stream from garage rentals. In order to speed up the repair and re-let of void garages a temporary surveyor is recommended, some of the budget will need to be carried forward into 2022/23.
- 4.1.11 In addition to this additional garage staffing resource of £30,000 is recommended for 2022/23 to help speed up garage lettings and deal with the backlog of voids as they come back on stream. This post will be funded by an equivalent increase in garage income.
- 4.1.12 **Utilities – in year saving £48,320.** The savings relate to electricity, £44,430 and Gas £3,890. Electricity is mainly at the larger half hourly metered sites (e.g. Daneshill House, MSCP, and Indoor Mkt). The usage at these sites is lower and estimated to be due to the pandemic and different ways of working. The gas saving is due to change of supplier and the contracted unit cost being lower than originally projected. However with the current Ukrainian crisis, this is likely to lead to much higher prices in 2022/23 and the budgets will be closely monitored.
- 4.1.13 **IT – in year saving £65,000.** A review of IT budgets in year has highlighted savings which were held to fund Microsoft licences. However it is likely the ICT funding maybe required for the outcomes for the SOCITIM review on the ICT service and it is recommended that the underspend is ringfenced for this purpose in an ICT reserve.
- 4.1.14 **Commercial Property – increased income £60,000.** Income from shops, workshops etc. is expected to exceed budget, some of this increase is one off for back dated rent increases but some is ongoing and £20,000 has been already included in the 2022/23 base budget.
- 4.1.15 **Small Land sales – increased income £24,910.** The number and value of sales of adhoc land is higher than the budget of £100,870 included in the 2021/22 budget.
- 4.1.16 **Interest on balances – increased income £14,760.** Following the increase to the Bank of England base rate it is projected that the General Fund interest earned will be £14K higher than the budget
- 4.1.17 **Bed and Breakfast – pressure £41,430.** Since the pandemic, homelessness presentations and the need to use bed and breakfast accommodation has increased dramatically. The original budget included £80,000 for additional B&B costs and this has subsequently been increased by £104,300.
- The quarter 2 projection showed an increased budget pressure of £62,870,
 - At quarter 3 there is an addition pressure projected of £41,430.

It should be noted that these projections are dependent on an assumed recovery of housing benefits and that the spend is demand led, making it difficult to predict. The area will continue to be monitored and management

action will be focussed on maximising in-house resources and reducing the use of B&B where possible.

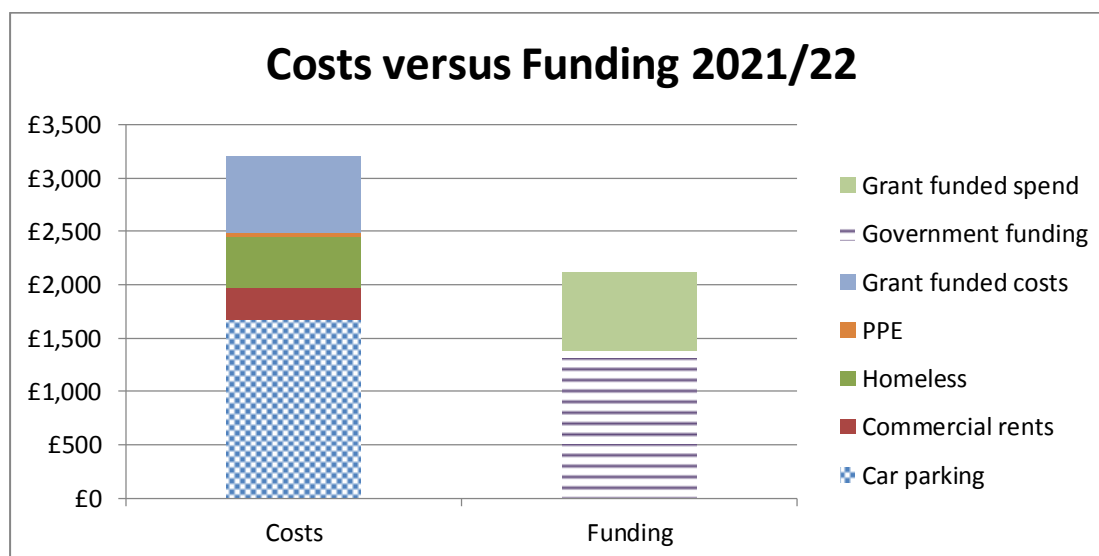
4.1.18 **Other – savings £12,410.** There are small net savings across General Fund Services totalling just over £12K and as such not listed separately.

4.1.19 **Grants** – grants relating to 2021/22 have been received by the council to cover new burdens or extra expenditure incurred and as such will have no impact on the general variance. The grants are:

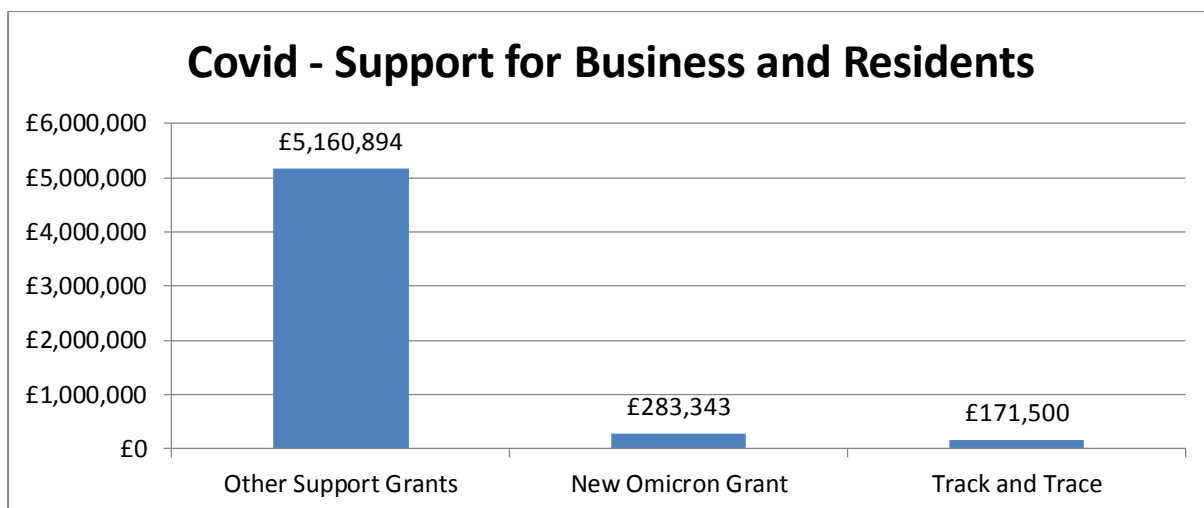
- Biodiversity Net Gain £10,047 - to prepare authorities with planning oversight for mandatory Biodiversity Net Gain 2021/22
- Cyber Security £150,000 – to improve resilience against cyber attacks 2021/22

In addition the Council has been notified of £34,000 for new burdens for the Domestic Abuse Act 2021. This grant will supplement existing budgets that SBC has already in place and the Manager of the service has projected a need for £14K additional spend mean £20,000 of the original budget can be returned to balances.

4.1.20 **COVID.** Total net COVID losses for 2020/21 were projected as £2.48million. The net projected costs for 2021/22 are estimated to be £1.09million as illustrated in the chart below.



4.1.21 The council has continued to distribute support grants to business and residents in 2021/22 including Omicron related grants. The total grants paid to date total £22.9m and the 2021/22 grants are shown below.



4.2.22 There are also some Council Tax Hardship scheme funds to be distributed. In addition in 2022/23 £150 energy rebates will be given to properties. The scheme applies to Council homes band A-D (plus those in band E which are reduced to a band D because of a disability criteria). It will not apply to second homes or empty properties. For those who pay by direct debit (DD) the rebate can be paid direct into their bank accounts after verification. For those not on DD they will have to apply and provide bank details or choose to have the money put on to their council Tax account. The Council have signed up with a company to help with the data and verification of ID and bank details etc as required by the guidance. For note there are 33,344 properties in band A-D and 31 in band E with the disabled reduction, of these only 20,000 pay by DD, leaving 13,000 households needing to apply. There is a further report on this Executive agenda to approve the associated discretionary scheme.

4.1.23 The cumulative changes made to the 2021/22 General Fund net budget remains within the £400,000 increase variation limit delegated to the Executive. The total value of changes is (£545,840).

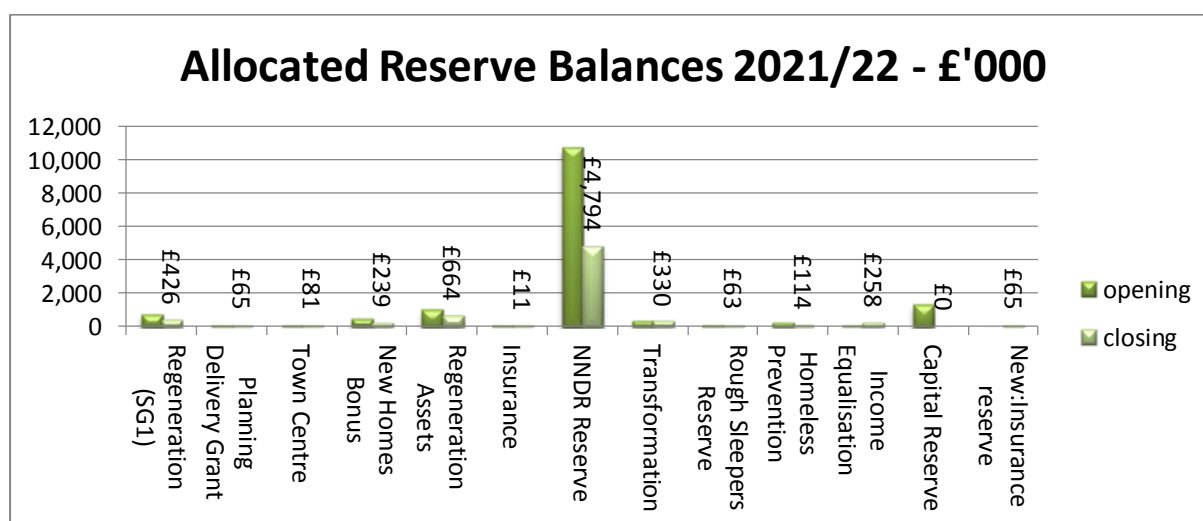
Executive Delegation - General Fund	£
Original Net General Fund Budget	10,635,570
Q4 Carry Forwards	1,162,400
Reserves and RCCO	428,380
Total	12,226,350
Quarterly monitoring (1&2)	(528,570)
Budget Reports	(17,270)
Within Executive Delegated Limit	(545,840)

4.1.24 The changes in this report relating to 2022/23 budget total a reduction in spend of £80,000, which is summarised in the table below. Members should also note this reduction in General Fund spending may not be on-going beyond 2022/23.

2022/23 General Fund Budget	£	£
Original Budget		11,151,760
Increase in recycling income	(110,000)	
Increase in income equalisation fund	50,000	
Domestic abuse funding	(34,000)	
Additional domestic abuse budget	14,000	
Additional garage staff	30,000	
Additional garage income	(30,000)	(80,000)
Working Budget 2022/23		11,071,760

4.2 Review of General Fund Balances

4.2.1 **Allocated Reserves** – these balances are ‘ring fenced’ and have been set aside for specific purposes. The estimated total value of (revenue) allocated reserves as at 31 March 2022 is **£7,108,771**, (31 March 2021, £15,192,788). Reserve balances are projected to decrease by £8,084,017 during this year, the majority of this reduction relates to NNDR repayments to the Collection Fund (£5,282,497), regeneration and new build projects.



4.2.2 **General Fund Balance** – Following the 2nd quarter review and MTFS to the September Executive the General Fund balance as at the 31 March 2022 is now forecast to be **£4,956,639**.

General Fund Balances	£
Original Net General Fund Budget	£10,635,570
Approved budget changes	£1,044,940
Net Working budget approved to Date	£11,680,510
3rd Quarter review	(£14,680)
Total Net Expenditure post Q2 review	£11,665,830

less core resources	(£10,221,600)
Transfer (to)/from General Fund balances	£1,444,230
General Fund balance 31/3/21	(£6,400,869)
Transfer (to)/from General Fund balances	£1,444,230
Projected General Fund balance 31/3/22	(£4,956,639)
Allocated Revenue Reserves –NNDR Collection Fund reserve	(£3,776,866)
Other Allocated Revenue Reserves	(£3,331,905)
Total General Fund Revenue balances 31/3/22	(£12,065,410)

- 4.2.3 The General Fund balance as at 31 March 2023 was estimated to be £3,886,329 in the 2022/23 General Fund budget report to the February Council meeting. The revised projection is now £3,981,009 which is £519,971 above the General Fund risk assessment of balances for that year.

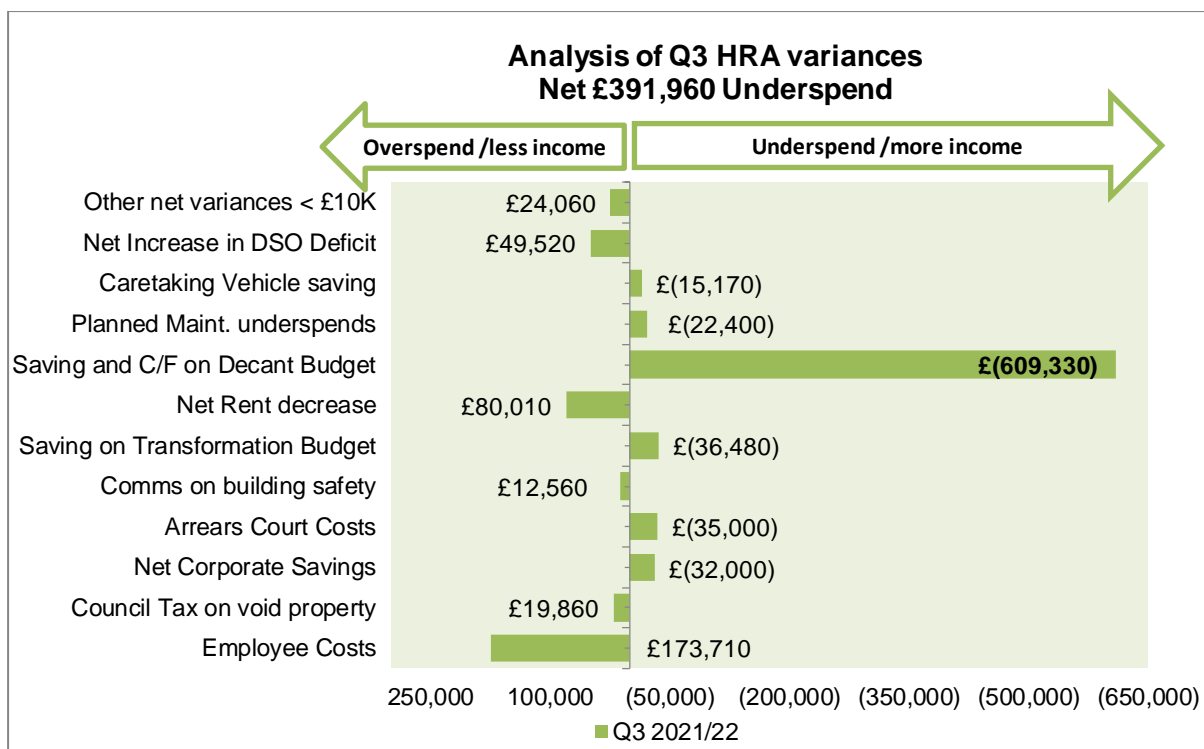
4.3 Housing Revenue Account

- 4.3.1 Since the Housing Revenue Account (HRA) net budget surplus of £2,719,960 was approved at Council, Members have further approved net costs of £1,443,450, as detailed in the following table.

HRA Working Budget	£
Original Budget 2021/22	(2,719,960)
20/21 Q3 Carry Forwards	834,380
20/21 Q4 Carry Forwards	377,110
21/22 Q2 Pressure	231,960
Approved Movement	1,443,450
Total Working Budget	(1,276,510)

4.4 Housing Revenue Account - Budget Review

- 4.4.1 Following the 3rd quarter review of revenue budgets officers have identified the following budget movements.



- 4.4.2 **DSO Deficit transfer to the HRA £49,520.** The projected net cost of responsive and void repairs charged to the HRA from the Direct Service Organisation (DSO) has been increased for 3rd quarter. A more detailed explanation of the increase is included at 4.5 below.
- 4.4.3 **Council Tax on Void Properties £19,860.** In line with the increased void property levels, experienced through the pandemic, council tax costs have increased.
- 4.4.4 **Net Corporate Savings (£32,000).** This represents the HRA's share of corporate savings included in this report in section 4.2 of this report.
- 4.4.5 **Court Costs on Arrears Management (£35,000).** Due to the moratorium on court action for rent arrears during the pandemic there has been less activity in this area this year. This may lead to a build-up of cases in the next financial and the situation continues to be monitored closely.
- 4.4.6 **Communications Building Safety £12,560.** Additional costs have been incurred on communication on building safety issues in this year. In particular, this relates to the waking watch and remedial works carried out in the Council's high rise stock during the year. These works are scheduled to be completed by the end of this year and this is anticipated to be a one off cost.
- 4.4.7 **Saving on Transformation Budget (£36,480).** After reviewing current spend there is an anticipated saving of £36K for the current financial year.
- 4.4.8 **Net Rent Decrease £80,010.** At Q2 expected rent income was reduced by £284K and this was due to a combination of Covid related delays in new delivery and problems experienced on void turn around during the pandemic. The Q2 projection anticipated an improvement in void performance in the

second half of the year to limit the budget pressure. Void performance has improved since the Q2 position was made, but unfortunately not to the levels included in the projection. Therefore a further £80,010 pressure has been projected for Q3.

4.4.9 Carry Forward of Decant Budgets (£609,330). This budget was put in place to support the Council’s redevelopment schemes and meet any potential decant costs arising from them. Due to current timescales and the latest assessment of likely costs, there is a request to carry forward £325,000 of this budget to next year and the remainder is not anticipated for current schemes. Any request for decant costs on future schemes will be brought forward separately.

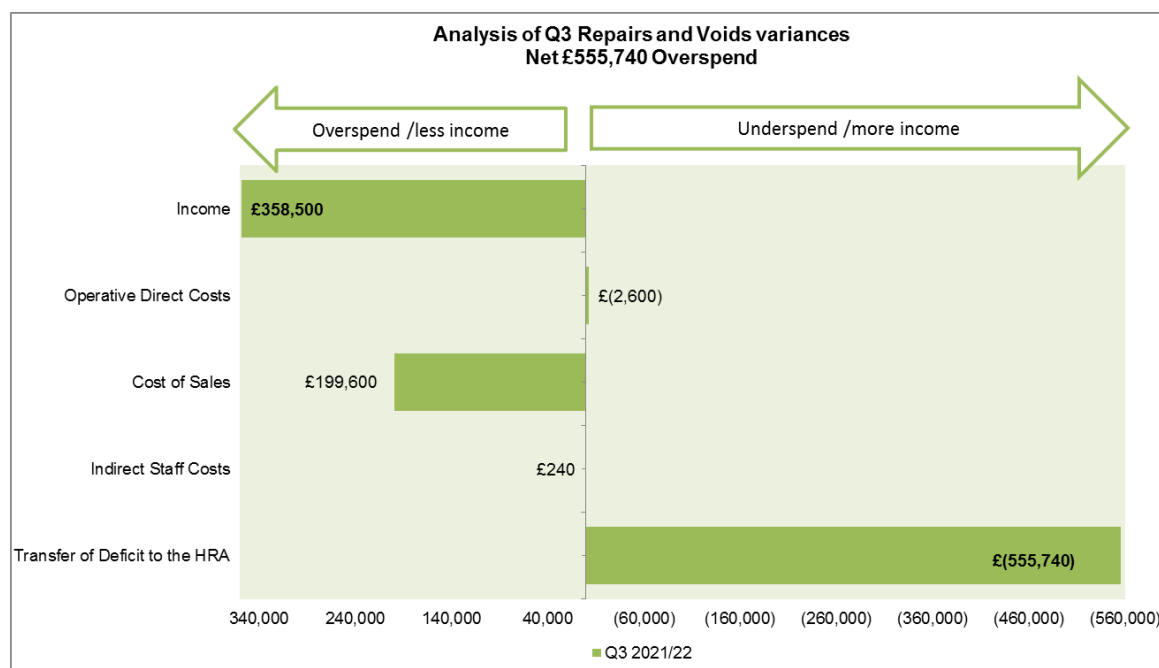
4.4.10 Planned Maintenance (£22,400). Currently, there is a projected saving of £22K on the planned maintenance budgets.

4.4.11 Caretaking Vehicle Savings (£15,170). Savings have been made in this area by a reduction of one vehicle in the fleet and a lower expected cost on fixed plant than originally budgeted.

4.4.12 Employee Costs £173,710. Due to high levels of employment during the year the £155K target on vacancy saving is not expected to be met. In addition there has been an additional cost in covering the current vacant Assistant Director post in Housing and Development.

4.5 Responsive Repairs and Voids Performance

4.5.1 The Repairs and Voids team’s financial position is included in the overall HRA. The Q3 projection expects the deficit to increase by £556K for this year.



4.5.2 **Income £358,500.** Revenue has increased by 17.82% compared to the same time last year, although down 20.77% compared to 2019/20, a non Covid year. Repairs & Voids income has not fully recovered to pre-pandemic levels and a pressure of £358k has been reported at Q3.

4.5.3 **Operative Direct Costs (£2,600).** There are currently two vacant operative posts and four agency operatives in post at Q3, with a plan to back fill vacant posts with agency. The current vacancies have given a small saving on the budget.

4.5.4 **Cost of Sales £199,600.** Contractor spend for the year is 53.65% higher than in 2020/21, (although 8.7% lower than 2019/20). The projection to year end is that the budget will be 6.26% lower than 2019/20 figures. There continues to be backlogs in fencing and roofing some of which existed pre-Covid. As mentioned at Q2, market prices for timber and other materials have increased and a pressure of £73k is included in these figures at Q3.

4.5.5 **Indirect Staff Costs £240.** There is a small pressure showing at Q3.

4.5.6 **Transfer of Deficit to HRA (£555,740).** Income has not increased back to normal (i.e. pre covid) levels, as restrictions have still been in place during the year. While the lower level of activity has reduced the income to the DSO and increased the deficit charged to the HRA, there are compensating savings due to lower levels of jobs carried out. This means that the net impact to the HRA is £49,520 increased cost, reported in 4.4.2.

4.6 Housing Revenue Account Balances

4.6.1 Following the 3rd quarter review the HRA balance is now forecast to be a surplus of £27,062,744. The higher balances are required to fund future loan repayments as set out in the HRA Business Plan, which is due to be refreshed in 2022.

Housing Revenue Account Outturn Position	£
Working Budget	(1,276,510)
2 nd Quarter Net Projected Pressure	(391,960)
Projected net Surplus post 2nd Quarter review	(1,668,470)
HRA balance brought forward 1/4/21	(25,394,274)
Surplus in year	(1,668,470)
Projected HRA balance 31/3/22	(27,062,744)

5 IMPLICATIONS

5.1 Financial Implications

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

5.2 Legal Implications

- 5.2.1 The objective of this report is to outline the projected General Fund net expenditure and HRA for 2021/22 and the impact on those funds balances. While there are no legal consequences at this stage Members are reminded of their duty to set a balanced budget.

5.3 Equalities and Diversity Implications

- 5.3.1 This report summarises external and internal factors that impact on approved budgets and recommends changes to those budgets in year. Budget changes identified for future years that could adversely impact on groups covered by statutory equality duties will be incorporated into the budget setting process which includes Equality Impact Assessments (EqIA). None of the budget changes reported will change any existing equalities and diversity policies.
- 5.3.2 The service department has been asked to look at the equalities and diversity implications in the increase in void re-let times and any potential impact on protected groups.

5.4 Risk Implications

- 5.4.1 A risk based assessment of balances is undertaken and reported to Council as part of the General Fund and HRA Budget setting process. Both the General Fund and HRA balances are projected to be above minimum levels.

5.5 Policy Implications

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

5.6 Climate Change Implications

- 5.6.1 The Budget and Policy setting process prioritised growth for climate change as part of the 2021/22 budget setting process. The 2021/22 process should have due regard for climate change implications based on the Council's Climate Change Strategy. There are no direct climate change implications from the budget changes in this report.

6. BACKGROUND PAPERS

- BD1 – 2021/22 Council Tax Setting and General Fund Budget (Council 24 February 2021)
- BD2- 2021/22 Final HRA and Rent setting report (Council 28 January 2021)
- BD3- General Fund Medium Term Financial Strategy Update (2020/22 – 2025/26)
- BD4-2022/23 Council Tax Setting and General Fund Budget (Council 24 February 2022)

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank