

STEVENAGE BOROUGH COUNCIL

EXECUTIVE MINUTES

Date: Wednesday, 17 January 2024

Time: 2.00pm

Place: Council Chamber, Daneshill House, Danestrete, Stevenage

Present: Councillors: Jeannette Thomas (Vice-Chair in the Chair), Sandra Barr, Lloyd Briscoe, Jackie Hollywell, Loraine Rossati and Simon Speller.

Start / End Start Time: 2.00pm
Time: End Time: 3.04pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were submitted on behalf of Councillors Richard Henry (Chair) and Mrs Joan Lloyd.

There were no declarations of interest.

At this juncture, the Chair congratulated Sarah Pateman (Head of Community Advice and Support) on being awarded an OBE in the recent New Year's Honours List.

2 MINUTES - 13 DECEMBER 2023

It was **RESOLVED** that the Minutes of the meeting of the Executive held on 13 December 2023 be approved as a correct record for signature by the Chair.

3 MINUTES OF OVERVIEW & SCRUTINY COMMITTEE AND SELECT COMMITTEES

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

Overview & Scrutiny Committee – 22 November 2023

Environment & Economy Select Committee – 12 December 2023

Overview & Scrutiny Committee – 19 December 2023

4 STEVENAGE BOROUGH COUNCIL CORPORATE PLAN - MAKING STEVENAGE EVEN BETTER (2024 - 2027)

The Executive considered a report in respect of the proposed Stevenage Borough Council Corporate Plan – Making Stevenage Even Better (2024 – 2027).

In the absence of the Leader of the Council, the Chair (Deputy Leader) reminded Members that the Future Town Future Council (FTFC) Corporate Plan was approved

in 2016 and that, since 2021, it had been extended beyond its 5-year life twice. In that time, the Council had seen the financial impact of changes in welfare and social rent policy, ongoing severe cuts in local government funding, rising inflation, energy and food costs, and the significant social and financial cost of the Covid-19 pandemic. Accordingly, the Executive had led a review of the Council's priorities, the result of which was the new Corporate Plan, 'Making Stevenage Even Better'.

The Chair stated that 'Making Stevenage Even Better' outlined the Council's direction of travel for the next 3 years, from April 2024 to 2027. It was driven by what residents had told the Council mattered to them, obtained through surveys conducted since 2021. The findings demonstrated the desire of residents for the Council to prioritise:

- Climate change and utilisation of green spaces;
- Provision and investment in good local Services;
- Further increasing the diversity of retail and investment in town centre and leisure facilities;
- Maintenance and appeal of local areas; and
- Safety and prevention of crime.

The Chair explained that, for the purposes of clarity and to provide a clear framework by which existing partnership commitments and programmes could be reflected, 'Making Stevenage Even Better' had been categorised into 5 strategic priorities and 3 cross cutting themes:

Strategic Priorities

1. Transforming Our Town
2. More Social, Affordable and Good Quality Homes
3. Thriving Neighbourhoods
4. Tackling Climate Change
5. Balancing the Budget

Cross-cutting Themes

1. Equality, Diversity & Inclusion
2. Health & Wellbeing
3. Technology & Innovation

The Chair commented that formal engagement was undertaken with residents, local business, partners and staff for a period of 6 weeks in October 2023, and she was pleased to confirm that a high level of support (69%) was received. To build on the feedback obtained and to ensure the Council promoted its activities within the plan, she was keen that the next 4 months were used to actively communicate the proposals through the implementation of accessible and compelling communications packages developed for each area of focus.

The Chair acknowledged that the next three years would not be without its challenges and changes. She also knew that there would be difficult financial decisions ahead in order to continue to balance the budget. However, effective communication, robust performance monitoring and a commitment to delivering against the outcomes and actions set out in the document would provide a solid

direction of travel, which would enable the Council to make Stevenage an even better place to live, work and visit.

In response to a Member's question regarding the relatively low level of public response to the consultation on the draft document (72 responses), the Strategic Director (RP) referred to the Consultation Report at Appendix B and commented that the draft Plan had been informed by feedback obtained from over 3,000 residents via the Residents Survey (2021), the Tenants Survey (2021) and the Co-operative Neighbourhoods Resident Proptech Survey (2023) amongst other engagement mechanisms which were used.

It was **RESOLVED**:

1. That the five strategic priorities and three cross-cutting themes of Making Stevenage Even Better Corporate Plan (Appendix A to the report) be agreed, with final sign off delegated to the Chief Executive, after consultation with the Leader of the Council.
2. That the Making Stevenage Even Better Corporate Plan be brought to Full Council in February 2024.
3. That the Making Stevenage Even Better Corporate Plan be communicated with residents, local community groups and partners, as set out in Paragraph 4.11 of the report.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

5 FINAL HOUSING REVENUE ACCOUNT (HRA) BUDGET SETTING AND RENT REPORT 2024/25

The Executive considered a report in respect of the final Housing Revenue Account (HRA) Budget and Rent Setting for 2024/25.

The Chair (Deputy Leader and Portfolio Holder for Housing & Housing Development) advised that a draft HRA budget report was presented to the December 2023 Executive meeting, and had also been considered by the Overview and Scrutiny Committee. The comments of that Committee were included within the report. Since the December draft report was approved by the Executive there had been a net increase in recharges from the General Fund, which were not concluded in time for that report, but were now summarised in this one.

The Chair stated that the HRA budget had been set in line with the assumptions used in the revised 30-year Business Plan that was approved by the Executive in November 2023. The aim of the budget was to balance the needs of the existing housing stock, while allowing investment in new replacement homes for those lost under the Right to Buy system. The budget included funding for £37Million on revenue and capital works to existing homes and £29Million of investment in new housing stock for residents which would be welcomed by existing and future tenants. These investments are part of the Council's ten-year plan to improve the

maintenance of its homes and ensure that tenants had good quality, safe and sustainable homes to live-in, particularly in response to the climate crisis.

The Chair explained that in the next 5 years the budget would contribute towards the delivery of 447 new homes in line with the Council's 5 Star promise. This was on top of the over 500 homes that the Council had delivered to date. Maintaining full compliance with all statutory and regulatory requirements to ensure tenants homes remained safe would continue to be a key priority for the Executive.

The Chair commented that the Council would further progress its low to medium rise flat block refurbishment programmes and would undertake further building safety and refurbishment works to the Council's five high rise flat blocks. Over the next three years of the Council's decent homes programme, 995 new kitchens or bathrooms would be installed, there would be 1,875 heating upgrades, 1,500 window or door upgrades and 1,400 properties would receive works to improve their energy efficiency with the aim for all properties to be at an energy performance rating of C by 2030.

The Executive noted that the revenue growth included within the 2024/25 budget would enable the Council to meet additional costs relating to void properties and support the work in clearing the current backlog of fencing repairs and replacements. Work would continue to implement improvements to the Council's Repairs and Voids service, to ensure it offered choices to tenants and delivered cost-effective repairs and improvements. Further proposals in this regard would be presented to the Executive in due course.

The Chair advised that additional resources had also been allocated in response to new and ongoing operational challenges, including higher levels of arrears, and the introduction of new and revised social housing standards and regulations. There would be increased spending on housing management services, including the undertaking of more tenancy audits, so that tenants could have regular access to Housing Staff, in order that issues could be reported and mitigated earlier, whilst also supporting vulnerable tenants when necessary. These investments would be made alongside the delivery of transformation projects, which would deliver service improvements and help offset pay awards and IT related pressures. As part of the Council's climate change commitment, the vehicle fleet would be switching (where possible) to *Hydrotreated Vegetable Oil* fuel from October 2024.

The Chair commented that, as always, rent provided the main source of funding for the HRA and these had been increased by 7.7%, in line with the Government's rent setting guidelines, using September CPI plus 1%. This meant that average weekly rents would increase by £8.56 for social rents, £10.09 for Low Start Shared Ownership homes and £13.30 for affordable rents. However, due to a large reduction in utility costs, some tenants in the Council's flat blocks would see an overall reduction in their combined rent and service charges next year.

The Chair stated that, since the draft budget was presented to Members in December 2023, recharges between the HRA and the General Fund had been finalised. Overall, this had increased costs to the HRA by £179,000 and the HRA deficit for the year by £261,000. This would be funded from balances and adjusted

in future revisions of the Medium Term Financial Strategy.

It was **RESOLVED** that the following proposals be recommended to Council on 24 January 2024:

1. That Housing Revenue Account (HRA) dwelling rents be increased (week commencing 1 April 2024) by 7.7%. This equates to an average increase of £8.56 for social rents, £13.30 for affordable rents and £10.09 for Low Start Shared Ownership homes per week (based on a 52-week year).
2. That the 2024/25 service charges be approved, as set out in Paragraph 4.2 of the report.
3. That the HRA budget for 2024/25, as set out in Appendix A to the report and as revised from the January 2024 draft budget report (as explained in Paragraph 4.8.1 of the report), be approved.
4. That the 2024/25 growth options, as set out in Section 4.4 of the report, be approved.
5. That the 2024/25 Fees and Charges, as set out in Appendix B to the report, be approved.
6. That the minimum levels of balances for 2024/25, as shown in Appendix C to the report, be approved.
7. That the Rent Increase Equalities Impact Assessments, appended to the report in Appendix D, be noted.
8. That the contingency sum of £400,000, within which the Executive can approve supplementary estimates, for 2024/25 (unchanged from 2023/24) be approved.
9. That the comments from the Overview and Scrutiny Committee, as set out in Paragraph 4.10.2 of the report, be noted.
10. That key partners and other stakeholders be consulted and their views considered as part of the 2024/25 budget setting process.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

6 DRAFT GENERAL FUND AND COUNCIL TAX SETTINGS 2024/25

The Executive considered a report in respect of the Council's draft General Fund, Council Tax Support Scheme and draft proposals for the 2024/25 Council Tax.

In the absence of the Portfolio Holder for Resources and Transformation, the Chair (Deputy Leader and Portfolio Holder for Housing & Housing Development) advised that the current context for both the Council and the wider local government sector remained very challenging. She reminded Members that the Council's funding from

central Government had reduced by over £5M since 2010 and the Council had absorbed pressures of £12M in total over that time. The report also included data from the National Audit Office which confirmed that, in real terms, the Council's core spending power had reduced by 64.5%. Beyond this, the Local Government Association had identified that local government needed a further £4bn funding package to remain financially stable.

The Chair stated that the report presented a savings package of £1.2Million for consideration and growth of £167,000 for next financial year alongside a 2.99% increase in council tax. However, Stevenage Borough Council could only keep 11% of the council tax raised. This was the smallest share of council tax, with the rest going to the County Council and the Police. To help residents with the increase in council tax, SBC was keeping its Council Tax Support Scheme at a maximum payment of 8.5% of the council tax due for working aged claimants on maximum benefit.

The Chair explained that it was also recommended that £200,000 of business rate gains be used each year to support General Fund services, with the rest going into the business rate reserve. The February 2024 budget report would update Members on the projections for gains for the reasons set out in the report. She was pleased to report a further gain of £220,000 from Business Rate pooling, as set out in Paragraph 4.4.7 of the report.

The Chair commented that, owing to the Government's funding formula, funding from Government was £146,000 higher than had been previously estimated. The Council was able to set a balanced budget for next year with only a small use of balances. However, looking ahead, the Council faced significant challenges in future years, including the need to find a further £1Million savings for 2025/26.

The Strategic Director (CF) commented that the Financial Settlement was still provisional, as the Government was still consulting upon it. The Police and Upper Tier authorities had more flexibility in the amount of Council Tax increases, whilst Borough District Councils were capped at a maximum rise of 3%. The £1Million savings target for 2025/26 would currently include a draw on balances of £600,000, although this figure could reduce later in 2024/25.

It was **RESOLVED:**

1. That the 2023/24 revised net expenditure on the General Fund of £13,272,960 be approved, as set out in Paragraph 4.10.1 of the report.
2. That the draft General Fund Budget for 2024/25 of £11,427,090 be proposed for consultation purposes, with a contribution from balances of £50,494 and a Band D Council Tax of £239.26 (assuming a 2.99% increase).
3. That the updated position on the General Fund Medium Term Financial Strategy (MTFS), as summarised in Section 4.12 of the report, be noted.
4. That the minimum level of General Fund reserves of £3,537,794, in line with the 2024/25 risk assessment of balances, as shown at Appendix C to the

report, be approved.

5. That the contingency sum of £400,000 within which the Executive can approve supplementary estimates, be approved for 2024/25 (reflecting the level of balances available above the minimum amount).
6. That the 2024/25 Balancing the Budget options, as set out in Section 4.7 and Appendix A to the report, totalling £1,223,852 and £95,063 for the General Fund and Housing Revenue Account (HRA) respectively, be included into the Council's budget setting processes for consideration by the Overview & Scrutiny Committee.
7. That the events options, as set out in Paragraph 4.7.4 of the report, be approved for 2024/25.
8. That the Growth options included in Section 4.8 of the report be approved for inclusion in the 2024/25 General Fund (£167,120) and HRA (£47,265) budgets.
9. That the pressures identified in Sections 4.2 and 4.9 of the report be noted.
10. That the use of £200,000 of Business Rates in the base budget be approved, and any gains above that be used only once realised, and be ring fenced for use to maintain the Council's financial resilience.
11. That the use of 'pooling gains' of £220,000, as set out in Paragraph 4.4.7 of the report, be approved.
12. That the decisions taken on Resolutions 2 – 11 above be referred to the Overview and Scrutiny Committee for consideration, in accordance with the Budget and Policy Framework Rules in the Council's Constitution.
13. That the Equalities Impact Assessment appended to the report in Appendix D be noted.
14. That key partners and other stakeholders be consulted and their views considered as part of the 2024/25 budget setting process.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

7 DRAFT CAPITAL STRATEGY 2023/24 - 2028/29

The Executive considered a report in respect of the draft Capital Strategy for 2023/24 – 2028/29.

In the absence of the Portfolio Holder for Resources and Transformation, the Chair (Deputy Leader and Portfolio Holder for Housing & Housing Development) advised that the General Fund capital growth bids received had been classified against a number of priorities. These bids totalled £2.483Million. Appendix A to the report provided further information on those bids and existing capital schemes that had not

been started or committed (totalling £1.081Million).

The Chair stated that the Council's Financial Security Group met on 4 January 2024 to review the Capital schemes. Members agreed to support a programme of schemes totalling £3.564Million. This programme was fully funded and totalled £33Million, which included £21Million of regeneration and £17.7Million of Housing Development schemes for the General Fund.

The Chair commented that the report also highlighted capital budget savings in 2023/24 of £1.6Million, and further budgets to be re-phased into future years of £2.619Million. Section 4.1 of the report provided further information. The result of this meant that the General Fund capital programme for 2023/24 to 2028/29 totalled £71.68Million.

The Chair explained that report also provided updates on Locality reviews in Section 4.5 of the report and Community Infrastructure Levy and Section 106 in Section 4.6. The report highlighted the Minimum Revenue Provision position which reflected the amounts the Council had to set aside revenue-wise for the provision of debt repayments. This was included within the Draft General Fund and Council Tax Setting 2024/25 report elsewhere on the agenda for the meeting.

The Chair advised that the Capital Strategy also included the Housing Revenue Account (HRA) Capital programme in Paragraphs 4.9 of the report (capital expenditure of £261.550Million for 2023/24 to 2028/29) and the funding resources at Section 4.10. These figures reflected those included within the Housing Revenue Account Final Budget and Rent Setting 2024/25 report elsewhere on the agenda for the meeting.

It was **RESOLVED:**

1. That the Revised General Fund Capital Budget for 2024/25 of £33.6Million, as set out in Appendix B to the report, be proposed for consultation purposes.
2. That the Draft Housing Revenue Account (HRA) Capital Budget for 2024/25 of £54.9Million, as set out in Appendix C to the report, be proposed for consultation purposes.
3. That the updated forecast of resources 2024/25 be approved, subject to the consultation process (set out in the report at Section 4.4 – General Fund, and Section 4.10 – HRA).
4. That the General Fund capital budget re-profiling of £2.6Million from 2023/24 to future years be approved (as set out in Paragraph 4.1.4 of the report).
5. That the General Fund capital budget savings (as set out in Paragraphs 4.1.3 and 4.1.5 of the report) be approved.
6. That the approach to resourcing the General Fund capital programme, as outlined in the report (Paragraph 4.4), be approved.

7. That the General Fund growth bids identified for inclusion in the Capital Strategy (as set out in Paragraph 4.2 and in Appendix A to the report) be approved in principle.
8. That the HRA budget increases identified for inclusion in the Capital Strategy (as set out in Section 4.9 and Appendix C to the report) be approved.
9. That the approach to resourcing the HRA capital programme, as outlined in the report (Paragraph 4.10), be approved.
10. That HRA capital budget re-profiling of £1.45Million from 2023/24 to future years be approved (as set out in Paragraph 4.9.3 of the report).
11. That the HRA growth bid (IT £21,000) identified for inclusion in the Capital Strategy (as set out in Paragraph 4.9.4 of the report) be approved in principle.
12. That the 2024/25 de-minimis expenditure limit (set out in Section 4.11 of the report) be increased from £7,500 to £9,999.
13. That up to £500,000 of any revenue surplus in any year can be allocated to the capital reserve to support capital expenditure be approved.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

8 URGENT PART I BUSINESS

None.

9 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.

10 PART II MINUTES - EXECUTIVE - 13 DECEMBER 2023

It was **RESOLVED** that the Part II Minutes of the meeting of the Executive held on 13 December 2023 be approved as a correct record for signature by the Chair.

11 ACTIVITY PROPOSALS FOR FAIRLANDS VALLEY PARK SAILING CENTRE AND MAIN LAKE

The Executive considered a Part II report in respect of proposed operational arrangements for Fairlands Valley Sailing Centre and Main Lake.

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

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

12 URGENT PART II BUSINESS

None.

CHAIR