

# Public Document Pack



## EXECUTIVE

**Date: Wednesday, 17 January 2024**

**Time: 2.00pm**

**Location: Council Chamber, Daneshill House, Danestrete, Stevenage**

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

**committees@stevenage.gov.uk**

Members: Councillors: R Henry (Chair), J Thomas (Vice-Chair), S Barr, L Briscoe, J Hollywell, Mrs J Lloyd, L Rossati and S Speller.

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## AGENDA

### PART I

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

#### **2. MINUTES - 13 DECEMBER 2023**

To approve as a correct record the Minutes of the meeting of the Executive held on 13 December 2023 for signature by the Chair.

3 – 10

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

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

Overview & Scrutiny Committee – 22 November 2023

Environment & Economy Select Committee – 12 December 2023

Overview & Scrutiny Committee – 19 December 2023

11 – 28

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

To consider the Making Stevenage Even Better Corporate Plan 2024 – 2027, which outlines the Council's strategic priorities for the next three years.

29 – 86

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

To update Members on the final proposals on the Housing Revenue Account (HRA) budget and rent setting for 2024/25, to be considered by Council on 24 January 2024.

87 - 126

**6. DRAFT GENERAL FUND AND COUNCIL TAX SETTINGS 2024/25**

To consider the Council's draft 2024/25 General Fund Budget, Council Tax Support Scheme and draft proposals for the 2024/25 Council Tax.  
127 – 188

**7. DRAFT CAPITAL STRATEGY 2023/24 - 2028/29**

To consider the Draft Capital Strategy 2023/24 – 2028/29.  
189 – 220

**8. URGENT PART I BUSINESS**

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

**9. 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.

**10. PART II MINUTES - EXECUTIVE - 13 DECEMBER 2023**

To approve as a correct record the Part II Minutes of the meeting of the Executive held on 13 December 2023 for signature by the Chair.  
Pages 221 - 222

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

To consider proposal operational arrangements for Fairlands Valley Park Sailing Centre and Main Lake.  
Pages 223 - 230

**12. URGENT PART II BUSINESS**

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

**NOTE: Links to Part I 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, 17 January 2024 – <http://www.stevenage.gov.uk/have-your-say/council-meetings/161153/>**

## STEVENAGE BOROUGH COUNCIL

### EXECUTIVE MINUTES

**Date: Wednesday, 13 December 2023**

**Time: 2.00pm**

**Place: Council Chamber, Daneshill House, Danestrete, Stevenage**

**Present:** Councillors: Richard Henry (Chair), Jeannette Thomas (Vice-Chair), Sandra Barr, Jackie Hollywell, Loraine Rossati and Simon Speller.

**Start / End** Start Time: 2.00pm  
**Time:** End Time: 3.02pm

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

Apologies for absence were submitted on behalf of Councillors Lloyd Briscoe and Mrs Joan Lloyd.

There were no declarations of interest.

#### **2 MINUTES - 15 NOVEMBER 2023**

It was **RESOLVED** that the Minutes of the meeting of the Executive held on 15 November 2023 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 meetings of the Overview & Scrutiny Committee and Select Committees be noted –

Community Select Committee – 19 October 2023  
Environment & Economy Select Committee – 1 November 2023  
Community Select Committee – 14 November 2023

#### **4 CORPORATE PERFORMANCE - QUARTER 2 2023/24**

The Executive considered a report in respect of Corporate Performance for Quarter 2 of 2023/24 (July to September 2023).

The Leader of the Council introduced the report and stated that Quarterly performance reporting was one of the key ways Members and Officers held themselves to account, identifying where the Council was succeeding and also where it needed to improve. The report provided Members with an update on delivery of the Future Town, Future Council Programme, along with corporate performance results across the Council's business units.

The Chief Executive reminded the Executive that the Council had 35 performance measures, 17 of which were 2023/24 baseline measures. As at Quarter 2, 13 were at Green status (meeting or exceeding target), 3 were Amber (within a manageable tolerance) and 1 was Red (urgent improvement action required). There was also 1 outstanding measure (percentage of household waste sent for reuse, recycling and composting), which would be available at Quarter 3.

The Chief Executive advised that the measure at Red status (number of voids returned by contractor) was a key area of focus. New performance measures were being introduced to provide insight into voids backlog performance; changes had been made internally to strengthen the management of the service and better scope/supervise void works; regular performance review meetings were being held; and a voids improvement plan was being implemented.

The Chief Executive referred to the Quarter 2 Future Town Future Council Programme Performance Highlights under the themes of Transforming Our Town; More Social and Good Quality Affordable Housing; Co-operative Neighbourhoods; Balancing the Budget; and A Clean, Green, Safe and Thriving Town.

The Chief Executive reported some of the community measures for Quarter 2, as follows:

- Anti-Social Behaviour (ASB) – there had been a 15.7% decrease in ASB cases in comparison to the same period in 2022/23;
- Fly tipping – 138 cases had been reported, in comparison with 117 cases in the same period in 2022/23. Deterrents included mobile CCTV cameras, improved signage, and asking perpetrators to remove fly tipped material;
- Housing Stock – 55% of the Council's Housing Stock had an EPC rating of C or above;
- Decent Homes – 84.39% of Council Homes met the national Decent Homes standard;
- Affordable Housing – the Council had provided 394 new Council/Affordable homes since 2014;
- Everyone Active-managed leisure facilities – over 20,000 visits from children;
- Customer Services Centre (CSC) – 81.1% of complaints were responded to within deadline and 88.2% of respondents were satisfied with the CSC; and
- Residential Refuse bins – 99.65% of bins were collected.

The Portfolio Holder for Environment & Performance stressed that performance management was vital, to enable Members and the Council to demonstrate local accountability to residents, but responding to their concerns and issues where possible, as well as demonstrating to the Government that the Council was operating in an effective manner.

The Portfolio Holder for Environment & Performance asked fellow Portfolio Holders to look at their respective performance measures, in order to determine their appropriateness and, if not, to consider more appropriate measures for introduction in 2024/25.

It was **RESOLVED**:

1. That the service performance against 35 corporate performance measures and delivery of key milestones in Quarter 2 2023/24 through the Future Town Future Council Programme, as set out in Appendix A to the report, be noted.
2. That the Council's performance as demonstrated through the 13 Community Measures, as set out in Appendix B to the report, be noted.
3. That the performance challenges in relation to voids (as set out in Section 4.4.2 of the report) be noted, and the planned measures to improve performance be endorsed.
4. That the strategic risk updates, as set out in Section 4.7 of the report, be noted.

*Reason for Decision: As contained in report.*

*Other Options considered: As contained in report.*

## **5 COUNCIL TAX BASE 2024/25**

The Executive considered a report in respect of the proposed Council Tax Base for 2024/25.

In the absence of the Portfolio Holder for Resources and Transformation, the Portfolio Holder for Housing & Housing Development advised that the report captured the taxbase for levying the 2024/25 Council Tax by all preceptors. This included an estimate of new properties likely to liable for the charge, together with an assessment of discounts likely to be given. The taxbase included the latest Council Tax Support Scheme that Members agreed at the Executive in September 2023.

The Portfolio Holder for Housing & Housing Development explained that the 2024/25 taxbase was estimated based upon there being 29,088.5 equivalent "Band D" properties, which was then reduced to 28,579.4 equivalent "Band D" properties after making allowances for a 98.25% collection rate.

In response to a Member's question, the Strategic Director (CF) explained that the Council Tax Base had been calculated based on the number of properties as at October 2023, discounting those in receipt of Council Tax Support or Single Persons Discount, and converting the resultant figure to a Band D equivalent property. This was why the final Council Tax Base figure was invariably not a whole number.

It was **RESOLVED:**

1. That, in accordance with the Local Authorities (calculation of Council Tax Base) Regulations 2012, the amount calculated by Stevenage Borough Council for the year 2024/25 will be 29,088.5 equivalent "Band D" properties, reduced to 28,579.4 "Band D" properties after making allowance for a 98.25% collection rate.
2. That the 2024/25 Council Tax Base be approved, subject to any changes made to the Council Tax Support (CTS) Scheme for 2024/25, the Executive having

approved the CTS Scheme at its meeting held on 20 September 2023 for recommendation to Council.

*Reason for Decision: As contained in report.*

*Other Options considered: As contained in report.*

## **6 DRAFT HOUSING REVENUE ACCOUNT (HRA) BUDGET SETTING AND RENT REPORT 2024/25**

The Executive considered a report in respect of the draft Housing Revenue Account (HRA) Budget and Rent Setting for 2023/24.

In the absence of the Portfolio Holder for Resources and Transformation, the Portfolio Holder for Housing & Housing Development advised that the report followed on from the HRA Business Plan that was presented to the Executive in November 2023. It was recommended that HRA rents on dwellings be increased by 7.7%, which represented September CPI plus 1%, and was in line with Government policy for rent setting. This would mean an average of £8.45 for social rents, £13.12 for affordable rents and £9.96 for Low Start Shared Ownership homes per week (based on a 52 week year).

The Portfolio Holder for Housing & Housing Development stated that the net rental income increase for 2024/25 was estimated to be £4.5Million, which included the impacts of estimated right to buys, a significant number of expected new properties and properties taken out of management (awaiting redevelopment). Service charges were not subject to the rental increase of 7.7%, but were based on cost recovery. It was recommended that service charge costs should increase with inflationary pressures and changes in usage. The cost of gas was expected to reduce by 40% compared to last year, and this had been reflected in the charges for communal heating systems.

The Portfolio Holder for Housing & Housing Development explained that the impact of these changes was that 5,136, or 64%, of homes did not receive a service charge. Of the 2,834 properties that were eligible for service charges, 648 (8%) would see a decrease up to £17.50 per week due to lower gas costs and 2,172, or 27%, would have increases up to £2.50 per week.

The Portfolio Holder for Housing & Housing Development advised that the overall impact of the 2024/25 rent increase and service charges was that 7,424 homes, or 93%, would receive a weekly rent and service charge increase between £4.00 and £9.99. The reduction in utility prices had led to lower increases for some homes, offsetting the impact of the CPI +1% rent increase of 7.7%. The increases above £9.99 mainly related to larger properties and where affordable rents were paid.

The Portfolio Holder for Housing & Housing Development stated that the report also outlined the requirements for revenue growth for the 2024/25 HRA totalling £2.4Million, and which was shown in Section 4.4 of the report. The main items were:

- One off growth for Void Works of £500,000 to meet the additional costs relating to void properties;

- One off growth of £850,000 to continue the work in clearing the current backlog of fencing repairs and replacements; and
- Additional staffing of £249,000 for staff posts that had been extended in response to operational challenges.

The Portfolio Holder for Housing & Housing Development commented that new loans totalling £37.6Million and £18.8Million were expected to be taken in the current (2023/24) and next (2024/25) financial years. However, the timing of when to take the new borrowing would be reviewed, weighing up the cost of carry and the Public Works Loan Board rates. The interest payable in 2023/24 and 2024/25 was estimated to be £8.9Million and £9.4Million respectively.

The Portfolio Holder for Housing & Housing Development explained that the HRA balances had been significantly increased from £3.3Million to £10.3Million, in order to mitigate the higher borrowing levels included in the latest HRA Business Plan, and to allow greater flexibility to respond to future challenges facing the HRA.

In reply to a Member's question, the Strategic Director (CF) confirmed that when a Council property was let, it became the responsibility of the tenant to pay rent/Council Tax etc. This responsibility passed to the Council when properties became void. She referred to initiatives aimed at improving the identification of when properties became vacant/void, including the recent employment of an Empty Homes Officer and enhanced information collaboration arrangements between the Revenue & Benefits Team and Housing Officers.

It was **RESOLVED:**

1. That the HRA dwelling rents be increased (week commencing 1 April 2024) by 7.7%, which equates to an average increase of £8.45 for social rents, £13.12 for affordable rents and £9.96 for Low Start Shared Ownership homes per week (based on a 52-week year).
2. That Council be recommended to approve the 2024/25 service charges, as set out Paragraph 4.2 of the report.
3. That Council be recommended to approve the HRA budget for 2024/25, as set out in Appendix A to the report.
4. That the 2024/25 growth options, as set out in Section 4.4 of the report, be approved.
5. That Council be recommended to approve the 2024/25 Fees and Charges, as set out in Appendix B to the report.
6. That Council be recommended to approve the revised minimum levels of balances for 2024/25, as shown in Appendix C to the report.
7. That the Rent Increase Equalities Impact Assessments, as shown in Appendix D to the report, be approved.

8. That the increase to the 2023/24 Working Budget of £256,540, to fund the 2023/24 pay award, as detailed in Paragraph 4.4.11 of the report, be approved.
9. That the contingency sum of £400,000, within which the Executive can approve supplementary estimates, be approved for 2024/25 (unchanged from 2023/24).
10. That the decisions taken on Resolutions 1 to 9 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.
11. 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 URGENT PART I BUSINESS**

None.

## **8 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.

## **9 PART II MINUTES - 15 NOVEMBER 2023**

It was **RESOLVED** that the Part II Minutes of the meeting of the Executive held on 15 November 2023 be approved as a correct record for signature by the Chair.

## **10 HOUSING BENEFIT OVERPAYMENT AND SUNDRY DEBT WRITE OFFS GREATER THAN £10,000**

The Executive considered a Part II report seeking approval to the writing off of a Housing Benefit Overpayment and Sundry Debts deemed irrecoverable which were properly due to the Council and were greater in value than £10,000.

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

*Reason for Decision: As contained in report.*

*Other Options considered: As contained in report.*



11 **URGENT PART II BUSINESS**

None.

**CHAIR**

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## STEVENAGE BOROUGH COUNCIL

### OVERVIEW AND SCRUTINY COMMITTEE

**DATE: 22 NOVEMBER 2023**

**TIME: 6pm**

**LOCATION: Council Chamber**

### MINUTES

**Present:** *Councillors: L Martin-Haugh (Chair), S Booth, R Broom, J Brown, F Chowdhury, M Downing, B Facey, C McGrath, S Mead, M Notley, R Parker CC, C Veres, and A Wells*

**Start/End Time:** *Start: 6:00pm  
End: 8:40pm*

#### **1 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Phil Bibby CC.

There were no declarations of interest.

A Member asked whether the meeting was being livestreamed. They were advised that due to resourcing, Planning and Development Committee meetings were being livestreamed instead as owing to greater public interest in the Planning meetings and limitations of Officer resource in being able to livestream all meetings.

#### **2 MINUTES – 17 OCTOBER 2023**

It was **RESOLVED:** That the Minutes of the Meeting of the Committee held on 12 October 2023 be approved as a true record of the proceedings and be signed by the Chair.

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

##### **2. MINUTES – 12 OCTOBER 2023**

Noted.

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

Noted.

#### **4. HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN REVIEW 2023**

Members were advised that the report detailed the work that had been carried out on the HRA business plan revision and followed consultation with the Executive on the 15<sup>th</sup> November. There had also been a presentation to the Community Select Committee on the 19<sup>th</sup> October. The recommendations in the report formed the basis of the HRA budget 2024/25 which would be presented to the Executive in December.

The Strategic Director (CF) reminded Members there was a Modern Member Programme on the HRA Business Plan being held in December.

#### **5. HOUSING ASSET MANAGEMENT STRATEGY 2023 - 2028**

The Committee was advised that the report was seeking approval of the Housing Asset Management Strategy (HAMS) 2023 – 2028 and set out the framework on investment into the existing SBC housing stock. This included investment priorities and how the Council met the new requirements.

In response to questions, the Strategic Director (RP) advised:

- There were communication plans with both the HRA and HAMS on how the Council shared the strategies over the next 15 months. There had been consultation with the Community Select Committee on how to communicate this and aimed to show the positive work the housing service was undertaking.
- More detail on the criteria for housing stock surveys could be provided to Members. It was oriented around the Decent Homes Standard and the Stevenage Standard was also applied. The government was potentially changing the Decent Homes Standard so the criteria is likely to change again in the future.

#### **6. SECOND QUARTER REVENUE BUDGET MONITORING 2023/24**

Members were advised that the Executive approved the General Fund and Housing Revenue Budget for Quarter 2. There was a net increase in the General Fund of £1,850 and an underspend of £1.229m from the HRA. This was due to two key decisions, firstly, not to take out borrowing within the first 6 months of the year, and the interest earned on balances due to the interest rates increasing. The budget does not include the recent pay award, and this would be included in the Quarter 3 report.

In response to questions, the Strategic Director (CF) and the Assistant Director (Finance) advised:

- There would be an ongoing assessment of the commercial viability of the skip service and work to generate additional business.
- The increase in income generated related to the investment earnings on the current balance.
- Officers were looking at using agencies for specific activities such as seasonal work, but this would always fluctuate, and the recruitment market remains challenging. In terms of agencies, Officers confirmed that seasonal agency staff are not more expensive than employing directly, however in was professional roles, day rates are usually more expensive than permanent employment.

## **7. FIRST AND SECOND QUARTER CAPITAL BUDGET MONITORING 2023/24**

The Committee were advised that this report was approved by the Executive. There was a net change of £447,000 a year. The report also sought approval for a £15m of budgets to be reprofiled into 2024/25. The main areas were Regeneration where £6m was being move back by a year due to working through the spend and delivery plans for Town Fund schemes, and Housing Development where £8m was being moved as the team were still finalising Section 106 agreements. The spend calculated in September showed £16m which accounted for 22% of the revised budgets.

In response to questions from Members, it was advised that:

- The term TMS stood for Treasury Management Strategy.
- Officers needed to see the trajectory of spend before locking in any investments as they were always security accredited. Investments were from Council balances, there was not a separate portfolio for this.

## **8. MID-YEAR TREASURY MANAGEMENT REVIEW 2023/24**

Members were advised that there were no breaches or recommendation changes in the policy. The average yield of investments was 5.27%.

In response to questions, the Assistant Director (Finance) advised:

- The Debt Management Office (DMO) is part of the treasury department in the Government.

- Debt management was stipulated from government regulations, and it was becoming even more heavily regulated. There was a lot of scrutiny on Council finances and wasn't much that the Council could change.
- The DMO was the opposite of the Public Works Loan Board (PWLB). The rates weren't as good, so the Council avoids investing here. There was an increase in interest by the Government in terms of the levels of debts. Some indicators weren't reaching the mark, but this included the HRA debt which was the majority of the Council's debt.

## **9. BALANCING THE BUDGET OPTIONS 2024/25**

The Committee were advised that the Balancing the Budget Options report came annually and there was an annual gap based on meeting the general fund need and the funding that was available. Due to this, difficult decisions had to be made. There was a £1m savings target going forward and the Council Tax increase did not cover the level of inflation. There was a £56,000 gap next year that Officers were looking to close when bringing the General Fund draft report to the Executive in January.

In response to questions, the Strategic Director (CF) advised:

- The recommendations were the end result of the financial services deliberation group.
- The HCC verge maintenance was based on CPI and was higher now. The contract was renegotiated resulting in a greater figure.
- The reasons for closing the customer service centre (CSC) were based on a number of factors. Mainly to reduce the number of CSC staff in natural turnover, moving more services to digital in line with the transformation programme, and more efficient use of the building.
- There was a saving of £145,000 but there was greater volume of customer demand around repairs and housing management queries.
- More services are available online, but people who didn't want to or were unable to, could still use the service by phone or in person.
- The rebranding of the CSC was not in the report, but this could be fed back.
- There would be a 1-, 3-, and 6-month review of the CSC to see how it was going and how to improve.
- £5.2m of central government funding had been lost and there was a bigger number of residents and properties to deal with.

- The Council was looking into renting the previous CSC area, but it was a question of whether it would be possible to in the current market. Officers were exploring potential tenants.
- Officers were aware when car parks were quieter, usually Mondays and Fridays due to hybrid working patterns. Car park use was heavily linked to working and commuter patterns.
- In relation to Car park use, it is still one of the three biggest income streams for the Council. The surplus was reduced but there were no overall losses and the surplus funded other services. Part of the regeneration strategy is to build on some of the car parks so these would need to be replaced.
- The Council Financial Security Group (CFSG) was run by the resources portfolio holder and had one member from the Liberal Democrats and one member from the Conservatives.
- The planning team were multiskilled and were able to handle both applications and start enforcements. The graduate planner position would be expected to get to grips with applications, enforcement and planning policy.

## **10. URGENT PART I BUSINESS**

There was none.

### **4 PRESENTATION ON 2021 CENSUS DATA FOR STEVENAGE**

The Corporate Policy and Performance Manager and the Corporate Policy and Research Officer gave a presentation on the 2021 Census Data for Stevenage which was published as part of the meeting agenda pack. The Policy team produced an update on Stevenage demographic data yearly, and review the Equality, Diversity and Inclusion (EDI) objectives every 4 years. The presentation looked at the 9 protected characteristic groups taken from census data and showed the changes from 2001, 2011 and 2021.

In response to a range of questions from a Member, Officers advised that as of May next year there will be boundary changes so the ward statistics could change. The way the data had been presented in the meeting was an overview for presentation purposes and that the in-depth detail was contained in the full report. There was a Joint Strategic Needs Assessment which looked at opportunities to explore deprivation.

A Member suggested the website should offer alternative languages. The Corporate Policy and Performance Manager advised that they were exploring the SBC online offer and ensuring it was accessible for everyone.

Members suggested communications around the EDI Officer Group and the EDGG should be improved so more people knew about them. The Corporate Policy and

Performance Manager advised that the EDI Officer Group was for Officers only and they were still promoting it, but it was slowly growing. Cllr Hollywell added that the EDGG collaborated with Officers and people in HR and was a Member and staff led group mainly around governance. It was reported at every annual Council.

In response to a question, the Corporate Policy and Research Officer defined the term 'legal partnerships' as marriages or civil partnerships and was the terminology and definition used in the census.

In response to various questions from a Member the Corporate Policy and Performance Manager advised:

- The team wanted to look at ward level data and profiles, but it required a lot of time and effort but would be considered.
- Religion was included as it was a protected characteristic. Further analysis could be done around this, but it would depend on what resources were available to undertake this work.
- There was data surrounding employment of Stevenage residents and there were links referenced at the end of the presentation that gave further information on this.
- A key topic within the EDI Action Plan was the annual review process against big activities and how the Council performed on these impacted what they did next. They were monitoring all activities, and this was key to feedback and progress.

A member spoke strongly regarding the presentation of some of the information within the report, suggesting a different format for some information, and mentioning that the formatting of printed copies of the presentation clipped material from the slides. The Officers advised that the data presented was based on census data and reiterated that more detail of the data was found in the full report. The Strategic Director (TP) offered to walk through the data and graphs in a separate meeting at a later time if it was helpful to Members.

A few Members raised the topic of employment and income of Stevenage residents and were interested in these statistics. Some Members also added that comparison data with other towns in Hertfordshire, as well as ward by ward data, would be helpful to see. Officers advised that the census data was available online for any user.

Another Member asked what the boundaries in the deprivation map meant in geographical terms. They were advised that the data came from the OCSI (Oxford Consultants for Social Inclusion) and was completed in 2019 for the Ministry of Housing. The areas were the output areas and there was an average of 4 per ward. The aim of the boundaries was to try and define neighbourhoods and have the same number of people in each output area.



A number of Members thanked Officers for the time and detail put into the presentation.

The Strategic Director (TP) reiterated his offer, that he would be able to speak to members outside of the meeting at their request, if there were specific points in relation to the census data if they wished, and that extensive data is also in the public domain.

The Chair indicated she was unhappy with the manner of questioning from one Member in relation to the presentation and report. The SD (TP) reminded all present of the importance of conducting question and debate in a constructive, polite and respectful manner at all times.

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

There was none.

## **6 URGENT PART I BUSINESS**

There was none.

## **7 EXCLUSION OF THE 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 item of business on the grounds that it involved the likely disclosure of exempt information as described in paragraphs 1-7 of Part 1 of Schedule 12A of the Acts as amended by Local Government (Access to information) (Variation) Order 2006
- (2) That Members consider the reasons for the following reports (if any) 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.

## **8 PART II MINUTES – OVERVIEW AND SCRUTINY COMMITTEE – 17 OCTOBER 2023**

It was **RESOLVED:** That the Part II Minutes of the Meeting of the Committee held on 17 October 2023 be approved as a true record of the proceedings and be signed by the Chair.

## **1 PART II DECISIONS OF THE EXECUTIVE**

Noted.

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

There was none.

**1 URGENT PART II BUSINESS**

There was none.

Chair

## STEVENAGE BOROUGH COUNCIL

### ENVIRONMENT & ECONOMY SELECT COMMITTEE MINUTES

Date: Tuesday, 12 December 2023

Time: 6.00pm

Place: Autun Room, Daneshill House, Danestrete, Stevenage

**Present:** Councillors: Rob Broom (Chair), Adam Mitchell CC (Vice-Chair), Jim Brown, Bret Facey, Conor McGrath, Sarah Mead, Claire Parris, Ellie Plater and Graham Snell.

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

**Time:** End Time: 7.40pm

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

Apologies for absence were received by Baroness Taylor of Stevenage and Councillor Andy McGuinness

There were no declarations of interest.

#### 2 **MINUTES - 1 NOVEMBER 2023**

It was **RESOLVED:** That the Minutes of the Meeting of the Committee held on 1 November 2023 be approved as a true record of the proceedings and be signed by the Chair.

#### 3 **PRE-SCRUTINY OF THE STEVENAGE CYCLE HIRE SCHEME**

The Chair introduced Officers present, as well as Jill Borchers and Tina Walker from Cycling UK, to present and speak on the item.

The Principal Planning Officer gave a presentation detailing the proposed cycle-hire scheme for Stevenage. There was a long history of cycling within Stevenage although recent data showed that only 3% of Stevenage residents cycle to work compared to around 68% driving.

The Principal Planning Officer highlighted the cycle hire scheme in Watford that was implemented in 2020. Watford had seen a 30% modal shift from car to cycling as a mode of transport to work and had over 33,000 users.

The cycle hire scheme would allow people to hire a bike for short durations. There were three types of schemes: docked, virtual, and hybrid. The proposed plans for Stevenage would be a docked scheme as it would reduce the possibility of the bikes being abandoned. The aim was to provide a public low-cost scheme that was inclusive to all and would complement the existing public transport. There would be 220 cycles with at least 45 docked stations accessible 24/7, 365 days a year. They

were also looking at a scheme that offered the option to hire bikes with or without a smartphone. She added that they were looking at additional protections, such as extra locks or two step authentication, as some degree of vandalism was likely to occur as reported with most cycle hire schemes. However, Officers took lessons learned from other Local Authorities, including close partnership with the police and further advances in technology and expected vandalism to be kept to a minimum.

The Principal Planning Officer gave Members a brief overview of the timeline which included:

- In 2019 Stevenage Borough Council commissioned a feasibility study with Transport Initiatives to explore things like the feasibility and where the docking stations could go.
- SBC requested an update to this in 2023 after COVID and took into account the new developments and explored the current market.
- In August 2023 Planning Policy Officers published a soft marketing brochure with the aim of gaining feedback. It was important that the potential suppliers aligned with the SBC vision and aims.
- During August and September 2023 there was a consultation on the cycle hire scheme. Officers aimed to make this as user friendly as possible.
- There was also an engagement event during the consultation period for business users and employers. Three suppliers attended and gave presentations of their models. There were also bikes for people to test and maps for people to show where they wanted docking locations.
- There were three surveys – a cycle hire survey, a youth survey, and a map survey which allowed people to highlight various points of interest such as locations for docking, unsafe cycle routes, lack of signage, or lack of cycle storage.
- There was a lot of data on how people travelled to work but not a lot of data on how people travel within Stevenage, therefore this was a focus of the survey.
- Across the surveys, over 50% of people provided positive responses.
- Officers were looking at behaviour change and more engagement. She added the chosen operator would also do more engagement.
- The top destination of cyclists was to leisure, with the second being to work. This aligned with the data collected from Watford. This was important as they wanted to put docking stations in the right places.
- During the feasibility study, a phased approach was identified with western docking stations being implemented first.
- The feasibility study, as well as the consultation map, would be shared with the supplier when the contract was awarded.

A Member asked some questions in relation to the surveys. In response, the Principal Planning Officer advised that there were 899 respondents in total. The survey contained an “other” option which allowed people to provide their own answer. Many of these contained people who owned a bike already so would be less likely to use the cycle hire scheme.

Ms Borchers highlighted the spread of docking stations on the proposed map from the feasibility study as some were very close together whereas others were far away. The Principal Planning Officer advised that the supplier would use the map as well as their own expertise to decide where to place the docking stations. The app would allow people to see which docking stations had bikes and whether there were spaces. The Assistant Director (Planning & Regulatory) added that there were a lot of docking stations contained within the town centre as there would be a lot of people using them and there would be different uses. For example, people coming to the town or others going to the train station.

A Member suggested that some people who walk might want to hire a bike. They also suggested that SBC should drive the scheme, not the supplier. The Principal Planning Officer advised that the planning team were doing as much research as possible to help the scheme. The feasibility study and the information from the consultees provided a guide. The supplier would come back to SBC with their proposals to be reviewed.

Some Members raised concerns around the potential vandalism and theft. The Assistant Director (Planning & Regulatory) advised that the virtual geofenced hire bikes were the ones that could be hacked and stolen. Docked is better in this case and was why SBC were looking at the docked hire bikes rather than the other types. If people didn't return docked bikes, they would be charged for this. The Principal Planning Officer added that operators gather a lot of intelligence and data on the bikes so they could see if anything happened and could make improvements and changes if needed. There was also a lot of communication with the police, as well as additional locks being asked for by SBC, and visible docking stations to reduce potential vandalism.

A Member suggested some docking stations should be placed where bus routes are, as well as a hybrid option so people could move where they wanted. The Principal Planning Officer advised that the supplier would gather information on design lines. The Assistant Director (Planning & Regulatory) also advised that the most issues with abandoned bikes came from dockless options which is why SBC was looking at a docked scheme. There was data collected by the supplier which looked at travel, rush hours, and routes and there was a redistribution van which made sure the bikes were in place at the start of the day and if they needed to be moved back.

Another Member asked how many residents could ride a bike and how many had passed a cycling proficiency. They also asked who would be liable if someone had an accident on the bike. The Officers advised that the liability would be with the supplier who had insurance. Ms Walker added that many adults didn't admit they needed additional cycling training, but Cycling UK did offer cycling proficiency for all. She estimated that around 60% of adults could ride a bike but this could be higher.

Some Members raised concerns around the issue with e-scooters and suggested there should be some "no go" areas especially in shopping areas. The Principal Planning Officer advised that SBC were not looking at e-scooters. The bikes could be traced, and the speed could be reduced in certain areas. The Assistant Director (Planning & Regulatory) acknowledged the issues with wheeled powered vehicles,

especially in the town centre. He added that they would look closely at the locations of the docking stations around these areas and geofencing would be looked at. The town centre was the only place in Stevenage with a bike ban but this could be looked at in all shopping areas, as well as whether the bikes could be stopped on pavements.

A Member asked whether the docking stations could be moved if they decided they were in the wrong place. The Assistant Director (Planning & Regulatory) advised that this would be the case and they would respond to changes. The Principal Planning Officer added that they were learning a lot from Watford and getting any information that would improve the Stevenage scheme.

Some Members asked what the cost to hire was as financial inclusivity was important. The Principal Planning Officer advised that they have rough ideas from the suppliers and consultants, but costs would depend on discussions with the Council in setting the fees. The Assistant Director (Planning & Regulatory) advised that some are £1 for 30 minutes but this would be discussed. Ms Borchers added that the scheme in Watford was £12 for the whole day, or £1 to unlock and 5p per minute. These were much cheaper than a bus fare. TfL also run similar schemes and have discounts for people such as NHS workers.

A member highlighted the large cost to the Council and suggested looking at other funding. The Assistant Director (Planning & Regulatory) advised that they were trying to get a sponsorship deal. SBC were putting money in at the start and using the Towns Fund. There would be an option for the Council to look at pricing and there could be other ways to make it more affordable to everyone. They were also looking at the Herts County Council Sustainable Transport fund as it was improving the cycle highways.

Ms Borchers asked some questions in relation the scheme and was advised that the scheme would be a minimum age of 16+ and that 40% of people using hire schemes hired for 15 minutes or less.

A Member raised concerns on the weight of e-bikes which was around 44kg and potential accidents.

Members suggested that the scheme could come back to the Committee to be reviewed and that there should be some criteria to assess it against, such as relevance to climate change, transport poverty and modal shift. The Assistant Director (Planning & Regulatory) advised that they could gather data over the first 6 months to a year and come back to the Committee with this.

Some Members asked whether planning permission was needed for the docking stations. The Assistant Director (Planning & Regulatory) advised that it depended on where they were located. The individual docking locations would come through planning and checked by the Highways Authority. The plan would be taken to the Executive in early February to agree the funding and there would be a potential rollout in the summer subject to approvals.

Ms Borchers highlighted Stevenage having a lot of hills and the issues with certain

infrastructures making it difficult to access some places by bike. She added that the scheme was an opportunity to get more people on bikes and a lot of people commuting to Stevenage could benefit from it. Ms Walker also added that people who were getting the train would benefit, even if they owned a bike, so they wouldn't have to leave their own bike in the station.

A Member asked who would promote the scheme. The Assistant Director (Planning & Regulatory) advised that promotions would be led by the operator, but SBC would support this and do some as well.

Another Member asked whether the docking stations needed a power supply, and it was advised that they did, and they also had a phone connection.

The Chair thanked Officers for the presentation, as well as Ms Borchers and Ms Walker for their contribution to the meeting.

#### 4 **DRAFT REPORT AND RECOMMENDATIONS OF THE COMMITTEE'S REVIEW INTO BUS SERVICES**

The Chair expressed that the bus review was a helpful exercise and that he felt strongly about the first recommendation and that it was important to look at things like modal shift and behaviour change. He suggested the bus review should come back to the Committee and guests should be invited back annually or the portfolio holder should have regular conversations with bus operators.

Members gave opinions and suggestions on the recommendations which included:

- Real time information at bus stops should be included in recommendation 2.
- There were concerns around the switch to biodiesel and SBC should at least look at electric or other alternatives,
- It was difficult for buses to do more than 20mph in certain roads due to traffic therefore recommendation 8 should look at other options, such as bus gates.
- Regeneration of the town should be looked at as there weren't bus routes in certain areas that there will be new developments, such as St Georges Way.
- There was no mention of a spine service within the recommendations.
- Other forms of public transport should be looked at in the future.
- It was valid to challenge the current funding modal as Arriva were subject to review and weren't doing well.
- The site visit was positive and useful.
- A park and ride was suggested, especially in areas such as the football ground.
- The idea of a shuttle bus was seen as a positive.
- The bus station should offer free Wi-Fi so people could access the timetable or see where buses were.

In response to various queries, the Scrutiny Officer and Assistant Director (Direct Services) advised that in terms of biodiesel, this had been trialled by Aviva but were unsure of the outcomes. A recommendation urging them to look at other options

other than fossil fuels was a positive, but it didn't have to be biodiesel, could be hydrogen or electric for example. The Scrutiny Officer agreed to include an image of a suggested electric shuttle bus to accompany Recommendation 9 (iii).

It was **RESOLVED:** That the draft report and recommendations of the Committee's review into the bus service be noted.

5 **URGENT PART 1 BUSINESS**

A Councillor raised an issue of a diesel-powered novelty train that had been used in the town centre Event Island for a fun children's activity arranged by Town Centre Management as it seemingly contradicted to the Councils commitment to the climate emergency.

Other Members agreed and suggested a balanced needed to be struck between events, such as the use of an ice rink in Event Island last year, and the commitment to climate change.

The Scrutiny Officer and Assistant Director (Direct Services) advised that it was reasonable to ask Officers to explore alternative options in terms of the train and consider the climate change implications.

6 **EXCLUSION OF PUBLIC AND PRESS**

Not required.

7 **URGENT PART II BUSINESS**

There was none.

**CHAIR**



**OVERVIEW AND SCRUTINY COMMITTEE  
MINUTES**

Date: Tuesday, 19 December 2023

Time: 6.00pm

Place: Council Chamber, Daneshill House, Danestrete, Stevenage

**Present:** Councillors: Lin Martin-Haugh (Chair), Philip Bibby CC (Vice Chair), Stephen Booth, Rob Broom, Jim Brown, Forhad Chowdhury, Michael Downing, Bret Facey, Conor McGrath, Sarah Mead, Margaret Notley, Robin Parker CC, Carolina Veres and Anne Wells

**Start / End Time:** Start Time: 6.00pm  
End Time: 7.30pm

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

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

**2 MINUTES - 22 NOVEMBER 2023**

It was **RESOLVED** that the Minutes of the meeting held on 22 November 2023 be approved as a correct record for signature by the Chair.

At this juncture, Councillor Parker commented that at the previous meeting he had a cold and was unwell, which may have made comments he made rather loud when speaking on item 4 – presentation on 2021 Census data for Stevenage, and also stated that the comments he made in respect of the presentation were directed towards senior officers rather than the report authors.

**3 PART I DECISIONS OF THE EXECUTIVE**

**2. Minutes – 15 November 2023**

Noted.

**3. Minutes of the Overview & Scrutiny Committee and Select Committees**

Noted.

**4. Corporate Performance – Quarter 2 2023/24**

Members were advised that the Executive had received a presentation on the Council's performance across key priorities and projects for Quarter 2.

Officers gave the following answers/comments to a number of questions raised by members:

- In relation to voids, these properties were the subject of both an independent review as well as a review by the Community Select Scrutiny Committee. Officers were aware that improvements were still needed to the service and close monitoring was underway to ensure the voids backlog would be cleared. Certain specialist work was contracted but the Council's aspiration was for a fully internal workforce by 2025;
- Tenancy Satisfaction Measures had been introduced in response to the Social Housing Regulator requirements. The measures were to understand tenants' satisfaction with the provision of Council services in relation to tenant engagement, home maintenance, ASB, complaint handling and communal spaces. An independent research company had been commissioned to undertake the survey and reports would be presented to Executive and the Overview and Scrutiny Committee in Q1 2024/25;
- In relation to rent arrears mitigation, Officers advised that the Council had put additional resources into the Team to carry out targeted support for tenants in difficulty as it was recognised that households were under immense pressure as a result of the cost of living crisis. Work was also underway with Citizens Advice for debt and welfare advice for residents;
- Officers agreed that the target of 100% EPC C rating by 2030 for every social housing provider was a challenge. Further bidding for Government grants would have to take place for additional investment. The Private Rented Sector would be monitored through the Planning and Environmental Health services;
- In relation to waste, Officers agreed that the reduction in waste was the primary issue before recognising recycling percentages;
- The numbers referred to in the report relating to Everyone Active visits would be reviewed to ensure it was clear that the numbers referred to visits and not the number of users which could be misleading;
- The number of Stage one complaints made by tenants was a cumulative measure and had reduced from the first quarter. Officers advised that complaints were welcome as they were used to drive forward improvements to that service. Fortnightly complaints clinics were now being held to ensure the Council was responding effectively to these complaints. Substantial new guidance was also now in place following national issues such as the Grenfell Fire and the tragic death of a child following damp and mould issues;
- Following the suspension by the Government of benchmarking data, Officers advised that there were a number of mechanisms used including a wide role for the office for Local Government (Oflog), the new performance body for local government.

## **5. Council Tax Base 2024/25**

Officers advised that the Council Tax Base had been calculated based on the number of properties as at October 2023, discounting those in receipt of Council Tax Support or Single Persons Discount.

In response to a question regarding collection rates, the Strategic Director (CF) advised that although the trend nationally was down, she was confident that the target for collection should remain at 98.25%. Members noted that some staff had been diverted to work on issuing additional grant funding during the pandemic, as no additional resources had been made available to carry out these additional duties.

In relation to contacting residents who were in debt, Members were advised that a first, second and final reminder could be issued. The Council Tax Support Scheme was encouraged and residents were reminded to call the Council should they have any concerns regarding payment of Council Tax. Levels of debt were also complicated by the four weekly assessment of Universal Credit.

#### **6. Draft Housing Revenue Account (HRA) Budget Setting and rent Report 2024/25**

In response to a question, the Assistant Director Finance advised that the rents on dwellings would be increased by 7.7% in line with Government policy for rent setting. Officers were aware of the additional burden placed on tenants and reassured Members that support was in place for those struggling to meet their rental liability regardless of their employment status.

Officers recognised that the impact on young people was not clear as currently laid out in the report, but that this would be addressed in a revised version of the report.

In relation to consultation, Members were advised that Officers would be working closely with tenants to establish the impact of the rent and service charge increases and put in place systems to mitigate this, including benefit support services, debt advice and payment arrangements. Close working was also underway with partners such as Citizens Advice and Step Change to deliver joint events that target all groups impacted by the change.

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

None.

#### **5 URGENT PART I BUSINESS**

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 **EXCLUSION OF PRESS AND PUBLIC**

7 **PART II MINUTES - OVERVIEW AND SCRUTINY COMMITTEE - 22 NOVEMBER 2023**

It was **RESOLVED** that the Part II Minutes of the meeting of the Overview and Scrutiny Committee held on 22 November 2023 be approved as a correct record for signature by the Chair.

8 **PART II DECISIONS OF THE EXECUTIVE**

9. **Part II Minutes – Executive – 15 November 2023**

Noted.

10. **Housing Benefit Overpayment and Sundry Debt Write Offs Greater than £10,000**

Noted.

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

None.

10 **URGENT PART II BUSINESS**

None.

**CHAIR**



Part I – Release to Press

**Meeting** Executive  
**Portfolio Area** All  
**Date** 17 January 2024



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

### KEY DECISION

**Authors** Sally Norman; Charlotte Bott  
**Contributor** Strategic Leadership Team  
**Lead Officers** Matt Partridge | 2456  
Richard Protheroe | 2938  
**Contact Officer** Richard Protheroe | 2938

#### 1. PURPOSE

1.1 To seek approval for the Making Stevenage Even Better Corporate Plan which outlines the Council's strategic priorities for the next three years.

#### 2. RECOMMENDATIONS

2.1 That the Executive agree the five strategic priorities and three cross-cutting themes of Making Stevenage Even Better Corporate Plan (Appendix A) subject to any changes discussed at the Executive meeting and with final sign off delegated to the Chief Executive, after consultation with the Leader of the Council.

2.2 That Making Stevenage Even Better Corporate Plan is brought to Full Council in February 2024.

2.3 That Making Stevenage Even Better Corporate Plan is communicated with residents, local community groups, and partners as set out in paragraph 4.11 of this report.

### **3. BACKGROUND**

#### **3.1 Corporate Plan**

3.1.1 The Corporate Plan is a key strategic document for the Council and must be considered as part of the Council's Budget and Policy Framework.

3.1.2 The Corporate Plan provides a strategic link between delivery of services, the national and local policy agenda, and the Council's joint-partnership objectives. The strategic priorities inform the Council's budget setting process and direction of travel over the next three years, and these inform the focus in Service Plans across the authority.

#### **3.2 Future Town Future Council**

3.2.1 The previous Corporate Plan 'Future Town Future Council' (FTFC) was agreed by the Council in December 2016. In February 2021, the Council agreed to extend FTFC beyond its original 5-year term and in July 2021, the FTFC programme was consolidated into four external-facing programmes and one internal-facing enabling programme:

- Transforming Our Town
- More Social, Affordable and Good Quality Homes
- Cooperative Neighbourhoods
- A Clean, Green, Safe and Thriving Town
- Making Your Money Count (Enabling)

3.2.2 In June 2023, it was agreed that the significant investment in social housing (£24.6 million in 23/24) should be reflected in the FTFC priority 'More Social and Affordable Homes'. This priority was subsequently amended to 'More Social, Affordable & Good Quality Homes' for 2023/24.

3.2.3 In September 2023, it was agreed that as part of the Medium-Term Financial Strategy update and in recognition of the need to be transparent about the impact of inflationary pressures, the FTFC priority 'Making Your Money Count' should be amended to 'Balancing the Budget'.

3.2.4 In October 2023, it was agreed that a new Making Stevenage Even Better Corporate Plan, with updated strategic priorities should be shared with residents, businesses, local community groups, and partners for a period of consultation lasting 6 weeks (23 October – 4 December 2023).

3.2.5 The strategic priorities within Making Stevenage Even Better Corporate Plan are based upon resident, business and community group feedback provided since 2021. It builds on the long-term objectives of FTFC programmes and reflects the need to prioritise effective delivery of services in a challenging financial environment. This means using reduced resources to achieve the outcomes that matter most. Members and officers will continue to work together through the 'Transformation' programme of work, within the priority of Balancing the Budget, to

introduce efficiencies that will provide a better service for residents and meet saving commitments.

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

4.1 The Council's key drivers have changed since FTFC was approved in 2016. The Council has faced, and will continue to face, a number of challenges and opportunities that will inform its future decision-making and resource allocation. These include:

##### **4.1.1 Financial challenges**

- The Local Government Association highlights the pressures facing local authorities, estimating that Councils in England face a funding gap of £4 billion over the next two years, following a challenging long-term financial position
- Estimates vary but the National Audit Office data shows that there has been a reduction of 64.5% in Government funded spending power between 2010-11 to 2020-21 for Stevenage
- Six years of annual financial settlements have impacted the Councils ability to plan ahead with certainty, which coupled with the delay of the Government's Fair Funding Review (due in 2016), has exacerbated an already challenging financial position
- For Stevenage, a combination of these challenges coupled with inflation means a reduction of c£12m from the Council's annual budget since 2010; and a significant financial pressure on the General Fund and Housing Revenue Account (HRA)
- The HRA has been subject to changes in rent policy (e.g., 1% rent reduction 2016/17-2019/20) since the Council paid £199 million to the government for the self-financing deal
- this has resulted in the Council needing to find cumulative savings in excess of £12Million to meet the shortfall

##### **4.1.2 Changes to national and local policy**

- Increasing demands related to the use of services in response to the Cost-of-Living crisis i.e. homeless costs, access to benefits and support services
- In 2022/23 new legislative regulations with an increased focus on compliance were introduced (e.g., the Social Housing Regulation Act, Building Safety Act and Fire Safety Act), this has been coupled with new tenant satisfaction and tenancy management requirements in 2023/24
- The financial impact of this legislation and future investment needed to fulfill waste reform and the updated Housing Consumer Standards requirements will need to be revised when full details are known in 2024
- There is an urgent need to improve energy efficiency in the delivery of council services, maintenance of assets and social housing stock in response to the climate emergency
- There is potential change in political landscape following a general election and an uncertain legislative programme, a local all-out election and County Council elections in 2024
- Low levels of unemployment affecting recruitment and retention of staff
- Change in partnership landscape (Local Enterprise Partnerships to be brought under the County Council from April 2024)

#### 4.1.3 **Opportunities**

Despite the significant challenges and difficult decisions that the Council has faced and will continue to face. The Council has remained financially resilient and continues to deliver for its residents, this includes:

- £14 million savings since 2010 to bridge the government funding and inflation deficit
- Delivered 394 new homes since 2014 with 2,253 units due to be delivered over the next 30 years
- £26 million investment from 2023/24 to 2028/29 in existing (56%) and new (44%) housing stock
- Over the next 30 years invest £734 million in new housing stock and £482m in repairs, void and cyclical maintenance
- A significant period of town centre regeneration including a new bus station, multi-storey carpark, event Island, provision of new residential and commercial property
- £23.95 million business grants administered to Stevenage businesses to March 2022 (18 schemes/4375 businesses)
- £37.5 million Towns Fund funding obtained to support new leisure centre, museum and cycleways
- Significant engagement with residents through the Cooperative Neighbourhoods programme of work, including development and implementation of Neighbourhood Plans
- Growth in the life science industry, including a new £65 million European Headquarters for Autolus Therapeutics, a new life sciences development at the Forum (anticipated to generate economic growth of £98 million and 1,850 jobs) and the establishment of new training facility (Stevenage Innovation and Technology Centre (SITEC))

#### **Consultation**

4.2 It is vital that the Council's strategic priorities, as set out in the Making Stevenage Even Better Corporate Plan, reflect the challenges and opportunities the Council faces, and that these priorities are based upon the views of residents, business and local community groups. Informing the five strategic priorities set out in 'Making Stevenage Even Better' are responses provided through the Residents Survey (2021), the Tenants Survey (2021), and the Cooperative Neighbourhoods Resident Proptech Survey (2023).

4.3 The survey findings represented 3,000 residents views across a range of topics and provided a strong local evidence base for change.

Key priority areas identified included:

- Maintenance and appeal of local areas (e.g., littering & cleanliness, pathways and pavements)
- Safety and crime (e.g., reducing Anti-Social Behaviour, drugs and young people hanging around neighbourhoods)
- Green spaces and climate change (e.g., better parks, maintenance of green



spaces, climate change activities to reduce carbon footprint and improve biodiversity)

- Provision of good local Services (e.g., council house maintenance, customer services, waste collection and recycling, satisfaction with housing repairs)
- Good local shops and facilities (e.g., diversity of retail and investment in town centre, new leisure facilities, youth initiatives and activities in neighbourhood areas to promote health & wellbeing)

4.4 To provide clarity and maintain focus, the areas identified by residents have been recategorised into five strategic priorities within Making Stevenage Even Better:

**1. Transforming Our Town**

- a. Regeneration
- b. Enterprise & Skills

**2. More Social, Affordable and Good Quality Homes**

- a. Building New & Sustainable Homes
- b. Maintaining Good Quality Homes

**3. Thriving Neighbourhoods**

- a. Clean Neighborhoods & Green Spaces
- b. Community Safety
- c. Culture & Leisure

**4. Tackling Climate Change**

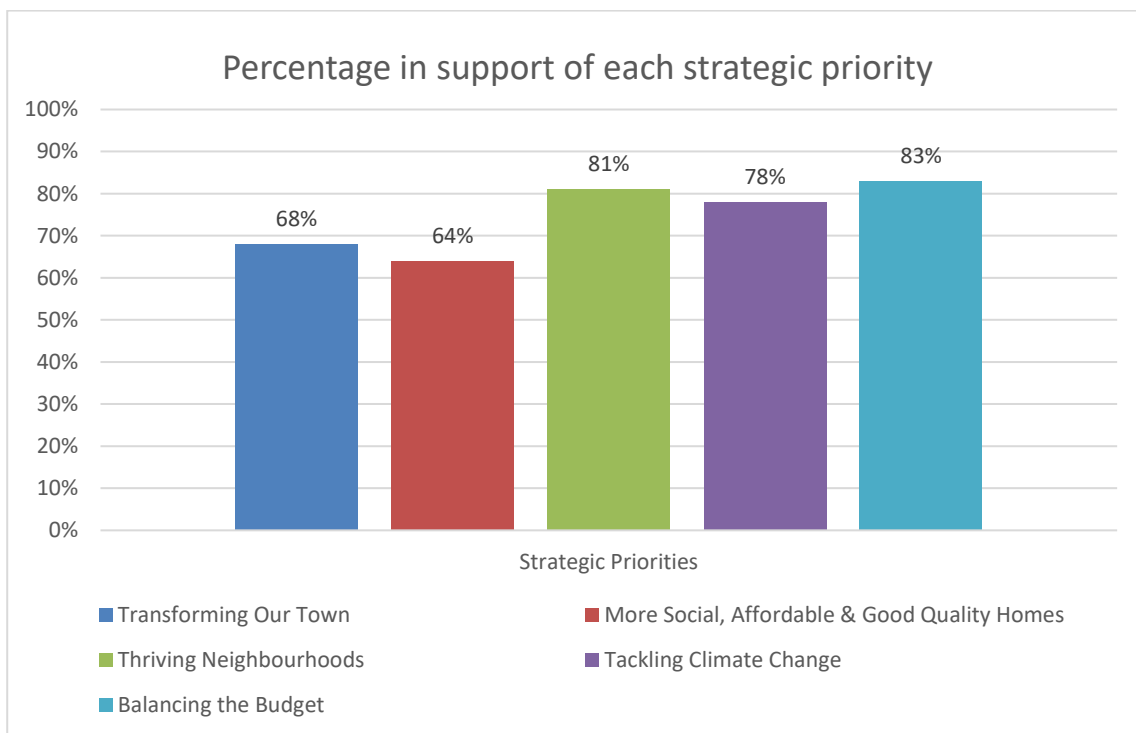
**5. Balancing the Budget**

4.5 In addition to the five strategic priorities, there are three areas of work which cut across delivery of all strategic priorities. These are **Equality, Diversity & Inclusion; Health and Wellbeing;** and **Technology & Innovation**, and these are referred to as cross-cutting themes. The inclusion of cross-cutting themes represents the need to raise awareness of these areas when designing and delivery services. They have important social benefits and demonstrate the importance the Council places on effective partnership working and existing commitments to tackle health inequalities, champion equality, and consider innovative solutions to deliver efficiencies and empower residents when accessing services.

4.6 The priorities and themes in the Making Stevenage Even Better Corporate Plan are underpinned by outcomes (the result we want to see) and the actions we will take to get there. Presenting the information in this way, and using outcomes as a framework for actions, seeks to make the end goal meaningful to residents, businesses and the community, and our intention clear to partners involved in delivery.

4.7 During the six-week consultation period a variety of engagement activities took place to help ensure that members, businesses, staff, community groups and residents were given the opportunity to provide feedback on the proposals. Respondents could either provide their views via an online survey, which could be accessed by scanning a QR code or visiting the website. They could also request a hard-copy form by email/post or come into the office to access the computers in the Customer Service Centre. Large print and translated versions were also available upon request. Further information on the consultation activities undertaken during this period are contained within the Consultation Report (Appendix B).

4.8 Survey respondents were asked 15 fixed questions and given the option to complete free text responses to supplement their answers. To enhance the Council's understanding, additional thematic analysis of the free text answers was undertaken. Seventy-two residents responded and the consultation findings show that sixty-nine per cent (69%) considered the five strategic priorities identified in Making Stevenage Even Better representative of their priorities, with each individual priority receiving good support.



4.9 Of the 31% that did not agree with the proposed priorities, a range of alternative suggestions were provided, this included:

- Investment in the Council's existing services, e.g., the upkeep of garages, and housing repair service
- Investment in infrastructure (e.g., schools, health facilities, transport)
- Delivery of a range of youth initiatives to help tackle Anti-social Behaviour (ASB) and crime
- Investment in the town centre to help improve footfall
- Tackling climate change with a focus on the preservation, maintenance and utilisation of green spaces
- Support for local businesses, including apprenticeships specifically within growing sectors such as Science, Technology, Engineering and Maths (STEM)
- Identifying alternative sources of income generation through increased commercial activities

4.10 It is encouraging that the alternative suggestions provided include areas of work which the Council are already delivering or are planned. For example, significant investment in the town centre and amenities, including work with partners to

invest in infrastructure where the Council is not directly responsible (e.g. health facilities, roads, schools) is being delivered as part of the £1 billion Stevenage Even Better and £37.5 million Towns Fund programmes of work. The actions in each of these areas are set out under the Transforming Our Town priority. Another example, the preservation, maintenance and utilisation of green spaces, is supported through multiple activities within the Tackling Climate Change and Thriving Neighbourhoods priorities, with utilisation of green spaces a key component of the Health & Wellbeing cross-cutting theme. Youth initiatives (over and above those provided by the County Council) to tackle ASB are being implemented through the Community Safety strategic priority, and income generation through increased commercial activities is being delivered through the Balancing the Budget programme of work.

- 4.11 The consultation findings indicate a good level of local support for the strategic priorities within the Making Stevenage Even Better Corporate Plan. Respondents have advised that the priorities have the right focus and are aligned with what matters to them. It is clear however, from the alternative suggestions and feedback obtained, that the Council could do more currently to communicate ongoing activities and associated benefits being delivered through existing and planned programmes of work. In response, the Council intends to review its existing approach to communication and build engaging, accessible communication packages for each strategic priority. Meaningful and effective communication plays an important part in demonstrating how the Council delivers for residents, and it is critical to the success of Making Stevenage Even Better and how we demonstrate progress going forward.
- 4.12 Following the 6-week consultation period, further opportunity was provided to the Council's Stevenage Together partners to provide feedback on the proposals. Responses from partners, such as the Citizens Advice (Stevenage), indicated clear support for the comprehensive approach outlined within the plan, with a request that additional focus be placed on the support for residents in response to the cost-of-living crisis, as well as the Council's approach to tackling health inequalities, and plans to deliver personalised advice and support to residents through its plans for Customer Services. In response to this welcomed feedback the Corporate Plan has been amended to highlight the Council's existing and planned work in these areas.
- 4.13 The Making Stevenage Even Better Corporate Plan (Appendix A) is an accessible, easy-to-read, public-facing document which seeks to clearly set-out the Council's strategic priorities through an outcome-based framework. Presenting the Council's direction of travel in this format will ensure transparency as part of the Council's commitment to monitoring and reporting fulfillment of its priorities and how this is shared with residents, partners, local businesses, staff and community groups.
- 4.14 A detailed Plan on a Page (Poap) (Appendix C) for each strategic priority and cross-cutting theme sets out to residents where the Council will focus improvement efforts each year over the next three years. These outcomes will be supported by key corporate performance targets, indicators and milestones to ensure performance can be monitored effectively. The Council's ability to deliver against its priorities will continue to be monitored as part of robust governance and corporate performance arrangements, including the quarterly performance reporting of milestones and measures to the Executive, and the regular review of

governance actions and risks as part of the wider performance framework. By taking this approach, we can continue to incorporate local and community priorities, and requirements in relation to housing performance and accountability to the Regulator of Social Housing, and the new Office for Local Government (OfLoG).

## **5 IMPLICATIONS**

### **5.1 Financial Implications**

5.1.1 The Council is in the process of refocusing resources to support the priorities outlined in the Making Stevenage Even Better Corporate Plan through the budgetary cycle for 2024/25. Any additional resources required to support the programme over and above that identified will be reflected as part of the financial planning and budget setting process for both the General Fund and Housing Revenue Account.

#### **5.1.2 Legal Implications**

5.1.3 There are no direct legal implications arising from the recommendations of this report.

### **5.2 Risk Implications**

5.2.1 The risks associated with individual service areas and objectives will need to be considered through normal service planning processes.

5.2.2 A strategic risk register has been developed for the Making Stevenage Even Better Corporate Plan to ensure risk is effectively managed across the programme. It will be monitored on a quarterly basis.

### **5.3 Policy and Service Delivery Implications**

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

5.3.2 The Corporate Plan impacts on all Council services, and this will be reflected in all Business Unit Service Plans for 2024/25.

### **5.4 Equalities Implications**

5.4.1 All projects and activities leading to policy or service change in fulfillment of the strategic priorities within the Making Stevenage Even Better Corporate Plan will be assessed through the Council's Equality Impact Assessment (EqIA) process.

## **BACKGROUND PAPERS**

- Executive Report: [Future Town Future Council](#)

## **APPENDICES**

**Appendix A - Making Stevenage Even Better 2024-2027**

**Appendix B – Making Stevenage Even Better Consultation Report**

**Appendix C – Plan on a Page Example (2024/25)**

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DRAFT

## **Stevenage Borough Council**

# **Making Stevenage Even Better 2024 – 2027**

## Introduction by the Leader



**Richard Henry –  
Leader, Stevenage Borough Council**

*Stevenage is a town with ambition, determination, and drive. From its inception as the first post-war ‘new town’ in 1946 to celebrating its 75<sup>th</sup> year in 2021, the town is recognised for the progressive and bold aspirations of its community.*

*As a Council we care deeply about what residents think, and this is why the priorities set out in this document have been shaped around what you have told us matters to you. Whether that be tackling climate change or working with partners to address anti-social behaviour, these are local issues that are important to you, and so this means that they are important to us.*

*The Making Stevenage Even Better Corporate Plan builds upon the foundation laid out in our previous Corporate Plan ‘Future Town Future Council’ and sets out a roadmap for the next three years. We want to build on our previous successes and provide every opportunity to residents to directly benefit from local investment, now and in the future.*

*As a Council we have continued to build upon the original town planners’ optimism and in 2015, through collaboration with partners, invested £1 billion in a regeneration programme to reinvigorate the town centre and surrounding areas. This 20-year project to deliver multiple residential, commercial and retail schemes and improve our leisure and cultural offer is progressing at pace, and we want our residents to benefit from this, not only in terms of access to improved amenities and green spaces, but access to jobs in response to the industrial and economic growth this investment will deliver.*



**Stevenage Town Centre (1957)**

*Our regeneration plans also aim to promote the town as a place where music and arts can flourish. We have a real opportunity to bring together our unique architecture and heritage to create a vibrant and iconic environment. Our Towns Fund plans will deliver significant benefits through the development of a state-of-the-art Sports & Leisure Centre which will become a hub for healthy living and wellbeing, and improve links between key spaces and assets within the town*

*Alongside the revitalisation of the town, we will continue to deliver on our ambitious house building targets. We have already provided over 486 council and private homes*



*since 2014, and in the next 30 years a total of 2,253 good quality, sustainable homes will be built. Residents have told us that they need more council homes, and this is what we are going to deliver.*

*In addition to increased housing, we also want better employment opportunities for our residents, particularly our children. To deliver on this ambition, we have sought to capitalise on the town's strong history in Science, Technology, Engineering and Mathematics (STEM), from the early days of the British Aircraft Corporation in the 1950s, to the town now hosting the third largest cell and gene therapy cluster outside of the United States. The growing space, communication and defence industry will also provide fantastic opportunities and we will work with partners to provide access to education and training initiatives, so that residents can benefit directly from the journey we are on. As a former Lecturer at North Herts College, I am passionate about our commitment to young people and supporting new generations to realise the potential they have and raise their aspirations.*

*The next three years won't be without its challenges. We have seen the financial impact of severe cuts in government funding, changes in welfare and social rent policy, rising inflation, and the significant social and financial impact of the cost of the living crisis and pandemic. We know that there will be difficult financial decisions ahead in order to balance the budget, but we also know we are committed to finding innovative solutions that ensure that we can keep delivering the services you have told us you need.*

*Our ambition is to Make Stevenage Even Better and I believe the outcomes and actions set out in this document will provide the roadmap to get there.*

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## **Purpose of this Plan...**

The Making Stevenage Even Better Corporate Plan sets out the Council's priorities for the next three years. It provides a framework for our thinking, decision-making and resource allocation in the shape of five priorities and three cross-cutting themes.

To ensure focus we have included the outcome that we want to achieve under each priority. By concentrating on outcomes, we can be transparent about the actions that we will take, and by doing so improve accountability and aid ongoing engagement and co-production with residents, partners, local businesses, and community groups.

The strategic priorities in the plan are underpinned by the Council's Medium Term Financial Strategy and Capital Strategy. These key documents set out our financial priorities and commitments for the year and are reviewed annually. These are supported by a number of Council Strategies and Policies within the Council's Strategic Policy Framework. The Policies and Strategies with the Framework set out the Council's position on a number of important issues, including town planning; housing allocation; community safety; climate change; arts and leisure; and equality, diversity and inclusion.

## **Working in Partnership...**

Integral to the successful delivery of our priorities are our external partners. As a Council we have strong links with our partnership colleagues across the county, who each share in our ambition to collectively see Hertfordshire thrive.

Colleagues from District and Borough Councils, the County Council, and the Hertfordshire Local Enterprise Partnership are central to our ambitions to grow the economy, provide more affordable housing, tackle climate change, and invest in infrastructure such as roads, rail, schools and healthcare facilities. Through our links into the Hertfordshire Growth Board, the Hertfordshire Infrastructure Development Board, and the Hertfordshire Climate Change & Sustainability Partnership, we can continue to make strong representation to our partners for the benefit of Stevenage residents.

In partnership with the Stevenage Development Board, we will continue to deliver projects allocated £37.5 million funding through the Towns Fund. The Board includes members from public sector organisations, private businesses, not-for-profit organisations, government agency partners and more, and is a key component of the wider £1bn regeneration of Stevenage Town Centre.

Nationally and regionally, we will also continue to forge strong links with Government departments such as the Department for Business and Trade, the Department for Energy Security and Net Zero, the Department of Levelling Up, Housing & Communities, and the Department for International Trade, to ensure that we have a voice in the development of the local and national policy agenda.

We will continue to build upon the strong links that we have with educational institutions such as the University of Hertfordshire and North Herts College to make sure that we can jointly develop a skills and training package that fulfils our residents' aspirations and makes a real difference to their futures.

We will continue to value and work collaboratively with local Voluntary, Charitable & Social Enterprise (VCSE) groups, such as the Citizens Advice (Stevenage), Mission 44 and many, many more, in the acknowledgement that they make a meaningful difference to the lives of residents and successful delivery of our services. We will continue to identify shared objectives and outcomes through the Stevenage Together Partnership to ensure that opportunities for collaboration are coordinated and utilised effectively.

## Governance and Monitoring...

To ensure that our approach to delivery of the Making Stevenage Even Better Corporate Plan is clear, each of the five strategic priorities and cross-cutting themes will be presented as a Plan on a Page (PoaP), please see Annex A. Each PoaP is underpinned by Key Performance Indicators (KPIs) and Milestones that we will use to monitor and track performance.

The first set of PoaP documents covering the period 2024-25 will be published in June 2024, and an example of More Social, Affordable & Good Quality Homes is included in Annex B. These will be reviewed annually, so that we can monitor delivery and make timely changes where required. This will be accompanied by the Council's Annual Report which sets out the Council's achievements for the previous year.

To ensure transparency and to keep residents up to date on progress, the KPIs and Milestones will be reported to the Council's Executive and published on our website at the end of every financial quarter.

## Our Values...

We care passionately about our town and are committed to making a real difference to the lives of all our residents now, and into the future.

Our approach is driven by our values. These guide and inform everything we do; delivering our services, making Stevenage a great place to live, working with our partners, and ensuring our Council is an inspiring place for our staff to work.



### Caring

As a Council we will:

- Actively and respectfully listen to people in order to understand them and their views

- Adapt our behaviour to help those we are working with
- Present information clearly and in a way that people understand
- Respect the views of others and consider the impact of our words and actions
- Value diversity and treat everyone with dignity and respect

### Straightforward

As a Council we will:

- Reduce bureaucracy
- Work smarter and in a more agile way
- Contribute to the development of simplified and straightforward processes and procedures
- Identify and eliminating time consuming or wasteful practices
- Think creatively about how tasks can be best achieved
- Contribute to the identification of processes that may generate efficiency savings
- Embrace technology where this supports increased productivity

### Responsive

As a Council we will:

- Remain courteous, helpful and professional in our dealings with our customers
- Demonstrate an understanding of who our customers are and why they matter
- Do what we say we'll do. Explain clearly what service can be delivered and be committed to seeing things through
- Seek and act on customer opinion and feedback

### Excellent

As a Council we will:

- Strive to deliver our services to the highest possible standards
- Be open to feedback from others so that we can improve our performance
- Make the best use of our personal strengths and acknowledging our development needs
- Take responsibility for our own learning
- Apply both skill and knowledge to our work
- Learn from both positive and negative experiences

### Innovative

As a Council we will:

- Seek and suggest new ways of doing things to improve service, value for money and performance
- Be open to new ideas and suggestions
- Take responsibility for finding solutions and better ways of working
- Actively seek solutions to problems and see things through
- Carefully consider any risks attached to proposed solutions
- Encourage others to contribute ideas and to work with us to find solutions

### One Team

As a Council we will:

- Actively contribute to team goals
- Respect and value the contributions of others, particularly staff
- Cooperate with other teams to provide excellent services
- Share knowledge, experience and achievements with the team
- Accept compromises in order to achieve shared aims

## Challenges & Opportunities

Since 2010 there has been an 49% reduction in Government funding to Councils across England. This has led to significant financial pressures across the sector which have been exacerbated by Government changes to welfare and social rent policy, rising inflation, energy and food costs, and the significant social and financial implications of the pandemic.

When combining both Government funding cuts and unfunded inflation the total reduction in spend per household in Stevenage is equivalent to £325.20 per year. This has resulted in the Council needing to find cumulative savings in excess of £11Million since 2010 to meet the shortfall.

Despite these challenges the Council has remained financially resilient and continues to work hard to deliver for its residents, this includes:

- £14 million savings since 2010 to bridge the government funding and inflation deficit
- 394 new homes provided since 2014
- a significant period of town centre regeneration including a new bus interchange, multi-storey carpark, Event Island, provision of new residential and commercial property
- £23.95 million business grants administered to Stevenage businesses to March 2022 (18 schemes/4375 businesses)
- £37.5 million Towns Fund funding obtained to support new leisure centre, museum and cycleways
- growth in the life science, including a new £65 million European Headquarters for Autolus Therapeutics, a new life sciences development at the Forum (anticipated to generate economic growth of £98 million and 1,850 jobs) and the establishment of new training facility (Stevenage Innovation and Technology Centre (SITEC))

## Key Statistics...

The following pages show demographic trends across Stevenage as captured through the national 10-year Census. This data helps inform the Council's direction of travel, and is supplemented by important local information about employment, deprivation and climate change. From this data we can make decisions about where to focus investment to ensure that we are planning for the future.

In anticipation of population increases, we can work with partners to make sure that the required infrastructure (schools, health facilities and transport) is in-place to support the growing community. We can commit to new-build principles that ensure the homes we build fulfill the same standards across private and social housing, and communities are supported to create desirable environments where everybody wants to live. Where there is unemployment or deprivation, we can work with businesses and community groups to create opportunities. Where residents tell us they are worried about crime we can collaborate with partners to develop and implement innovative solutions to address the causes.

### Population

Stevenage has a population of 89,500 people

Between 2011 and 2021 it rose by 6.6%

By 2043 it is projected to rise to 91,848 (2.6% increase)

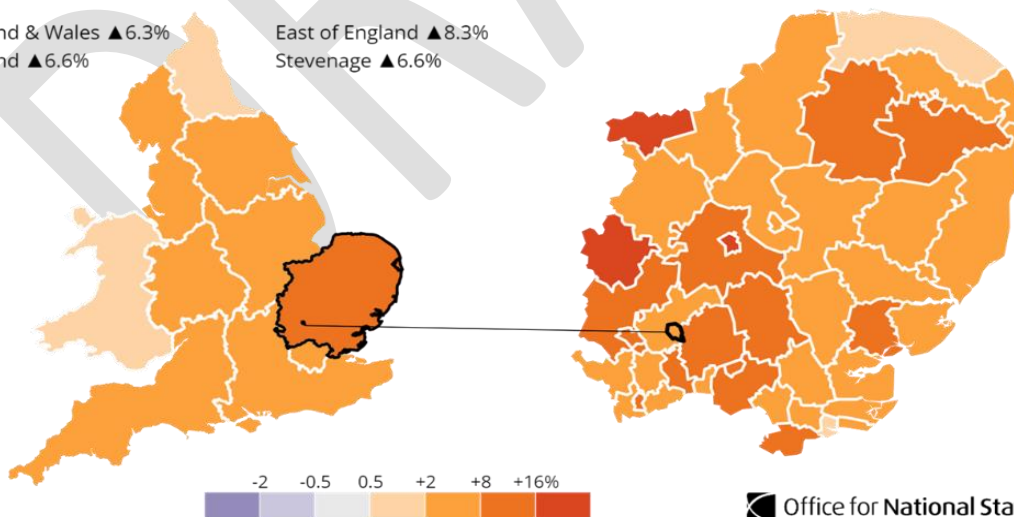
### Density

The population density (usual residents per square kilometre) of Stevenage is 3,446, the second highest in Hertfordshire after Watford

Population change in Stevenage: Census 2011 to Census 2021

England & Wales ▲6.3%  
England ▲6.6%

East of England ▲8.3%  
Stevenage ▲6.6%



Office for National Statistics



### Male/Female

2021 - 50.7% female / 49.3% male

2011 - 50.6% female / 49.4% male

2001 - 51% female / 49% male

### Stevenage's Average Age

2021 - 38 yrs.

2011 - 37 yrs.

2001 - 38 yrs.



### Affordable Housing

The estimated number of households in Stevenage has increased from 34,898 in 2011 to 36,511 in 2021

There are over 2,800 people on the Housing Register waiting for council housing

The total number of new affordable homes provided by the Council since 2014 is 397. At present, the Council is on track to meet its target of 500 homes by 2025

As set out in the Local Plan, a further 7,600 mixed-tenure residential homes are due to be provided

### Average House Price

The average house price in Stevenage is £338,961 as per 2022 records. This is cheaper than the average house price in the Hertfordshire which is £542,160

### Investing in Young People

Stevenage has seen an increase of 7.7% in children aged 16 years or under since 2011

16,523 (19.7%) of usual residents (aged 5 years and over) were schoolchildren or full-time students

29.6% of usual residents (aged 16 years and over) had Level 4 qualifications and above which compares well with the national average of 29.8 %

### Growing Industries

Stevenage is home to the third largest cell and gene therapy cluster globally and the largest outside of the US

Cell and gene therapy is one of the fastest-growing health and life sciences in the world, contributing around £74bn to the UK economy and a quarter of a million jobs per year

Stevenage has been designated a High Potential Life Sciences Opportunity Zone by the Government,

This exponential growth and scale of investment has led to an urgent need for a skilled workforce. The UK Cell and Gene Therapy Skills Demand Survey Report (2021), forecast a growth of 151% nationally in bioprocessing jobs by 2026

### Age

Stevenage hosts a slightly younger resident population than Hertfordshire and England, with residents aged 15 to 64 years making up 64.6% of Stevenage's population, compared to 63.9% and 63% in Hertfordshire and England, respectively

There has been an increase of 15.4% in people aged 65 years and over since 2011, however despite this the Stevenage percentage of over 65-year-olds (10.9%) is well below both the County (12.0%) and the National (13.5%) level



## Disability

17.3% (15,468) of Stevenage residents assessed themselves as disabled and 25.4% of households in Stevenage had one person who was disabled, and 7% had two or more disabled people in their household

The 2011 Census indicates that Stevenage had 8,550 unpaid carers in Stevenage which was 10.2% of our population. This was a reduction of 11% since 2001

## Jobs & Unemployment

Around 1,500 people aged 16 and over in Stevenage were unemployed in the year ending June 2023. This is a rate of 3.1%. The national average unemployment rate was 4.2% in 2023

The three main employment areas, Town Centre, Gunnels Wood and Symonds Green account for over half of all the jobs in Stevenage

## Ethnicity

Residents of Black and Minority Ethnic heritage have steadily increased from 8.52% in 2001 to 17.2% in 2021. In 2021, the majority of residents (82.8%) were White (All Groups)

## Deprivation

Data from 2019 shows that Stevenage continues to be the most deprived authority area in Hertfordshire, increasing its deprivation score by 5.8% since 2015

Life expectancy is 5.1 years lower for men and 4.0 years lower for women in the most deprived areas of Stevenage (Bedwell and Bandle Hill) compared with the least deprived (Chells Manor and Pin Green)

## Travel

In 2021, 48.7% of Stevenage residents in employment travelled to work by driving a car or van. This was the most popular form of commuter transport

16.4% of residents work within 2 to 5 km from work

Car ownership levels within Stevenage in 2021 show that:

- 18% of residents do not own a car
- 45% own one car
- 31% own two cars
- 6% own 3 or more cars

Stevenage Train Station was one of the busiest in Hertfordshire in 2022/23 with around 4 million users that year

## Climate Change

Stevenage's top 5 carbon dioxide (CO<sub>2</sub>) emitters in 2020 were (1) Domestic Gas (2) Transport Minor Roads (3) Transport A Roads (4) Domestic Electricity (5) Transport Motorways

Domestic electricity as a contributor to CO<sub>2</sub> has reduced considerably since 2005 (75.2 kt in 2005 to 24.6kt in 2020)

Council emissions have decreased from 40.8 CO<sub>2</sub> kt in 2005 to 22.1 CO<sub>2</sub> kt in 2020

## What matters to our residents...

### Top 5 Resident Priorities (Residents Survey - 2021)

- 99% of those surveyed prioritised good household waste and recycling collection
- 98% prioritised clean streets, cycleways and pavements
- 97% prioritised well maintained parks and green spaces
- 96% prioritised reducing current crime and anti-social behaviour levels (with 71% concerned about drugs, 61% youth causing disruption, and 60% concerned about groups hanging around neighbourhoods)
- 95% prioritised good local shops and facilities

### Making Stevenage Even Better Consultation (2023):

- 69% of respondents agreed that the following five strategic priorities had the right focus
  - **Transforming Our Town**
  - **More Social, Affordable and Good Quality Homes**
  - **Thriving Neighbourhoods**
  - **Tackling Climate Change**
  - **Balancing the Budget**
- The most popular alternative suggestions were:
  - investment in the town centre
  - preservation, maintenance and utilisation of green spaces
  - working with partners to invest in local infrastructure (e.g., health facilities, schools, roads)
  - investment in existing services (e.g., garage upkeep, housing repairs service)
  - provision of youth initiatives (over and above those provided by Hertfordshire County Council) to tackle crime and anti-social behaviour
- These suggestions are incorporated within Making Stevenage Even Better and will be promoted through future communication campaigns

### Tenants Survey (2021) Key findings:

- 53% of Council tenants reported that they were satisfied with the overall service provided by the Council
- Under new housing regulations the Council is seeking views from tenants on levels of satisfaction and the results will be available in April 2024
- Of those who had a housing repair in 2020/21, two thirds (66%) expressed satisfaction with the repair they received
- The Council is in the process of implementing new repairs processes and online repair reporting to help improve services

## Our Strategic Priorities...

What matters to our residents, matter to us. In response to resident feedback and changing local demographics, we have identified five key strategic priorities, all of equal importance, which we would like to see achieved over the next three years:

- **Transforming Our Town**
- **More Social, Affordable and Good Quality Homes**
- **Thriving Neighbourhoods**
- **Tackling Climate Change**
- **Balancing the Budget**

To strengthen the prioritisation of key areas, three of the strategic priorities Transforming Our Town; More Social, Affordable & Good Quality Homes; and Thriving Neighbourhoods are broken down into subcategories:



In addition to the five strategic priorities, there are three areas of work which cut across delivery of all strategic priorities, these are **Equality, Diversity & Inclusion**; **Health and Wellbeing**; **Technology & Innovation**, and we refer to these as cross-cutting themes.

The inclusion of cross cutting themes represents the need to raise awareness of these areas when designing and delivery services. They have important social benefits and demonstrate the importance we place on effective partnership working and existing commitments to tackle health inequalities, champion equality, encourage inclusivity and embrace diversity. They ensure that consideration of innovative solutions to

empower residents is a key consideration in the Council's decision-making processes. By maintaining focus on these three themes, we can ensure a comprehensive and well-rounded approach to delivering outcomes for the benefit of our community.

For each of our five strategic priorities and three cross-cutting themes there are a set of associated outcomes and actions, these will be reviewed annually to make sure that we are on track to deliver what we said we would.

## **Priority: Transforming Our Town**

**Regeneration:** Regeneration of the town centre and surrounding areas delivers benefits to residents, through improved public services, local amenities, employment opportunities, homes, transport links and access to green spaces

### **To support this outcome we will take the following actions:**

Since 2015, the Council has been working with partners to help enable the regeneration of the town centre, creating new public spaces, kickstarting the regeneration of Queensway with new shops, homes and office space, creating the new 'Co Space' facility, bus interchange, and securing grant funding to enable delivery. We will Continue to deliver the SG1 development, including:

- Developing plans for the Public Sector Hub, which will bring together community assets like local libraries, museum, voluntary sector, cultural facilities, health services, café and council offices all under one roof
- Delivery of the SG1 project with Mace, including refreshed public spaces and Garden Square, the creation of the new Boulevard connecting the Bus interchange and Station with the town centre and up to 1,800 new homes
- Supporting delivery of new homes and commercial spaces on the former Matalan site by the Guinness Partnership, creating affordable homes for local people
- In partnership with the Stevenage Development Board, continue to deliver the Towns Fund programme to completion, including:
  - A new co-produced, state-of-the-art Sports & Leisure Centre with swimming, studios, gym space and flexible sports facilities, enabling healthy living and wellbeing for residents and improved links between this facility and key spaces and assets within the town
  - In partnership with the County Council, we will invest in local infrastructure to improve transport links for residents, including putting forward a case to the Government and Highways England for investment in the A1M
  - Celebrate and enhance our rich heritage and cultural offer
  - Support the project to create up to 5,000 new jobs adjacent to the GSK site and improve walking and cycling connections to the town
  - Enhance key spaces in and around the town centre to attract and support our world leading business sector to maximise its growth potential and assist in creating job opportunities for our residents
- Continue to attract private sector investment that align with the vision for our town

- Actively seek private sector investment and government support for the regeneration of the Station Gateway area, which would see the delivery of new homes, commercial spaces and a high-quality station improving connectivity and east to west links
- Continue to support large developments across the town such as the Forum development, creating a cutting-edge science district and up to 1,800 jobs.

**Enterprise & Skills:** Opening up access to outstanding skills, training and educational opportunities in growing local sectors such as life science, space and defence, and construction, so that our community benefits from economic growth, skills and improved job prospects.

**To support this outcome we will take the following actions:**

- As home to the third largest cell and gene therapy cluster in the world, to work with business and the Government to promote Stevenage's unique offer, creating local jobs and opportunity
- Work with Airbus and MBDA to support the development of a world class space, communication and defence cluster
- Expand the Stevenage Works programme with partners and local businesses to increase the number of residents accessing training and employment opportunities within the construction and trade industry, and growing Stevenage Works to expand into further sectors
- Working with education partners, we will capitalise on the growth in the (Science, Technology, Engineering and Maths) STEM sector to enable new facilities, maximizing the impact of the new Stevenage Innovation & Technology Centre (SITEC) facility led by North Herts College
- Develop and implement a Skills Framework with partners which targets key sectors and growing industries and provides a clear pathway for young people, those with barriers to employment and those looking for career development or change opportunities to access the high-quality employment opportunities available in Stevenage
- Work with young people and partners such as Mission 44, STEMPOINT East, North Hertfordshire College, Hertfordshire Local Enterprise Partnership and the University of Hertfordshire, we will build on Phase One of the 'Pioneering Young STEM Futures' programme to secure a further £1m funding package to deliver projects which provides increased opportunity for young people's access to STEM opportunities
- Support events to showcase local employment opportunities and careers pathways to young people such as Generation Stevenage
- Support the growth of small businesses locally, by providing access to training and support initiatives through the Business Technology Centre operated by Wentra, via partners such as the Growth Hub, and by providing advice on how to secure Community Wealth Building.

## Priority: More Social, Affordable and Good Quality Homes

**Building New & Sustainable Homes:** The demand for local homes is in part met through the provision of more social, affordable, and good quality homes that meet improved sustainability standards.

**To support this outcome we will take the following actions:**



- Provide 529 new social and affordable homes by 2029/30 – delivering 1,000 new homes since 2015
- Ensure that the Five Star Quality Housing Principles are fulfilled across the town, creating more affordable homes and improving local areas
- To help meet the demand for housing we will explore options to introduce shared ownership as a tenure type
- Continue to secure grant funding to support the new build programme through schemes such as the Homes England Affordable Homes Programme

- Identify and build new independent living schemes such as planned at Brent Court, in line with our design commitments set out in the Housing Older People Strategy
- Involve local residents in the redevelopment of large neighbourhood centre regenerations schemes such as the Oval, so that residential, retail and community amenities deliver what people need
- Explore new housing development sites through the Wholly Owned Company (WOC) to ensure the generation of income for future social housing builds.

**Maintaining Good Quality Homes:** A good quality tenancy, housing maintenance, repairs and homelessness service is provided to residents.

**To support this outcome we will take the following actions:**

- Set rents and service charges at affordable levels for tenants and leaseholders (within national policy constraints) particularly in response to significant cost-of-living challenges brought about by high inflation, food, energy and living costs, whilst balancing this with the need to do more with less in response to additional housing regulatory and statutory requirements
- Invest £249m over the next ten years to improve the maintenance of our council homes, to ensure that tenants have good quality, safe and sustainable homes to live-in, particularly in response to the climate crisis. This includes:
  - Completion of the low to medium rise flat block refurbishment programme by 2025, and commencement of refurbishment works to the Council's five high rise flat blocks in 2024/25
  - Delivery of the Decent Homes programme to achieve 100% of the stock meeting both National & Stevenage Standards, including the installation

- of 995 new kitchens or bathrooms, 1875 heating upgrades, 1500 window or door upgrades and 1400 properties receiving works to improve their energy efficiency over the next three years
- Tackling the climate change emergency by sourcing funding and investing in the right solutions to reduce energy costs and the overall carbon footprint of our housing stock, including achieving a minimum Energy Efficiency Rating of Band C for all council homes by 2030
- Maintaining full compliance with all statutory and regulatory requirements to ensure tenants homes remain safe
- Implement improvements to the Council's Repairs and Voids service, to ensure it offers choices to tenants and delivers cost-effective repairs and improvements right first time
- Increase spending on housing management services, including increasing the number of tenancy audits, so that tenants can have regular access to Housing Staff, so issues can be reported and mitigated earlier, and support provided to vulnerable tenants where required
- Fully establish the Council's Community Advice and Support Service to help deliver personalised advice and support for tenants
- Review service standards and implement a new engagement strategy that ensures tenants and leaseholders are treated with fairness and respect so that they can access services, raise complaints when necessary, influence decision making and hold the Council to account
- Devise and implement a new Rough Sleeper & Homelessness strategy 2024-2027 that ensure homeless residents are given access to temporary and emergency accommodation and timely wraparound support services
- Continue to deliver against all the requirements listed above whilst managing the HRA debt effectively, with sufficient reserves being held to ensure the Council remains financially resilient.

## **Priority: Thriving Neighbourhoods**

**Clean Neighbourhoods & Green Spaces:** Neighbourhoods and green spaces are clean and well-maintained, ensuring residents can be proud of where they live.

### **To support this outcome we will take the following actions:**

- Introduce a digital system to support the cleansing and maintenance of our green spaces and streets to better coordinate work across these areas
- Continue with the shrub bed improvement works to remove tired, old shrub beds and replace with improved grassed area
- Continue to deliver improvements in graffiti reduction including working with the creative sector to display street-art on digital cabinets, making areas more appealing and providing opportunities to local artists
- Continue the programme of garage refurbishment through the Garages Improvement Programme so that the 6,462 garages across the town are maintained and in a lettable condition
- Through the Cooperative Neighbourhoods programme, continue to work with residents to identify and resolve local issues, reporting progress on case work regularly to Members and residents

- Implement Cooperative Neighbourhood Plans across all six Neighbourhood Areas, to include forward plan of meetings, Member walkabouts, workshops and events.

**Community Safety:** Residents live in safe communities where crime and anti-social behaviour are reduced through effective partnership working.

**To support this outcome we will take the following actions:**

- Develop a new Community Safety Strategy in 2024/25, that builds upon progress made in recent years, with the aim for the Council to continue to work with partners and residents to reduce crime and disorder across Stevenage
- Encourage the reporting of crime and Anti-Social Behaviour (ASB), including through implementing the Clear, Hold, Build initiative, which involves the Police and local residents working together to help areas affected by crime
- Continue to provide safe reporting and support to domestic abuse survivors and victims of modern slavery, through the Council's Stevenage Against Domestic Abuse Service (SADA)
- Tackle the harm caused by drugs and alcohol misuse through the Council's No More Service, that offers practical support and guidance to help people reduce their substance misuse and chances of re-offending
- Divert young people from becoming involved in crime, domestic abuse and Anti-Social Behaviour through delivering or supporting a range of partnership initiatives, including through:
  - the Youth Evolve programme that provides interventions on anger management, self-esteem, healthy relationships and drugs and alcohol
  - Operation Educ8 sessions that provide advice and guidance to young people in secondary school, around key issues such as cannabis and graffiti
  - The No More Youth Service that provides support to children that lives are directly impacted by alcohol, substance misuse and/or offending
- Continue to work with partners to provide timely intervention where safeguarding issues are raised and contribute to the delivery of the Hertfordshire Multiagency Prevent Board Action Plan.

**Culture & Leisure:** Close partnership working with the culture and leisure sector enables a vibrant, thriving, creative town, which improves quality of life for residents and benefits the local economy.

**To support this outcome we will take the following actions:**

- Deliver events across the Town Square & Event Island, to increase visits to the town centre and raise the profile of Stevenage as a shopping, leisure and cultural destination, and encourage local people to have pride in their town
- In partnership with the regeneration team, develop a compelling event offer for the new Sports & Leisure Hub that promotes healthy living for Stevenage residents



- Progress the new community Museum as part of the Town Centre Public Sector Hub, including the delivery of a varied and engaging activity programme utilising education, outreach, digital and research services
- Through close partnership working with our sports and leisure contractor Everyone Active, provide a wide range of facility and community based high quality leisure, culture, art, theatre, swimming, golf events that are affordable and accessible to residents, including delivery of a wide and diverse programme of water and land-based activity at Fairlands Valley Park
- Work closely with the 175 sports clubs signed-up to Sport Stevenage, ensuring that coordinated support is provided and activities are widely promoted
- In partnership with the regeneration team, plan and deliver a public art programme and cycleway trail which incorporates newly commissioned local artwork.

## Priority: Tackling Climate Change

**Tackling Climate Change:** Progress the reduction of carbon emissions to net zero by 2030 and provide support to residents and business to do the same.

### To support this outcome we will take the following actions:

- Support our ambition for the Council's emissions to be at net zero by 2030, by implementing three decarbonisation pathways including transport, buildings, people and processes, and implementing an online climate change tracker to be highlight progress towards the 2030 target
- Work closely with local communities by creating a community climate fund, with £7,500 per ward available for local climate change projects, to reduce carbon emissions and enhance climate resilience, and to work with different local groups to improve engagement on key climate issues
- Deliver investment into Council homes to reduce emissions, including ensuring all Council Homes have a minimum EPC band C by 2030
- By 2025, fulfil the Future Home Standard so all new homes to produce c75% less carbon through low carbon heating & hot water systems to reduce heat waste, and for all new Stevenage Borough Council developments to include high quality ventilation and insulation, supported by solar & air source heat pump energy generation and triple glazing
- To improve recycling rates, the Council will review the Household Waste Management Policy to ensure that new statutory duties can be fulfilled from 2026 and the amount of household waste sent for reuse, recycling and composting is increased
- Identify and create new sites for Trees and Meadow Grasslands including 300 new trees and 2,400 square metres of woodland, to encourage birds, insects and mammals into the area, helping to improve biodiversity
- By 2026, 70% of the Council's vehicle fleet will be run on low carbon a fossil-free alternative to diesel
- Continue to support businesses towards decarbonisation and sustainability in partnership with Wenta through the 'Action Zero' programme, and work with county and regional level partnerships to tackle challenges such as water supply and solar energy provision.

## Priority: Balancing the Budget

**Balancing the Budget:** Sufficient resources are available to deliver on the Council's priorities while remaining resilient to the impact of increasing financial pressures

To support this outcome we will continue to be open and honest with residents about budget pressures and the impact of wider economic challenges, government grant reductions, and the need to do more with less. We will need to take an innovative approach to meeting these challenges and this will be delivered across four workstreams:



### Actions across these workstreams include:

- Delivering a balanced budget for the Housing Revenue Account (HRA) and General Fund (GF) annually, so that strategic priorities can be fulfilled
- Through the Cooperative Commercial & Insourcing Strategy (2023-2026) deliver new ways of generating income through increased commercial activity and the creation of additional sustainable income streams (e.g., trade waste; skips; cemeteries)
- Through implementation of a revised Corporate Procurement Strategy, ensure that the Council's commercial ambitions and purchasing power generate reinvestment into the local economy with an emphasis on social value, alongside ethical, quality and cost measures
- Develop and implement a five-year Ways of Working Transformation Plan with a primary focus on effective delivery and design of services, underpinned by an enhanced customer experience through the actions within the 5 Star Customer Service Programme (accessible services online & 24/7; easy to use trackable processes; spot & solve issues before they arise; an answer first time & clear on next steps; personalised advice and support)

- Implement a new General Fund Asset Management Strategy to guide the investment in our commercial property portfolio, maximising income and returns and enhancing support for existing and new businesses.

## A Cooperative Council...

Underpinning our strategic priorities is our commitment to the Cooperative Council principles. As a Cooperative Council, we are passionate about our communities and making sure they have a say in how services are delivered. We are committed to the following principles:



- Social partnership and strengthening the links between the Council, residents and communities
- Democratic engagement and supporting the active engagement of residents in decision making and priority setting
- Co-production and working with residents to be equal partners to design and commission public services and determine the use of public resource
- Enterprise and social economy through promotion of community-based approaches to economic development that focus on supporting the creation of jobs, social enterprises and other business. Providing an environment for co-operative and mutual enterprises to thrive
- Maximising social value and supporting the development of a framework and criteria for social value
- Community Leadership and exploring new ways to help the community contribute to local outcomes
- Exploring new ways to meet the priority needs of our communities and encourage models such as cooperatives and mutuals which give greater influence and voice to staff and users
- Embracing innovation in how we work with communities to drive positive change

In the development of the Making Stevenage Even Better Corporate Plan we have undertaken a six-week period of consultation with residents, local businesses, community groups and staff. Your views really matter to us, and we would like to thank those who took the time to provide their feedback.

Through our consultation we have been able to enhance our understanding of the areas of work which are a priority to you. This includes areas which are integral to the delivery of services and have wider reaching social implications. We refer to these as cross-cutting themes and including them within the Making Stevenage Even Better Corporate Plan maintains focus and ensures a comprehensive and integrated approach to delivery of outcomes for the benefit of the community.

## Cross-cutting Themes...

### Equality, Diversity & Inclusion (EDI)

The Council will work with partners, staff, local businesses, and community groups to advance EDI across the workforce and community

**To support this commitment we will take the following actions:**

- Implement the Equality, Diversity & Inclusion (EDI) Action Plan to advance EDI across the 9 protected characteristic groups (including socio-economic) and publish progress updates annually
- Support the Stevenage Equalities Commission Legacy Group to deliver on its recommendations to promote racial equality and tackle racial disparity across the community
- Continue to build a strong, vibrant and representative youth council that provides opportunities for the younger people to have a voice in civic matters
- Raise the profile of the Youth Mayor and Deputy Youth Mayor and digitise the election process to improve engagement and streamline approach
- Continue to support the delivery of the Older Peoples Network and Older Peoples Day through successful delivery of the Older People Programme, so that older people have a voice in how services are delivered
- Promote gender equality and the achievements of women through a range of empowerment events such as the annual International Women's Day 'Working with Women in Business' partnership event
- Continue to promote inclusivity in sport so that the benefits are accessible to all members of the community and enables the full involvement of disadvantaged groups in every aspect. This will be achieved through activities such as the Inclusive Tennis Programme with the Lawn Tennis Association and National Tennis Association at Shephalbury Park Courts
- Work with representatives from the Lesbian, Gay, Bisexual and Transgender (LGBT) community to arrange a Stevenage Pride Event

### Health & Wellbeing

The Council will work with partners to tackle health inequalities and improve the health and wellbeing of residents

**To support this commitment we will take the following actions:**

- We will continue to work closely with partners to protect the most vulnerable households in our community in response to the cost-of-living crisis. Financial assistance and support schemes will be provided where resources are available (e.g. provision of food packages and clothes through the Household Support Fund and provision of the Council Tax Reduction Scheme) and we will continue to provide timely benefit information and advice to residents, and signpost to partner services where needed
- In collaboration with the Public Health Board, Primary Care Networks, Integrated Care Board and NHS partners, we will deliver on our existing commitments to tackle and prevent health inequalities through the implementation of a revised Healthy Stevenage Partnership Strategy, delivering a broad and varied array of health and wellbeing initiatives, assistance, programmes and activities for the local community

- In co-production with residents, build on the success of the Young Peoples Healthy Hub by establishing an Adults Healthy Hub which provides support and advice across mental, emotional, physical or lifestyle related needs
- As part of the Cooperative Council Innovation Network deliver on projects that help promote wellbeing across the community, for example the 'Cooperative Community Bank of Kindness'
- Capitalise on Stevenage's comprehensive off-road cycle network and implement a range of initiatives that promote the benefits of cycling to residents, including establishing a Cycle Hub in partnership with Fairlands Activity Centre, to include cycling activities, recycled bike sales and a programme of local events
- We will work with partners, residents and local businesses to maintain Dementia Friendly Community status, so that people with dementia are understood, respected and supported.

### **Technology & Innovation**

The Council will embrace technology and innovation to enhance how we operate as a Council. We will deliver systems efficiencies that empower residents to use digital services

**To support this commitment we will take the following actions:**

- Invest in IT (including hardware, software, networks, and data storage) to meet the Council's needs
- Ensure the full utilisation and rationalising of software applications used by the council, including Microsoft 365 and ensure that they are being fully exploited in the back-office delivery of services to optimise efficiency, productivity, and collaboration across services
- Enhance the Council's digital and commercial offering through the provision of reliable, online services to residents that fulfil the objectives of the Transformation agenda
- Review all external and internal digital systems against revised Web Content Accessibility Guidelines (WCAG) to ensure compliance against regulations so that content is accessible to all.

### **Contact Us**

If you would like to get in touch to discuss the content of Making Stevenage Even Better, please do so using the following methods:

[www.stevenage.gov.uk/contact-us](http://www.stevenage.gov.uk/contact-us)

01438 242242

Stevenage Borough Council

Daneshill House

Danestrete

Stevenage

Herts

SG1 1HN

To find out more about how you can take part in local democracy by asking questions or making statements at Council meetings, visit [www.stevenage.gov.uk/council-and-democracy](http://www.stevenage.gov.uk/council-and-democracy)

You can also book, find, report and pay for a range of services on the Council's website at [www.stevenage.gov.uk](http://www.stevenage.gov.uk)

## Background Documents

[Future Town Future Council Corporate Plan](#)

Stevenage Borough Council's Strategic Policy Framework

DRAFT

# Annex A – Making Stevenage Even Better Plan on a Page (PoaP)



## MAKING STEVENAGE EVEN BETTER 2024-2027

Our Values



Our values are underpinned by our commitment to the Cooperative Council principles:



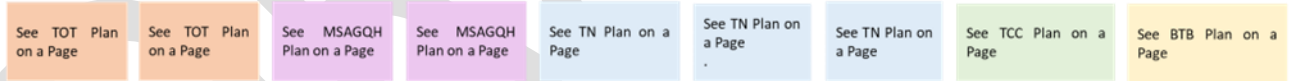
Priorities



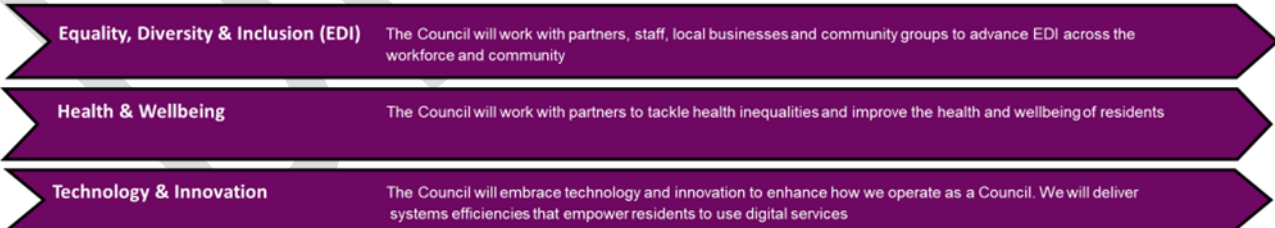
Outcomes



Actions



Cross Cutting Themes



## MAKING STEVENAGE EVEN BETTER 2024-2027



Our values are underpinned by our commitment to the Cooperative Council principles:



Priorities	More Social, Affordable and Good Quality Homes	
Focus	Building New & Sustainable Homes	Maintaining Good Quality Homes
Outcome	The demand for local homes is in part met through the provision of more social, affordable, and good quality homes that are delivered by the Council to improved sustainability standards.	A good quality tenancy, housing maintenance, repairs and homelessness service is provided to residents.
Actions	Provide 529 new social and affordable homes by 2029/30	Set rents and service charges at affordable levels for tenants and leaseholders (within national policy constraints) particularly in response to significant cost-of-living challenges brought about by high inflation, food, energy and living costs, whilst balancing this with the need to do more with less in response to additional housing regulatory and statutory requirements
	Ensure that the Quality Housing 5 Star Programme Principles across all new builds are fulfilled	Completion of the low to medium rise flat block refurbishment programme by 2025, and commencement of refurbishment works to the Council's five high rise flat blocks in 2024/25
	To help meet the demand for housing we will explore options to introduce shared ownership as a tenure type	Delivery of the Decent Homes programme to achieve 100% of the stock meeting both National & Stevenage Standards
	Continue to utilise grant funding of the new build programme through schemes such as the Homes England Affordable Homes Programme	Tackling the climate change emergency by sourcing funding and investing in the right solutions to reduce energy costs and the overall carbon footprint of our housing stock, including achieving a minimum Energy Efficiency Rating of Band C for all council homes by 2030
	Identify and build new independent living schemes (e.g. Brent Court) in line with our design commitments set out in the Housing Older People Strategy	Implement improvements to the Council's Repairs and Voids service, to ensure it offers choices to tenants and delivers cost-effective repairs and improvements right first time
	Through the Wholly Owned Company (WOC) identify new sites for private home development to fulfil housing demand and ensure that future subsidy of new council homes is possible	Review service standards and implement a new engagement strategy that ensures tenants and leaseholders are treated with fairness and respect so that they can access services, raise complaints when necessary, influence decision making and hold the Council to account
	Fully establish the Council's Community Advice and Support Service to help deliver personalised advice and support for tenants	Devise and implement a new Rough Sleeper & Homelessness strategy 2024-2027 that ensure homeless residents are given access to temporary and emergency accommodation and timely wraparound support services



KPIs

HDD1d: Number of homes delivered (gross) by the Council (since 2014)	RSH: CH01 (part1) –Number of stage one complaints made by tenants
HDD1e: Number of council rented homes delivered by the Council (current quarter)	RSH: CH01 (part 2) – Number of stage two complaints made by tenants)
HDD1f: Number of private homes provided	RSH: CH02 (part1) Number of stage one complaints made by tenants and responded to within Complaint Handling Code timescale (i.e. 10 days)
	RSH: CH02 (part2) Number of stage two complaints made by tenants and responded to within the Complaint Handling Code timescale (i.e. 20 days)
	RSH Rep1: Proportion of emergency responsive repairs completed within the landlord's target timescale.
	RSH Rep2: Proportion of non-emergency responsive repairs completed within the landlord's target timescale.
	RV3: Number of Voids returned by Contractor
	Let1: Interim – No of days to let a sheltered property from the ready to let date
	Let2: Interim – No of days to let a general needs property from the ready to let date)
	BV213: Homelessness Preventions
	RP01A: Percentage of homes maintained as decent against national minimum DH standard (informed by new RSH measure – number of homes that don't meet the decent homes standard)
	RSH BS04: Percentage of sites with valid legionella inspections certificate
	RSH BS01: Percentage of dwellings with a valid gas certificate
	RSH BS03: Proportion of homes for which all required asbestos management surveys or re-inspections have been carried out
	RSH BS02: Percentage of dwellings with a valid Fire Risk Assessment
	RSH BS05: Percentage of domestic passenger lifts with an in date LOLER inspection

Milestones

Delivery of 29 New Social Rented Units	Implementation of new repairs pathways increasing the utilisation of in-house resources and decrease external reliance
Delivery of 27 Unit Supported Housing Scheme	TSM Survey commissioned, delivered and findings communicated to key stakeholders and Executive. Findings to be used to help inform understanding and decision-making based upon what really matters to tenants.
Delivery of mixed tenure regeneration scheme which delivers new affordable and private sale accommodation including new state of the art Independent Living Scheme. The project will also provide new retail and community facilities	A new forum established that will give tenants and leaseholders the opportunity to feedback on key council housing policy changes and projects directly impacting them
Continue the design development and delivery of large-scale neighbourhood regeneration proposal aiming at delivering new high-quality accommodation, retail and community facilities for the area with the intention of submitting a planning application and accompanying delivery plan.	Implementation of the Housing & Engagement Framework
Delivery of 6-12 new homes under funding offer from Department of Levelling Up, Homes and Communities (DLUHC)	Preparation and implementation of new RSH Consumer Safety Standards, to cover safety, quality, neighbourhood, transparency, engagement, accountability, tenancies
Continued development of 17 Unit Private Sale Scheme within the Wholly Owned Company	Delivery of the detailed implementation plan and resident engagement
Delivery of second phase of wider Kenilworth scheme which is entirely private sale	

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## APPENDIX B

# Making Stevenage Even Better – Consultation Report

### 1. Background

The five strategic priorities and three cross-cutting themes set out in ‘Making Stevenage Even Better’ were based upon resident feedback captured through the findings of the Residents Survey (2021), the Tenants Survey (2021), and the Cooperative Neighbourhoods Resident Proptech Survey (2023).

The survey findings represented 3,000 resident’s views across a range of topics and provide a strong local evidence base for change.

Key priority areas were identified as:

- Maintenance and appeal of local areas (e.g., littering & cleanliness, pathways and pavements)
- Safety and crime (e.g., reducing Anti-Social Behaviour, drugs and young people hanging around neighbourhoods)
- Green spaces and climate change (e.g., better parks, maintenance of green spaces, climate change activities to reduce carbon footprint and improve biodiversity)
- Provision of good local Services (e.g., council house maintenance, customer services, waste collection and recycling, satisfaction with housing repairs)
- Good local shops and facilities (e.g., diversity of retail and investment in town centre, new leisure facilities, youth initiatives and activities in neighbourhood areas to promote health & wellbeing)

For focus, the areas identified by residents have been recategorised into the following list of strategic priorities, and to provide clarity, three of the strategic priorities are broken down into subcategories:

1. **Transforming Our Town**
  - a. Regeneration
  - b. Enterprise & Skills
2. **More Social, Affordable and Good Quality Homes**
  - a. Building New & Sustainable Homes
  - b. Maintaining Good Quality Homes
3. **Thriving Neighbourhoods**
  - a. Clean Neighbourhoods & Green Spaces
  - b. Community Safety
  - c. Culture & Leisure
4. **Tackling Climate Change**
5. **Balancing the Budget**

In addition to the five strategic priorities, three areas of work which cut across delivery of all strategic priorities, were identified as **Equality, Diversity & Inclusion; Health and Wellbeing; Technology & Innovation**, and these are referred to as cross-cutting themes.

To ensure that the strategic priorities and cross-cutting themes are representative of the views of residents, businesses and community groups, a six-week consultation on the proposed 'Making Stevenage Even Better' Corporate Plan (2024-2027) was open from 23 October to 4 December 2023.

A variety of engagement activities took place to help ensure that members, businesses, staff, community groups and residents were given the opportunity to provide feedback on the proposals. Respondents could either provide their views via the online survey, which could be accessed by scanning a QR code or visiting the website. They could also request a hard-copy form by email or post, or come into the office to access the computers in the Customer Service Centre. Large print and translated versions were also available upon request.

Activities to promote the consultation included:

- An article in the Chronicle magazine with a distribution list of 36,000 households
- Multiple sponsored Facebook posts through the SBC account with a reach of approx. 11,000 people
- Multiple Instagram posts through the SBC account with a reach of approx. 3,000 people
- A post on the SBC Linked-in account which has a reach of approx. 11,000 people
- Posters placed in every Community Centre and Neighbourhood Board
- A 'Have Your Say' webpage on the Stevenage Borough Council (SBC) website,
- Promotion at the Step2Skills Job Fair and Disability Confident Event
- Circulation of promotional materials to local business partners
- Member engagement through circulation of the survey to party leaders
- Proposal presented to Overview and Scrutiny Committee Members in October 2023
- Circulation of the promotional materials to the 27 Voluntary, Community, Social and Enterprise (VCSE) members of the Social Inclusion Partnership
- Posters placed in high footfall areas in Daneshill House and Cavendish Road
- Promotion to staff through an Intranet article and news item in the weekly News desk Round-Up

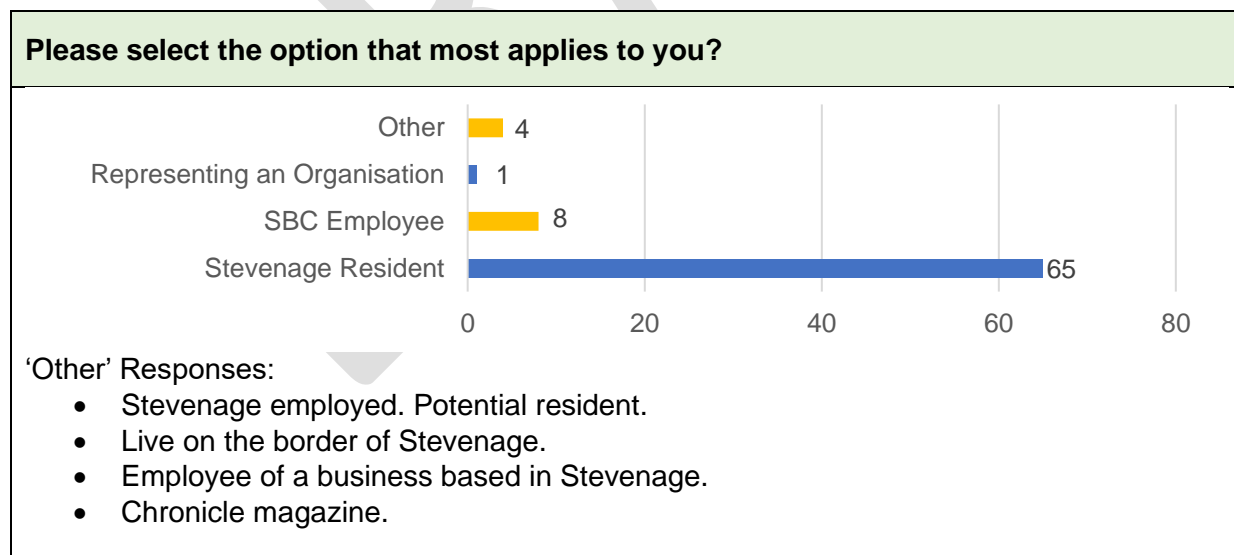
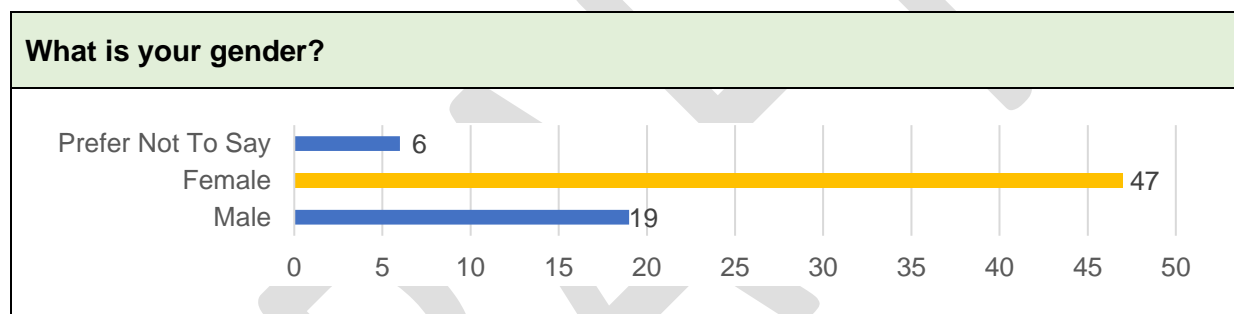
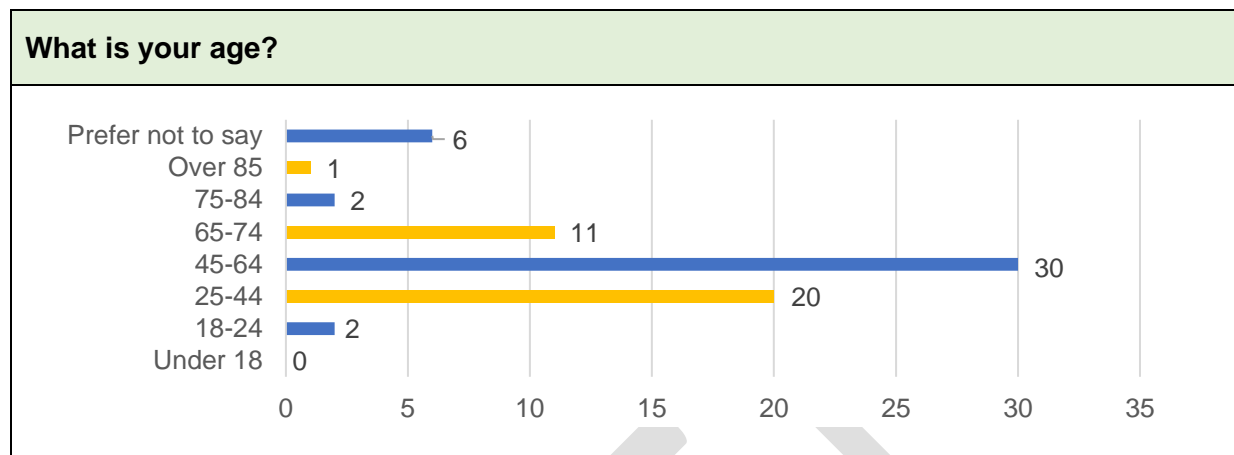
Survey respondents were asked 15 fixed questions and the option of free text responses to supplement their answers. To enhance understanding of the feedback provided, a thematic analysis of the free text answers was undertaken.

Upon the consultation closure, 72 responses were received.

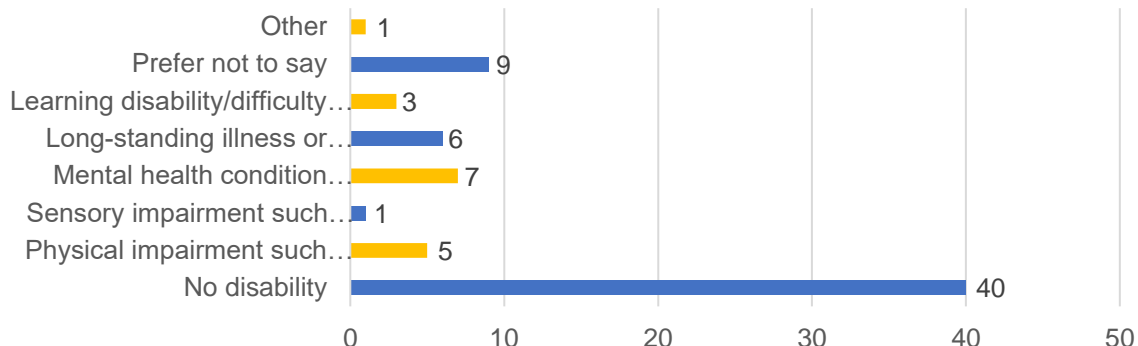
## **Respondent Demographics**

From the 72 responses obtained, the majority of respondents were female (65%), from the 45-64 age bracket (41%), had no disability (55%), considered their nationality to be White English/ Welsh/ Scottish/ Northern Irish/ British (75%), followed no specific religion (38%), and were Stevenage respondents (90%) with the highest response rate from those living within the Chells ward (15%).

The graphs below set out the breakdown of the demographics:



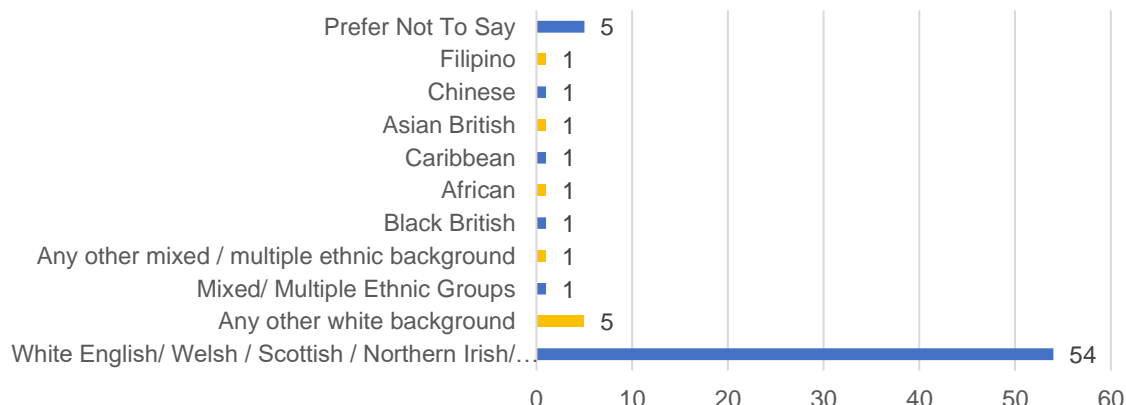
**Do you have a disability? Please select the option that most applies to you.**



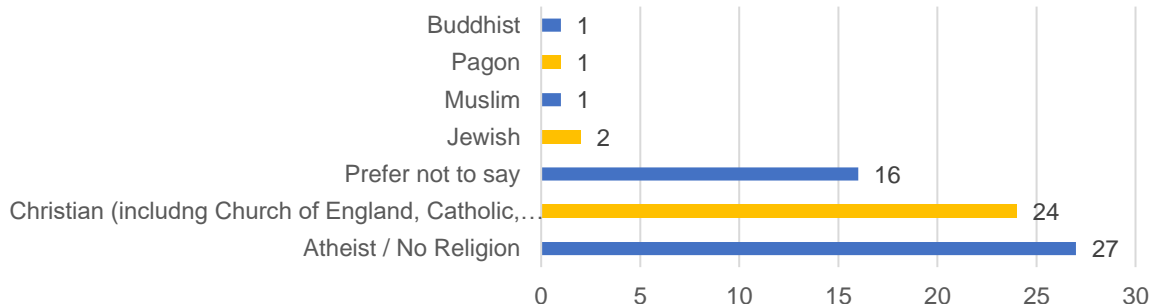
**'Other' Response:**

- Adult son has, lives with us, has cerebral palsy.

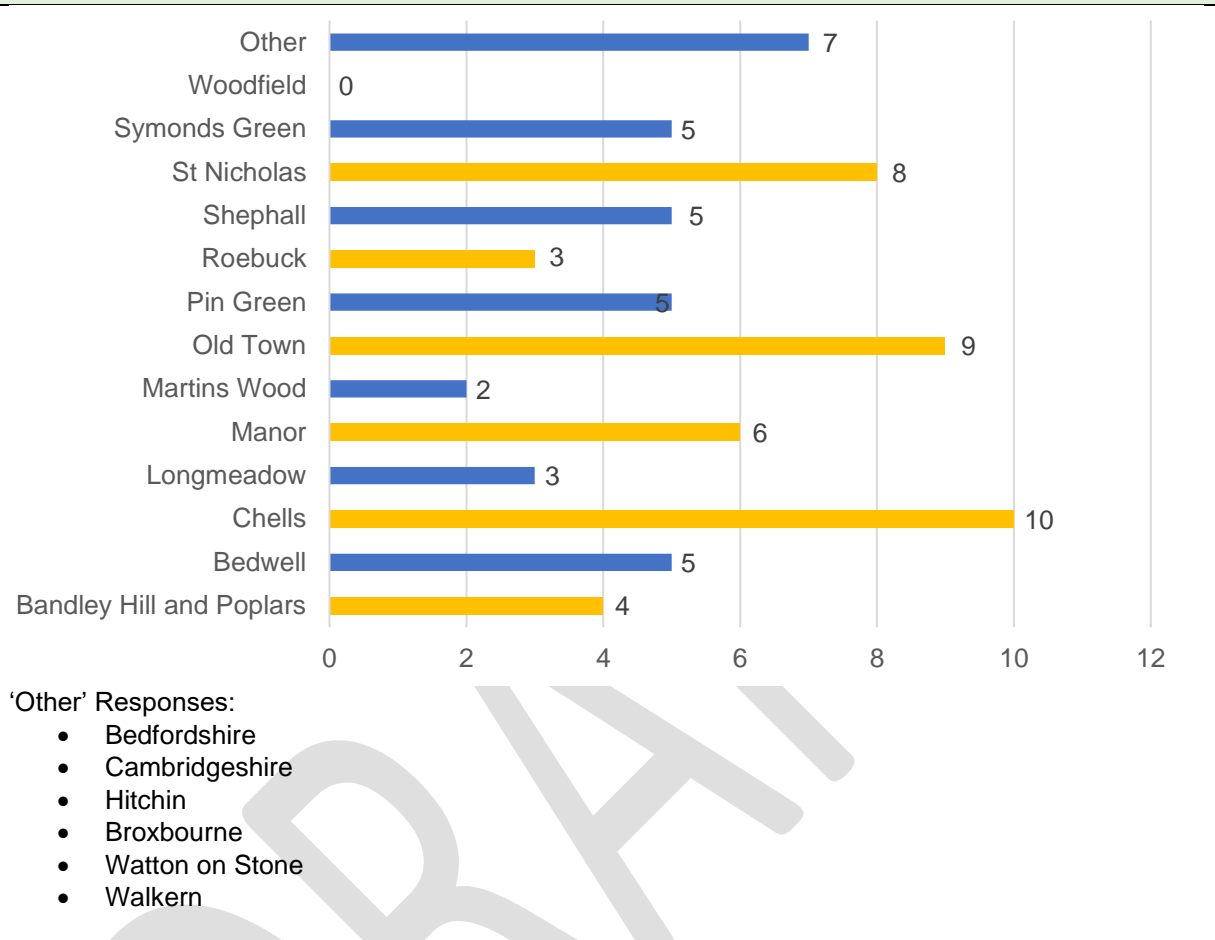
**What is your Nationality?**



**What is your religion?**

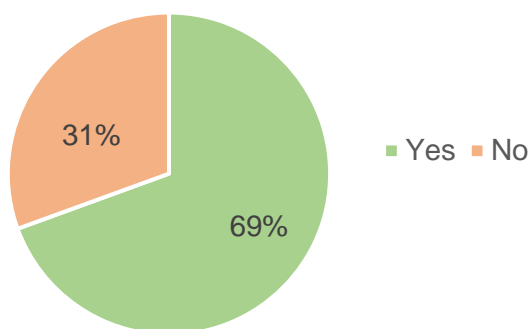


**Where are you based?  
(Or if you live outside Stevenage, please select Other and state the town you live in)**



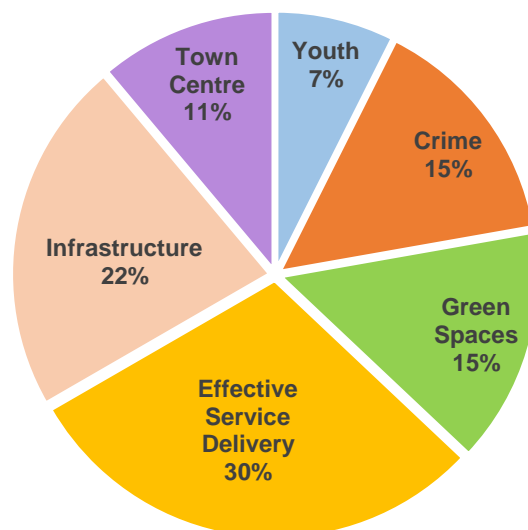
### Strategic Priorities

Respondents were first asked if the strategic priorities proposed within Making Stevenage Even Better were representative of what they believe Stevenage Borough Council's priorities should be.



Sixty-nine per cent (69%) of respondents answered that they were. Of these, fifty-six per cent (56%) went on to also agree with each strategic priority individually.

Of the thirty-one percent (31%) that answered that these were not representative, thematic analysis of the free text responses indicated that the following areas were most commonly suggested as alternatives:



Thirty per cent (30%) of respondents within the group outlined that ‘Effective Service Delivery’ should be an additional priority for the Council. Investing in the Council’s existing services and committing to delivering them at a high standard was considered a key priority for many. Respondents specifically mentioned the upkeep of garages, maintenance of hedges, and completing efficient housing repairs as examples of the services they would like greater focus on.

Twenty-two per cent (22%) of respondents within the group outlined that a strategic priority of ‘Infrastructure’ would be beneficial and could be embedded within the existing ‘Transforming Our Town’ priority. Investment in doctors, dentists, roads, and public transport as part of regeneration would help support the growing population. This in turn led to respondents suggesting that improved infrastructure would encourage multinational businesses to Stevenage.

Fifteen per cent (15%) of respondents within the group also suggested a strategic priority of ‘Crime’ as this would provide an opportunity to tackle drug use and anti-social behaviour. Seven per cent (7%) of respondents within the group outlined that prioritising services for the ‘Youth’ of Stevenage could aid in tackling crime across the town.

Eleven per cent (11%) of respondents within the group suggested a greater focus should be placed on specifically improving the town centre. The £1 billion investment through the Stevenage Even Better programme of work will deliver town centre improvements. However, it is clear that further communication to residents is required to promote this.

Five per cent (5%) of respondents within the group specified that whilst the strategic priority of ‘Tackling Climate Change’ was welcomed, a focus on ‘Green Spaces’ should be included within this. Ensuring sustainability and preserving green spaces were outlined as a key priority for some respondents.



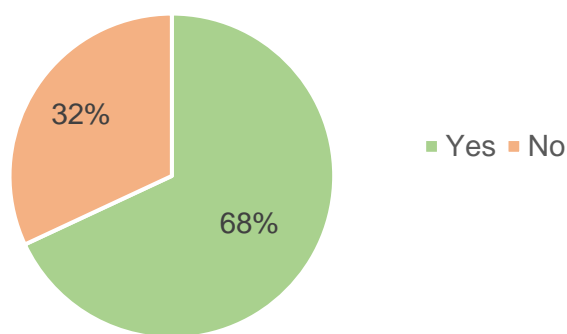
## Transforming Our Town

To strengthen the prioritisation of key areas, Transforming Our Town is broken down into 2 subcategories: Regeneration and Enterprise & Skills.

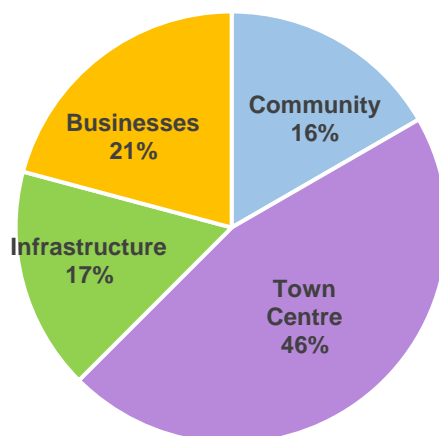
**Regeneration** focuses upon the regeneration of the town centre and surrounding areas to deliver benefits to residents, through improved public services, local amenities, employment opportunities, transport links and access to green spaces.

**Enterprise & Skills** focuses on opening up access to outstanding skills, training and educational opportunities in growing local sectors such as life science, space and defence, and construction, so that our community benefits from economic growth, skills and improved job prospects.

Sixty-eight per cent (68%) of respondents answered that the 2 subcategories are representative of their priorities as a resident:



For the thirty-two per cent (32%) who did not consider the priority to be representative, their responses can be categorised into five themes:



Forty-six per cent (46%) of respondents within the group, answered that a greater focus should be made on the improving the town centre. Specifically, improving shopping and leisure facilities and attracting retail businesses through reduced rents. Further communication to residents about the specific aspects of the Stevenage Even Better and Towns Fund work, would help promote the benefits that include new retail and leisure facilities.

Twenty-one per cent (21%) of respondents within the group, expressed the need to put greater emphasis on supporting businesses. Supporting and investing in businesses and jobs, specifically those within Science, Technology, Engineering and Maths (STEM) industries on Gunnels Wood Road, were seen as a strong priority for Stevenage residents. Further, it was suggested that promotion of apprenticeship schemes and activities within the STEM sector would be beneficial.

Seventeen per cent (17%) of respondents within the group, outlined their desire to see infrastructure built to support the growing town and population. Residents outlined that it's all very well building new homes and creating new jobs to attract prospective residents, but local infrastructure needs to be built alongside this too. Additionally, ensuring green spaces, roads, and cycle paths are maintained across the town were suggested to support this effort.

Sixteen per cent (16%) of respondents within the group, outlined that the community should be at the heart of 'Transforming Our Town' and establishing community hubs that hosts activities and events like social clubs for children would help to establish a sense of community.

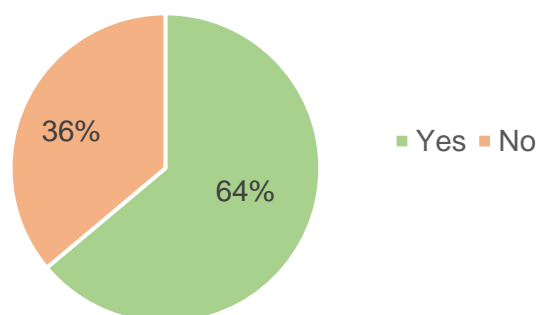
## More Social, Affordable & Good Quality Homes

To strengthen the prioritisation, More Social, Affordable & Good Quality Homes is broken down into two subcategories: Building New & Sustainable Homes and Maintaining Good Quality Homes.

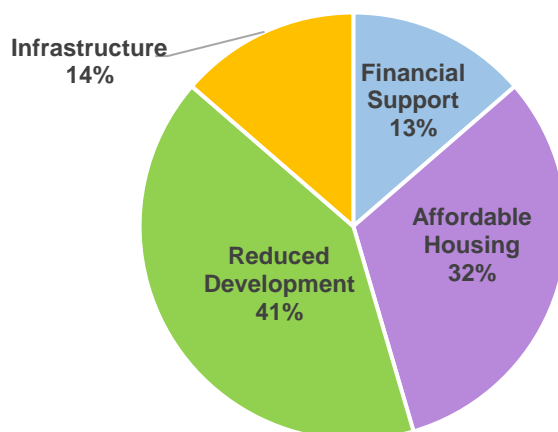
**Building New & Sustainable Homes** focuses on ensuring that the demand for local homes is in part met through the provision of more social, affordable, and good quality homes that meet improved sustainability standards.

**Maintaining Good Quality Homes** focuses on the provision of good quality tenancy, housing maintenance, repairs and homelessness service to residents.

Sixty-four per cent (64%) of respondents agreed that the two areas of focus were representative of their priorities as a resident.



Thirty-six per cent (36%) of respondents did not consider this priority to be representative, and their responses can be categorised into four themes:



Forty-one per cent (41%) of respondents within the group, answered that there has already been an abundance of flats and houses already built in recent years and would prefer a reduction in building development. Reasons included, not enough parking options, families would prefer houses that have gardens, too many of Stevenage’s green spaces are being developed.

Consequently, infrastructure to support the growth in housing was mentioned by 14% of respondents. A focus on increasing the amount of parking, doctors’ surgeries, hospitals, and police presence were all suggested as helping to ensure the infrastructure is there for the proposed new housing developments.

Thirty-two per cent (32%) of respondents within the group raised issue with the use of the term ‘affordable housing’ as it is not clear what this means, and therefore further communication would be helpful for residents.

Thirteen per cent (13%) of respondents expressed a desire for greater focus on providing financial support for residents who had a housing need.

## Thriving Neighbourhoods

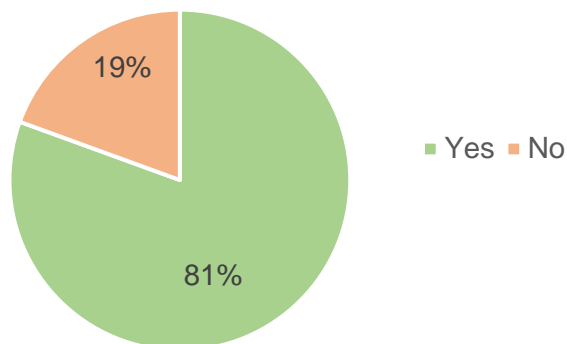
To strengthen the prioritisation of key areas, Thriving Neighbourhoods is broken down into three subcategories: Clean Neighbourhoods & Green Spaces, Community Safety, and Culture & Leisure.

**Clean Neighbourhoods & Green Spaces** seeks to ensure that neighbourhoods and green spaces are clean and well-maintained, so that residents can be proud of where they live.

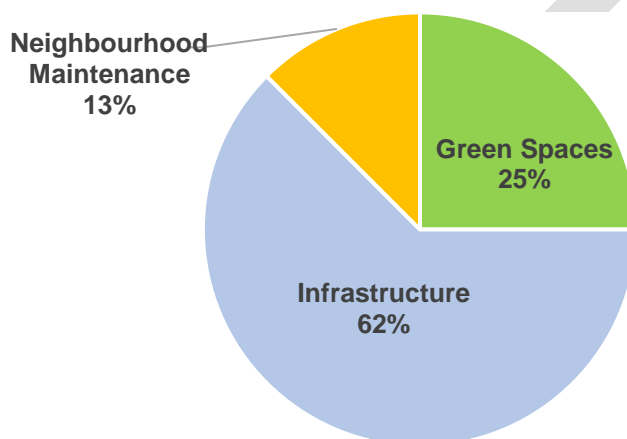
**Community Safety** commits to ensuring that respondents live in safe communities where crime and anti-social behaviour are reduced through effective partnership working.

**Culture & Leisure** utilises close partnership working within the culture and leisure sector to enable a vibrant, thriving, creative town, which improves quality of life for respondents and benefits the local economy.

Eighty-one per cent (81%) of respondents agreed that the areas of focus of Thriving Neighbourhoods was representative of their priorities as a resident.



Nineteen per cent (19%) of respondents did not consider the priority to be representative and their responses that can be categorised into three themes:



Sixty-two per cent (62%) of respondent within the group, answered that infrastructure should be a priority. To include, investment in community centres and policing/security measures.

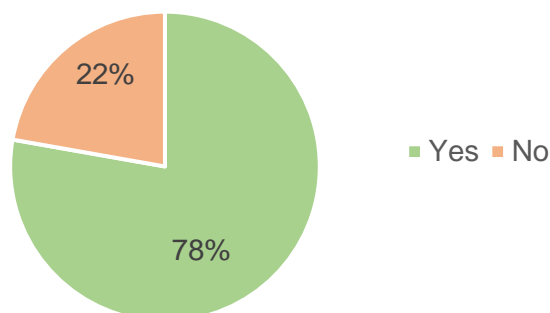
Investment in green spaces was mentioned as a key priority for twenty-five per cent (25%) of respondents within the group, with a focus on a desire for funding to help residents better look after their environments and clean up their neighbourhoods.

Thirteen per cent (13%) of respondents suggested that regular and planned maintenance of neighbourhoods should be a priority as a way for the Council to demonstrate that they are investing in their wards.

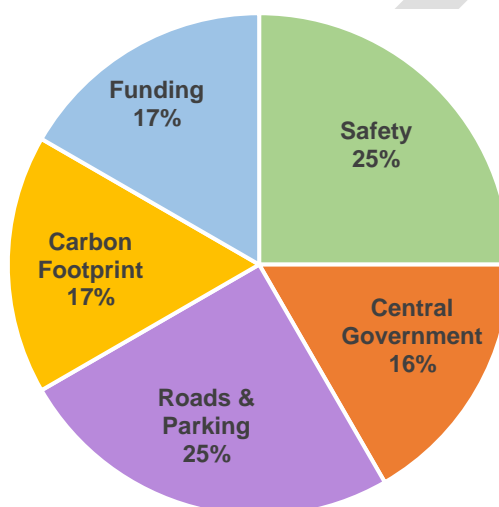
## Tackling Climate Change

The Tackling Climate Change strategic priority seeks to progress the reduction of carbon emissions to net zero by 2030 and provide support to businesses and residents to do the same.

Seventy-eight per cent (78%) of respondents agreed that Tackling Climate Change was representative of their priorities as a resident:



Twenty-two per cent (22%) of respondents did not agree that Tackling Climate Change was representative of their priorities, and their responses can be categorised into five themes:



Twenty-five per cent (25%) of respondents proposed that investment in roads and parking would perhaps be better for the town as a whole instead of tackling climate change.

Seventeen per cent (17%) of respondents felt that they already contributed to tackling climate change through reducing their carbon footprint, through activities such as recycling, cutting carbon emissions, and limiting water and energy usage; so promoting other activities and behaviours that would help fulfil the Council's ambitions would be useful. Further understanding their carbon footprint was suggested as a way to assist with this priority too.

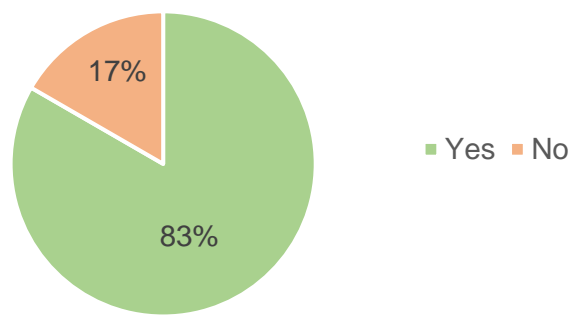
Seventeen per cent (17%) of respondents suggested that funding from the Council to help achieve this priority would be welcomed.

Sixteen per cent (16%) of the group answered that central Government should be driving the local climate change agenda and the Council should align with national targets and goals.

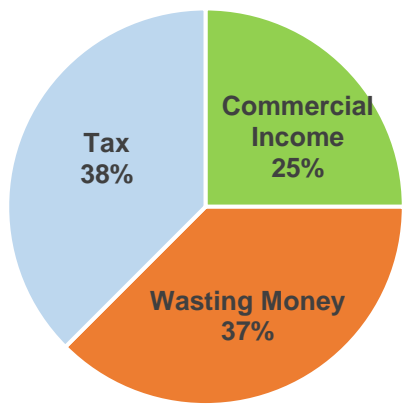
## Balancing the Budget

The Balancing the Budget strategic priority seeks to ensure that sufficient financial resources are available to deliver on the Council's priorities, while remaining resilient to the impact of increasing financial pressures.

Eighty-three per cent (83%) of respondents agreed that Balancing the Budget should be a priority:



Seventeen per cent (17%) of respondents did not agree that the strategic priority of Balancing the Budget was representative of their priorities. This group suggested that the Council would not need to make savings if the following were addressed.



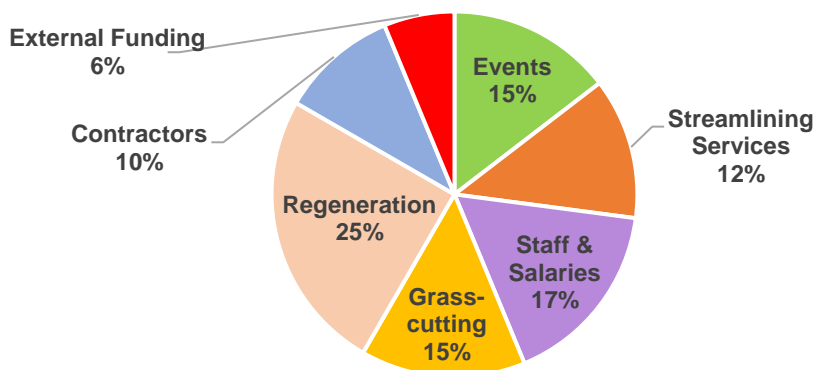
Thirty-eight per cent (38%) of the group, suggested an increase in local taxes.

Thirty-seven per cent (37%) of respondents in the group suggested that the Council should stop wasting money on cost saving exercises that did not save money. For example, residents suggested that by closing children’s play centres there would be an increase in anti-social behaviour which the Council would need to spend money on to tackle.

Twenty-five per cent (25%) of respondents suggested the council look at alternative sources of income generation, through increasing commercial activities like advertising or sponsorship.

### **Saving Suggestions**

All survey respondents were asked for financial savings suggestions. The responses can be categorised into seven themes:



Twenty-five per cent (25%) suggested that the regeneration work would attract new businesses to the area which would increase business rate revenue and car parking income.

Seventeen per cent (17%) of respondents answered that staff and Councillor salaries should be reduced.

Fifteen per cent (15%) suggested the Council should consider selective grass-cutting allowing green spaces to grow wilder (within safe reasons) and reduce maintenance costs for grass cutting etc. Emphasis was also put on assessing the efficiency of recycling services i.e. investing in more durable recycling boxes or streamlining the missed bins process.

Streamlining services was mentioned by twelve per cent (12%) of respondents as a way to generate savings. One respondent suggested that a thorough assessment of all the Council's 'financial leakages' should take place. Another respondent suggested encouraging staff to give feedback on the services they carry out as they would have the most insight into where cuts could be made. Cutting discretionary services were also suggested by respondents.

Ten per cent (10%) of respondents felt that the work carried out by Contractors was excessive. Residents commented that contractors are sometimes employed at far greater costs than if local talent was utilised. Where there are frequent repairs and maintenance on Council properties, the suggestion was also made that the tenant should be liable.

Fifteen per cent (15%) of respondents suggested reducing or cancelling events such as the November Fireworks Display, or those held on the Event Island and the Stevenage Museum.

Seeking external funding to plug the financial gap was suggested by six per cent (6%) of respondents.

## Cross-Cutting Themes

In addition to the five strategic priorities, there are three areas of work which cut across delivery of all strategic priorities, these are **Equality, Diversity & Inclusion; Health and Wellbeing; Technology & Innovation**, and we refer to these as cross-cutting themes.

The inclusion of cross cutting themes represents the need to raise awareness of these areas when designing and delivery services. They have important social benefits and should be considered as integral to the wider strategic priority programmes of work.

All respondents were given the opportunity to comment on the cross-cutting themes and suggest alternatives. The majority did so through the free text response option in Question 15. Free text analysis shows that there was broad agreement with the themes proposed. Including, many respondents highlighting the need for more youth services, which is an

integral part of the Equality, Diversity & Inclusion (EDI) and Health & Wellbeing programme of work.

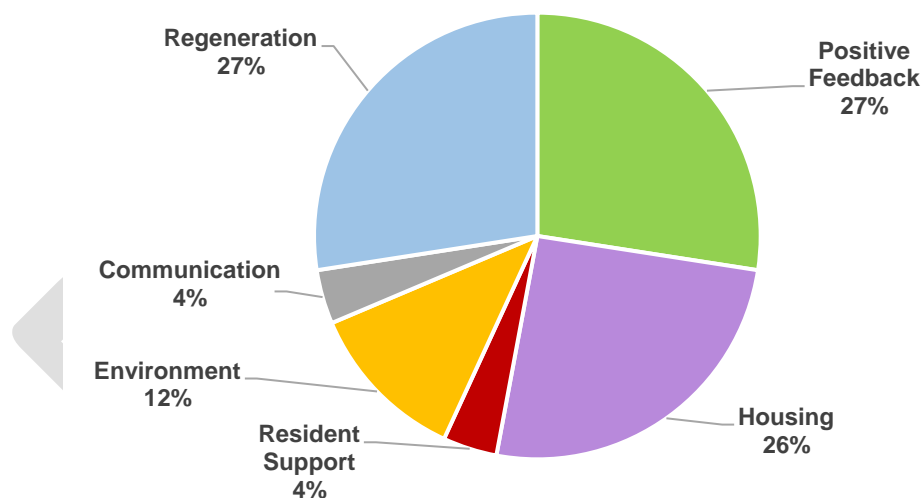
Respondents also suggested that the Council should publicise the benefits of the many green spaces and cycle paths in Stevenage, which is well represented in the ‘Health and Wellbeing’ cross-cutting theme (e.g. plans to establish a Cycle Hub in partnership with Fairlands Activity Centre).

There were also suggestions concerning online accessibility which is key to advancing EDI and the Technology and Innovation theme (e.g. revised Web Content Accessibility Guidelines).

Additional suggestions for cross-cutting themes included climate change, with one resident commenting that even though climate change is a key strategic element and aspiration is key having this as a core cross cutting theme should also be considered.

## General Feedback

All respondents provided their general feedback on Making Stevenage Even Better proposals and their answers can be categorised into six clear themes, as per the below pie chart:



When providing general feedback on Making Stevenage Even Better, the majority of people (27%) provided positive comments. A selection of comments is provided on page 15. Twenty-five per cent (25%) of respondents highlighted the desire to see more social housing across the town. Whilst this is already embedded within the More Social, Affordable, Good Quality Homes strategic priority, respondents took the time to draw attention again to its importance. Housing related suggestions from respondents included making the Council’s housing stock energy efficient, building social housing first, building more bungalows for the





elderly, providing clarity on what affordable housing means, and reducing leaseholder service fees.

A great amount of focus was given to Regeneration with twenty-seven per cent (27%) praising the ambitious plans and looking forward to them coming to fruition.

Respondents also took the opportunity to comment on the need to focus on attracting new businesses, repairing and updating streetlights, and repairing pavements and roads.

Respondents also emphasised the need for a greater focus on both transport and parking with

requests for accessible, such as proposing that implementing cheaper parking within the town centre would help reduce the number of commuters parking in residential areas. It was also suggested that there needs to be sufficient garages made available within high density residential areas to help alleviate parking issues. Further, some resident felt that not enough focus was given to sustainable transport, such as cycling.

Twelve per cent (12%) of respondents were also keen to repeat their support for the Tackling Climate Change strategic priority, emphasising that climate change needs to be a high priority issue for Stevenage and green belt land, promoting the use of cycle paths and recycling should be key components of this priority.

Four per cent (4%) of respondents highlighted that they would also like to see greater emphasis given to supporting respondents with aspects such as the cost-of-living crisis, and those with small businesses.

**“The priorities are sustainable and will promote pride in being a Stevenage resident”**

**“Integral to transforming the town”**

**“Good to see planned infrastructure to cater to a growing town”**

## Future Engagement

As part of this consultation, we asked respondents how they would prefer to receive communication on the development and progress of Making Stevenage Even Better and the majority highlighted social media as their preferred method (85%), followed by the Council website (47%), the Community eNewsletter (43%) and community noticeboards (26%). Additional suggestions of Instagram and TikTok to convey messaging, posting leaflets or newsletters through doors, sending email updates, and displaying QR codes in public places such as the library or Community meetings in each area would also help.

Under the UK Data Protection Act 2018, respondents were also asked if they were happy for us to store their details, to which 42 responded yes and 39 of these (93%) provided their email address for further.

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# APPENDIX C – Plan on a Page (PoAP) 2024/25 Example

## MAKING STEVENAGE EVEN BETTER 2024-2027



Priorities	Transforming Our Town		More Social, Affordable & Good Quality Homes		Thriving Neighbourhoods			Tackling Climate Change	Balancing the Budget
	Regeneration	Enterprise & Skills	Building New & Sustainable Homes	Maintaining Good Quality Homes	Clean Neighbourhoods & Green Spaces	Community Safety	Culture & Leisure		
Outcomes	Regeneration of the town centre and other strategic growth areas to deliver benefits to residents and businesses, through the creation of new homes, improved public services, local amenities, employment opportunities, transport links and access to green spaces	Opening up access to outstanding skills, training and educational opportunities in growing local sectors such as life science, space and defence, and construction, so that our community benefits from economic growth, skills and improved job prospects	The demand for local homes is in part met through the provision of more social, affordable, and good quality homes that meet improved sustainability standards	A good quality tenancy, housing maintenance, repairs and homelessness service is provided to residents	Neighbourhoods and green spaces are clean and well-maintained, ensuring residents can be proud of where they live	Residents live in safe communities where crime and anti-social behaviour are reduced through effective partnership working	Close partnership working with the culture and leisure sector enables a vibrant, thriving, creative town, which improves quality of life for residents and benefits the local economy	Progress the reduction of carbon emissions to net zero by 2030 and provide support to residents and business to do the same	Sufficient resources are available to deliver on the Council's priorities while remaining resilient to the impact of increasing financial pressures
Actions	See TOT Plan on a Page	See TOT Plan on a Page	See MSAGQH Plan on a Page	See MSAGQH Plan on a Page	See TN Plan on a Page	See TN Plan on a Page	See TN Plan on a Page	See TCC Plan on a Page	See BTB Plan on a Page

Cross Cutting Themes	Equality, Diversity & Inclusion (EDI)
	The Council will work with partners, staff, local businesses and community groups to advance EDI across the workforce and community
Health & Wellbeing	The Council will work with partners to tackle health inequalities and improve the health and wellbeing of residents
Technology & Innovation	The Council will embrace technology and innovation to enhance how we operate as a Council. We will deliver systems efficiencies that empower residents to use digital services

## MAKING STEVENAGE EVEN BETTER 2024-2027

Our Values



Our values are underpinned by our commitment to the Cooperative Council principles:



Priorities

**More Social, Affordable and Good Quality Homes**

Focus

**Building New & Sustainable Homes**

**Maintaining Good Quality Homes**

Outcome

The demand for local homes is in part met through the provision of more social, affordable, and good quality homes that are delivered by the Council to improved sustainability standards.

A good quality tenancy, housing maintenance, repairs and homelessness service is provided to residents.

Actions

Provide 529 new social and affordable homes by 2029/30

Set rents and service charges at affordable levels for tenants and leaseholders (within national policy constraints) particularly in response to significant cost-of-living challenges brought about by high inflation, food, energy and living costs, whilst balancing this with the need to do more with less in response to additional housing regulatory and statutory requirements

Ensure that the Quality Housing 5 Star Programme Principles across all new builds are fulfilled

Completion of the low to medium rise flat block refurbishment programme by 2025, and commencement of refurbishment works to the Council's five high rise flat blocks in 2024/25

To help meet the demand for housing we will explore options to introduce shared ownership as a tenure type

Delivery of the Decent Homes programme to achieve 100% of the stock meeting both National & Stevenage Standards

Continue to utilise grant funding of the new build programme through schemes such as the Homes England Affordable Homes Programme

Tackling the climate change emergency by sourcing funding and investing in the right solutions to reduce energy costs and the overall carbon footprint of our housing stock, including achieving a minimum Energy Efficiency Rating of Band C for all council homes by 2030

Identify and build new independent living schemes (e.g. Brent Court) in line with our design commitments set out in the Housing Older People Strategy

Implement improvements to the Council's Repairs and Voids service, to ensure it offers choices to tenants and delivers cost-effective repairs and improvements right first time

Through the Wholly Owned Company (WOC) identify new sites for private home development to fulfil housing demand and ensure that future subsidy of new council homes is possible

Review service standards and implement a new engagement strategy that ensures tenants and leaseholders are treated with fairness and respect so that they can access services, raise complaints when necessary, influence decision making and hold the Council to account

Fully establish the Council's Community Advice and Support Service to help deliver personalised advice and support for tenants

Devise and implement a new Rough Sleeper & Homelessness strategy 2024-2027 that ensure homeless residents are given access to temporary and emergency accommodation and timely wraparound support services

KPIs		
	HDD1d: Number of homes delivered (gross) by the Council (since 2014)	RSH: CH01 (part1) –Number of stage one complaints made by tenants
	HDD1e: Number of council rented homes delivered by the Council (current quarter)	RSH: CH01 (part 2) – Number of stage two complaints made by tenants)
	HDD1f: Number of private homes provided	RSH: CH02 (part1) Number of stage one complaints made by tenants and responded to within Complaint Handling Code timescale (i.e. 10 days)
		RSH: CH02 (part2) Number of stage two complaints made by tenants and responded to within the Complaint Handling Code timescale (i.e. 20 days)
		RSH Rep1: Proportion of emergency responsive repairs completed within the landlord's target timescale.
		RSH Rep2: Proportion of non-emergency responsive repairs completed within the landlord's target timescale.
		RV3: Number of Voids returned by Contractor
		Let1: Interim – No of days to let a sheltered property from the ready to let date
		Let2: Interim – No of days to let a general needs property from the ready to let date)
		BV213: Homelessness Preventions
		RP01A: Percentage of homes maintained as decent against national minimum DH standard (informed by new RSH measure – number of homes that don't meet the decent homes standard)
		RSH BS04: Percentage of sites with valid legionella inspections certificate
		RSH BS01: Percentage of dwellings with a valid gas certificate
		RSH BS03: Proportion of homes for which all required asbestos management surveys or re-inspections have been carried out
		RSH BS02: Percentage of dwellings with a valid Fire Risk Assessment
		RSH BS05: Percentage of domestic passenger lifts with an in date LOLER inspection
Milestones		
	Delivery of 29 New Social Rented Units	Implementation of new repairs pathways increasing the utilisation of in-house resources and decrease external reliance
	Delivery of 27 Unit Supported Housing Scheme	TSM Survey commissioned, delivered and findings communicated to key stakeholders and Executive. Findings to be used to help inform understanding and decision-making based upon what really matters to tenants.
	Delivery of mixed tenure regeneration scheme which delivers new affordable and private sale accommodation including new state of the art Independent Living Scheme. The project will also provide new retail and community facilities	A new forum established that will give tenants and leaseholders the opportunity to feedback on key council housing policy changes and projects directly impacting them
	Continue the design development and delivery of large-scale neighbourhood regeneration proposal aiming at delivering new high-quality accommodation, retail and community facilities for the area with the intention of submitting a planning application and accompanying delivery plan.	Implementation of the Housing & Engagement Framework
	Delivery of 6-12 new homes under funding offer from Department of Levelling Up, Homes and Communities (DLUHC)	Preparation and implementation of new RSH Consumer Safety Standards, to cover safety, quality, neighbourhood, transparency, engagement, accountability, tenancies
	Continued development of 17 Unit Private Sale Scheme within the Wholly Owned Company	Delivery of the detailed implementation plan and resident engagement
	Delivery of second phase of wider Kenilworth scheme which is entirely private sale	

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Part I – Release to Press

**Meeting** EXECUTIVE/COUNCIL  
**Portfolio Area** Housing and Housing Development / Resources and Transformation  
**Date** 17 January 2024 / 24 January 2024



## FINAL HOUSING REVENUE ACCOUNT BUDGET SETTING AND RENT REPORT 2024/25

### KEY DECISION

**Authors** Keith Reynoldson  
**Contributor** Ash Ahmed; Andrew Garside; Clare Fletcher; Denise Lewis; Richard Protheroe; Karen Long; Brian Moldon  
**Lead Officers** Richard Protheroe; Clare Fletcher  
**Contact Officer** Keith Reynoldson

### 1 PURPOSE

- 1.1 To update Members on the final proposals on the Housing Revenue Account (HRA) budgets and rent setting for 2024/25, to be considered by Council on 24 January 2024.
- 1.2 To update Members on the formula for setting rents for 2024/25.
- 1.3 To propose the HRA rents for 2024/25.
- 1.4 To propose the HRA service charges for 2024/25.
- 1.5 To update Members on the 2024/25 HRA budget, incorporating the decisions included in the HRA Business Plan Review report that was approved at the Executive meeting on the 15 November 2023 and the proposed 2024/25 fees and charges.

## **2 RECOMMENDATIONS**





That the following proposals be recommended to Council on 24 January 2024:

- 2.1 That 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).
- 2.2 The 2024/25 service charges are approved as set out in paragraph 4.2.
- 2.3 That the HRA budget for 2024/25 as set out in Appendix A and as revised from the January 2024 draft budget report (as set out in para. 4.8.1).
- 2.4 The 2024/25 growth options as set out in section 4.4 are approved.
- 2.5 Council is recommended to approve the 2024/25 Fees and Charges as set out in Appendix B.
- 2.6 That the minimum levels of balances for 2024/25 as shown in Appendix C are approved.
- 2.7 That Members note the Rent Increase Equalities Impact Assessments appended to this report in Appendix D.
- 2.8 That the contingency sum of £400K, within which the Executive can approve supplementary estimates, for 2024/25 (unchanged from 2023/24) is approved.
- 2.9 That the comments from Overview and Scrutiny are noted as set out in paragraph 4.10.2
- 2.10 That key partners and other stakeholders are consulted and their views considered as part of the 2024/25 budget setting process.

## **3 BACKGROUND**

- 3.1 The HRA is a legally ring-fenced account that records the income and expenditure relating to the operation of the Council's housing stock. The main costs in the HRA relate to management, maintenance, depreciation (used to finance capital works) and interest on loans. This is mainly funded from rents that make up the majority of HRA income. Any surpluses are held in the ring fenced area and are used to contribute towards capital and offset years where the account may be in deficit.
- 3.2 The sustainability of the HRA is highly reliant on rent levels. For 2023/24 rent setting the government imposed a rent cap of 7% on social landlords when the current rent standard would have given an increase of 11.1%, based on the September 2022 Consumer Prices Index (CPI) +1%. However, the Government did allow the underlying formula rents to increase by the full amount and this means that new and relet property rents in 2023/24 will be at the higher rate.
- 3.3 The HRA Business Plan was revised and approved at the November 2023 Executive meeting. The report outlined the challenges facing the HRA, the current proposals for investment in the stock and explained that, due to the current uncertainties in key areas like regulation and climate change, the plan will need more regular revision in future years. The main commitments included in the plan are summarised in the table below.



 <b>Borrowing and RCCO</b>	 <b>Housing Development</b>	 <b>Housing Asset Management</b>	 <b>Housing Service Delivery</b>
<p><b>New Borrowing for Capital Investment £351m (30Yrs)</b></p> <p><b>Refinanced debt to enable revenue operations £104m (30Yrs)</b></p> <p><b>Revenue contribution to capital £18m in (years 1-5)</b></p>	<p><b>Invest £734m in new stock (30Yrs)</b></p> <p><b>Deliver 2,253 units (30Yrs) 447 in next 5yrs</b></p> <p><b>Commence 3 new schemes to maintain dev. pipeline. Deliver new homes to 5 star promise</b></p> <p><b>Larger schemes phased for staggered delivery matched to funding. Switch to market purchase if supply needed urgently.</b></p> <p><b>Continue pilot projects for new tenures and sustainable design.</b></p>	<p><b>£893m stock investment funding (30Yrs)</b></p> <p><b>£482m repairs, void and cyclical maintenance (30Yrs). Efficiency target removed, due to regulatory pressures</b></p> <p><b>All properties to EPC-C by 2030</b></p>	<p><b>£818m in non-maintenance revenue funding (30yrs)</b></p> <p><b>Savings target £200k 24/25 then £500k pa for 8yrs. Total £20m in yrs 2-11.</b></p> <p><b>Growth of £200k pa to enable service improvement / efficiency</b></p>

- 3.4 As set out in the 2023/24 budget report there are still developing policy issues in the HRA regarding the decent homes standard and building regulations; overall regulation of the sector and compliance requirements; and environmental improvements, like decarbonisation of the housing stock. Some of these cost pressures have been incorporated into the HRA BP and 2024/25 budget, but will need to be revised, as the impact of these changes becomes clearer. However, the Business Plan does not currently include the cost of decarbonising the Council's housing stock which is currently estimated cost £150Million (at current prices) and this will need to be addressed in coming years.
- 3.5 Government reforms of the 'Use of Right to Buy (RTB) Receipts' reported in 2021/22 have positively benefited the Council in the short term by supporting existing development plans, in particular the simplification of the system by
- the extension of spending periods for receipts from three to five years,
  - increase in the percentage of receipts that can be used in acquisitions from £30% to 40% (thus reducing the contribution required from the HRA).
  - a limit on acquisitions of existing properties through open market purchase, to be phased in by 2024.

This will continue to be closely monitored as medium-term plans are developed and reviewed.

- 3.6 The HRA is also still being impacted by the cost-of-living crisis facing the country. In addition to high inflationary pressures on expenditure, rent arrears are still at historically high levels and are continuing to rise, as people struggle to meet increased prices for food, energy and fuel bills. The complexity of people’s financial circumstances is also increasing, leading to multiple debts and urgent requests for support.
- 3.7 The Budget and Policy Framework Procedure Rules in the Constitution prescribe the Budget setting process, which includes a minimum consultation period of three weeks. Under Article 4 of the Constitution, the Budget also includes: the allocation of financial resources to different services and projects; proposed contingency funds; setting the rents; decisions relating to the control of the Council’s borrowing requirement; the control of its capital expenditure; and the setting of virement limits.



3.8 The Draft HRA rent setting and budget report was presented to the December 2023 Executive and Overview and Scrutiny meetings. This report updates Members on changes to the 2024/25 budget as set out in section 4.8 and includes comments from the Overview and Scrutiny Committee. The rent increase and savings and growth proposals remain unchanged from the December 2023 report.

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

**4.1 Rents**

4.1.1 The total number of HRA homes in management on 30<sup>th</sup> November 2023 is summarised in the table below. The average rents for 2023/24 are based on current housing stock, any right to buys or new schemes coming on stream after this date may change the average rent per property type.

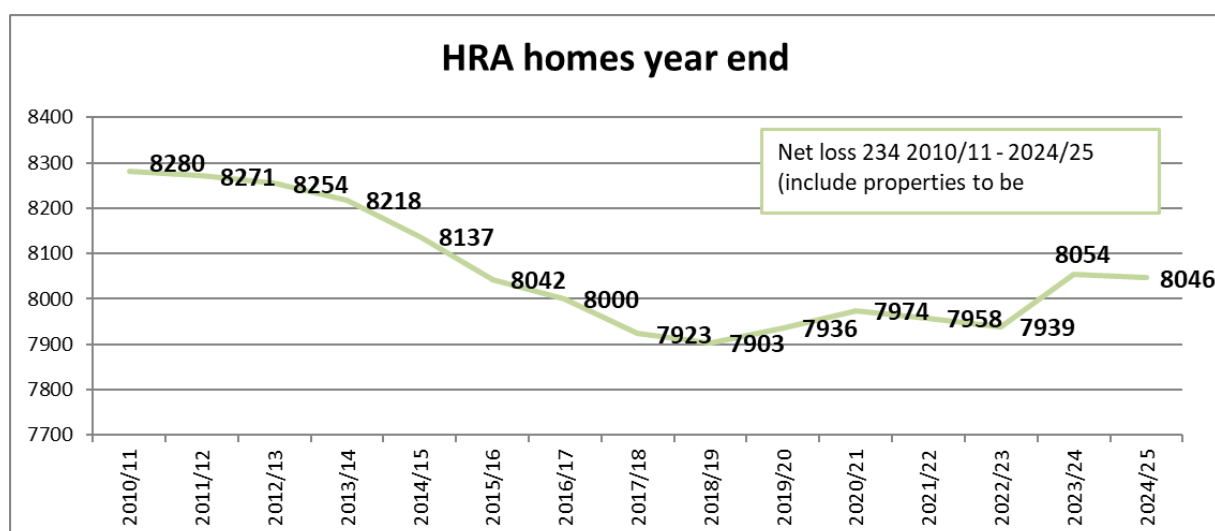
Stock Numbers at 30/11/2023	Social	Affordable	Sheltered	LSSO	Homeless	Total
Number of Properties	6,799	66	794	79	232	7,970

- 4.1.2 For 2024/25 rent setting has returned to the current Rent Standard of September CPI plus 1%. The September CPI was 6.7% meaning rents will increase by 7.7%.
- 4.1.3 The proposed average rents per week for 2024/25 are set out in the table below, based on a 52 week year and the current housing stock in management and remains unchanged from the December 2023 Executive report.

Average Rents 2024/25	LSSO	Increase/ (decrease) %	social	Increase/ (decrease) %	Affordable	Increase/ (decrease) %
Average Rent 2023/24	£131.03		£111.15		£172.67	
Add rent impact 2024/25	£10.09	7.7%	£8.56	7.7%	£13.30	7.7%
<b>Total 52 week Rent 2024/25</b>	<b>£141.12</b>		<b>£119.71</b>		<b>£185.97</b>	

4.1.4 The 2024/25 net rental income increase is estimated to be £4.5Million, which includes the estimated impacts of right to buys, expected new properties and properties taken out of management (awaiting redevelopment).

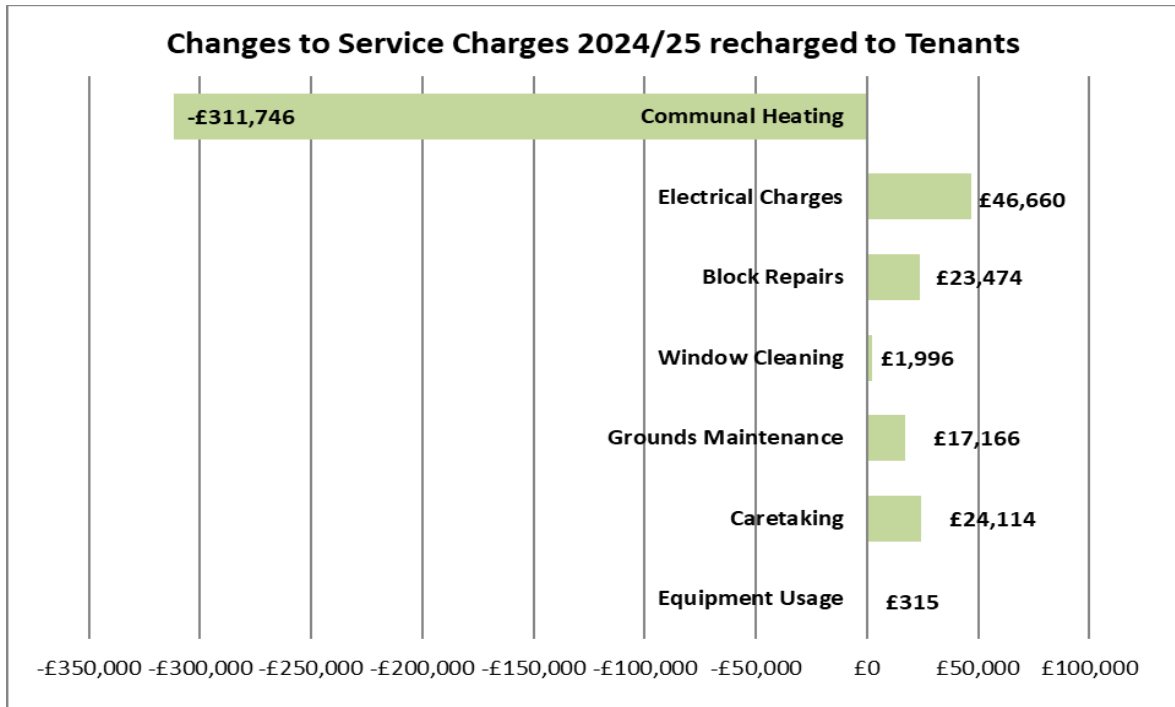
4.1.5 The total number of Council homes is estimated to reduce by 234 between 2010/11 and the end of 2024/25 (based on the net impact of RTBs, new homes and homes awaiting development). The forecast numbers for 2024/25 reflect the impact of new developments and acquisitions compensating for RTB sales.



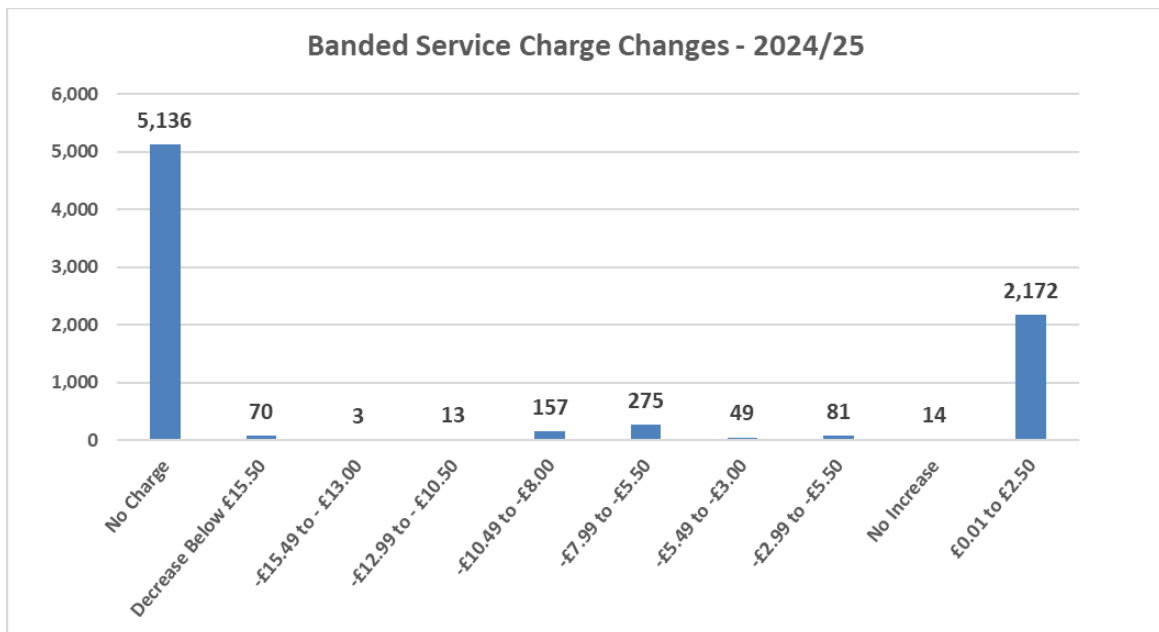
## 4.2 Service Charges 2024/25

4.2.1 Service charges are calculated on an individual block basis for 2,834 properties, (2023/24, 3,063) or 37% of current SBC tenanted properties.

4.2.2 Service charges are not subject to a 7.7% rent increase but are based on cost recovery or actual cost. So, for 2024/25, service charge costs will increase with inflationary pressures and changes in usage. The chart below identifies the changes between 2023/24 and 2024/25 for service charges. The estimates are based on the projected budgeted costs for 2024/25, with the exception of block repairs, which is 'smoothed' over a five-year period to eliminate individual in-year spikes in repairs spend. The graph illustrates that, after last year's price spikes for gas supply, current estimates show a projected 40% reduction in costs and this has been reflected in the service charges for communal heating systems. Service charges remain unchanged from the December 2023 Executive report.



4.2.3 The spread of service charge changes for all tenants in 2024/25 is shown in the chart below. As in last year's report, these figures do include the communal heating charge (for those tenants receiving this service), as the impact of utility prices is so significant at this time. The impact of these changes is that 5,136 (64%) homes do not have service charges. Of those 2,834 properties that are eligible for service charges 648 (8%) will have decreases up to £17.50 per week, due to lower gas costs, and 2,172 (27%) will have increases up to £2.50 per week.



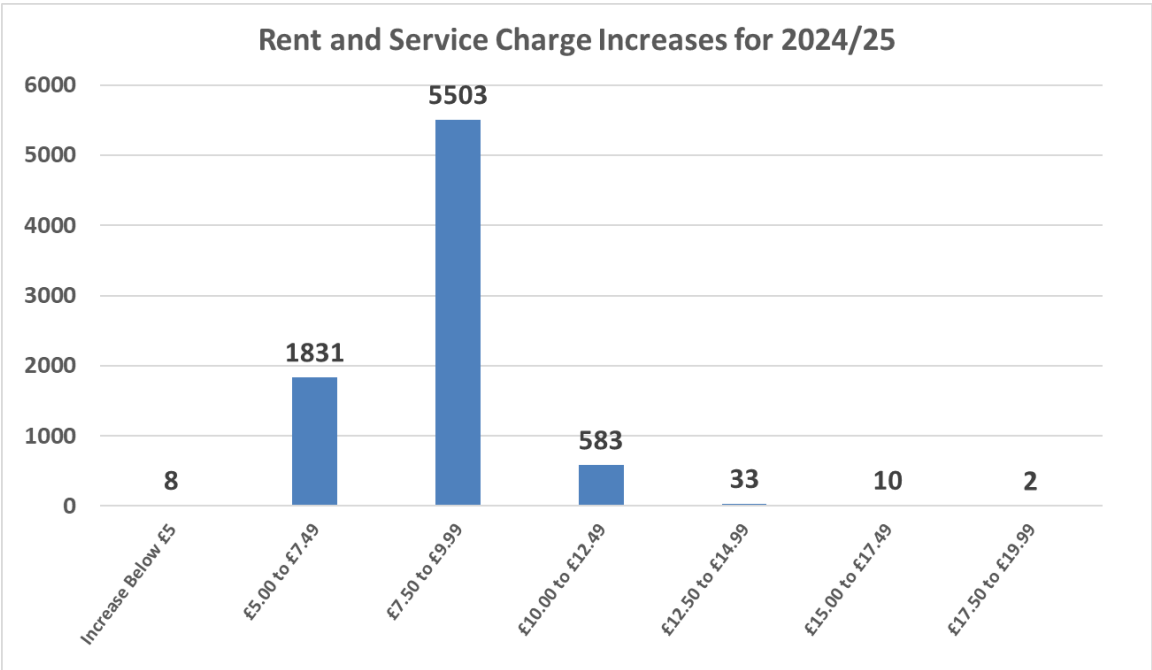
\* note increase per week

4.2.4 The reduction in gas prices has significantly reduced the service charges that include heating costs. However, even with these reductions the charges are still much higher than historic levels. To help mitigate the impact on tenants heating charges will be adjusted to the actual cost for 2023/24, rather than the estimate, to ensure that no customer pays more than the gas used in their property. This area will remain under review during 2024/25 and any changes in pricing will be adjusted at the soonest opportunity to ensure that the service charges remain in line with costs.

**4.3 Rents and Service Charges**

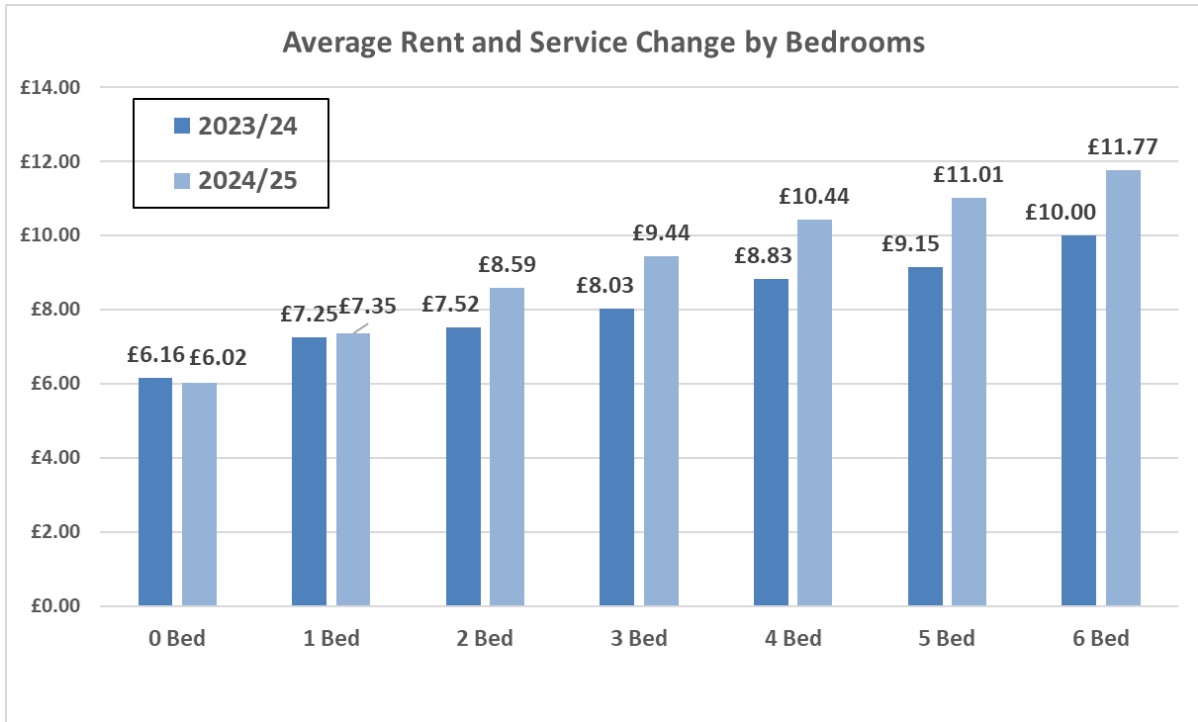
4.3.1 The impact of the 2024/25 rent increase and service charges is that 7,424 homes, or 93%, receive a weekly rent and service charge increase between £4.00 and £9.99. The reduction in utility prices has led to lower increases for some homes offsetting the impact of the CPI +1% rent increase of 7.7% The increases above £9.99 mainly relate to larger properties and where affordable rents are paid.

4.3.2 The spread of the 2024/25 rent and service charge changes are summarised in the chart below.



*\*note increase per week*

4.3.3 The average rent and service charge increase by bedroom size has also been calculated and summarised in the chart below.



4.3.4 The comparison between HRA property rents per week and private sector rents per week, for one to four-bedroom properties, is shown in the table below. A three-bedroom private sector rental property costs an additional 114%, (2022/23, 131%) more per week than an SBC council home and 28% more than the affordable let properties, (2022/23 30%).

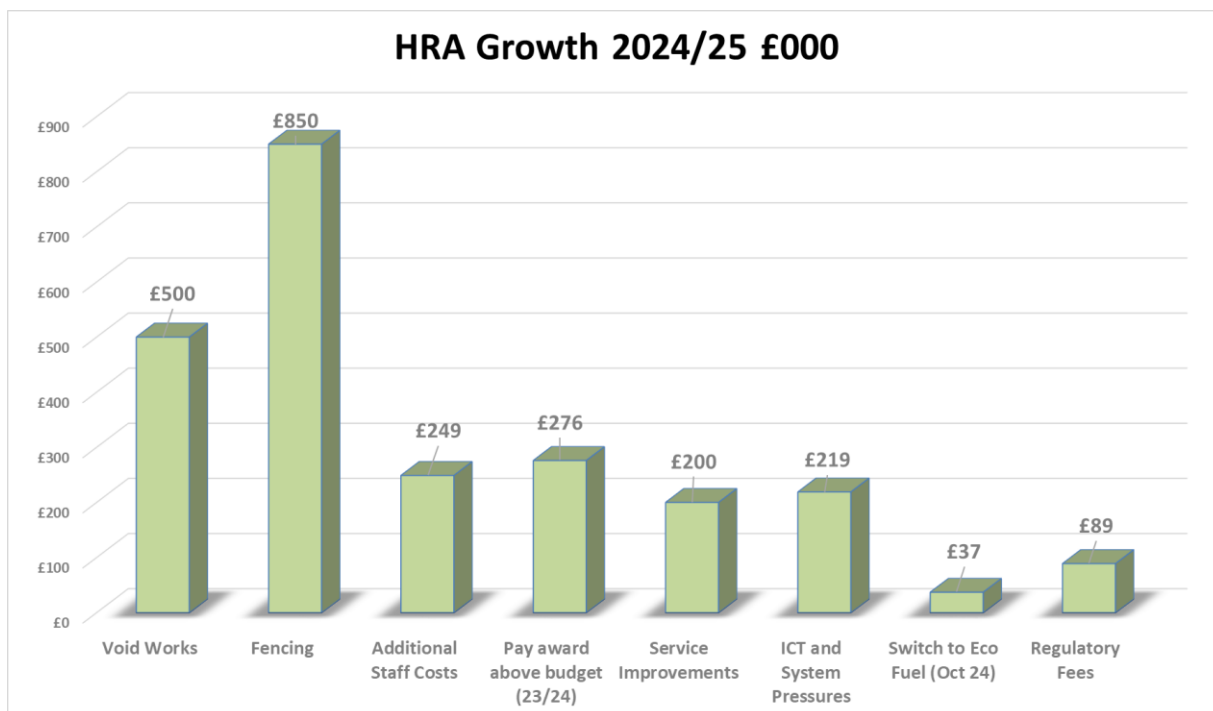
	SBC Social Rent	SBC Affordable Rent	Median Private Rent	Local Housing Allowance (LHA) 2023/24	Median % v SBC Social	Median % v SBC Affordable
1 Bed Property	£102.37	£153.70	£178.87	£155.34	75%	16%
2 Bed Property	£118.43	£196.10	£214.65	£195.62	81%	9%
3 Bed Property	£131.85	£238.45	£257.58	£241.64	95%	8%
4 Bed Property	£145.44	£279.32	£357.75	£299.18	146%	28%

*Private rent Data from ONS as at March 2023 updated by ONS rental inflation for East of England to October 2023. Please note the SBC rents are April 2024 prices and the private rents October 2023 prices.*

4.3.5 The Local Housing Allowance (LHA) shown in the table above is the maximum amount of housing benefit payable by property size for private rented properties.

#### 4.4 Growth and Savings included in the HRA

4.4.1 The revenue growth included in the 2024/25 HRA budget is summarised in the chart below reflecting the items agreed in the HRA Business Plan at the November Executive and remain unchanged from the draft HRA budget report to the December 2023 Executive.



- 4.4.2 **Void Works £500K** – One off growth of £500K has been included to meet additional costs relating to void properties. This service has been subject to an operational review in consultation with the Community Select Committee. The operational model, resulting from this review, is currently being finalised and this takes into account additional demands from the new consumer regulations. This is likely to require further growth in 2024/25 and this will be reported when the new operating proposals are fully costed.
- 4.4.3 **Fencing £850K** – Another one off growth item of £850K has been included to continue the work in clearing the current backlog of fencing repairs and replacements. Further proposals for the service will be finalised in 2024/25 for the following budget year.
- 4.4.4 **Additional Staff Costs £249K** - There are staff posts that have been extended in response to operational challenges, such as higher levels of arrears and changes to regulations for the housing service. These costs have been included as ongoing in the budget, however service reviews will be undertaken as part of the Transformation programme and the need to make balancing the budget savings as outlined in the HRA Business Plan.
- 4.4.5 **Pay Award 2023/24 £276K** - There are additional costs of £276K in relation to the 2023/24 pay award that is higher than the original budgeted cost of 3% and approved as part of the December 2023 budget report.
- 4.4.6 **Service Improvements £200K** – A sum of £200K per annum has been included to enable transformation projects and service improvements. It was recognised in the HRA Business Plan that the service will need to find continual efficiencies to be able to meet future demands and this growth is intended to enable those improvements.
- 4.4.7 **IT and System Pressures £219K** – This is the HRA’s share of the ICT pressures identified in the General Fund Balancing the Budget report to the

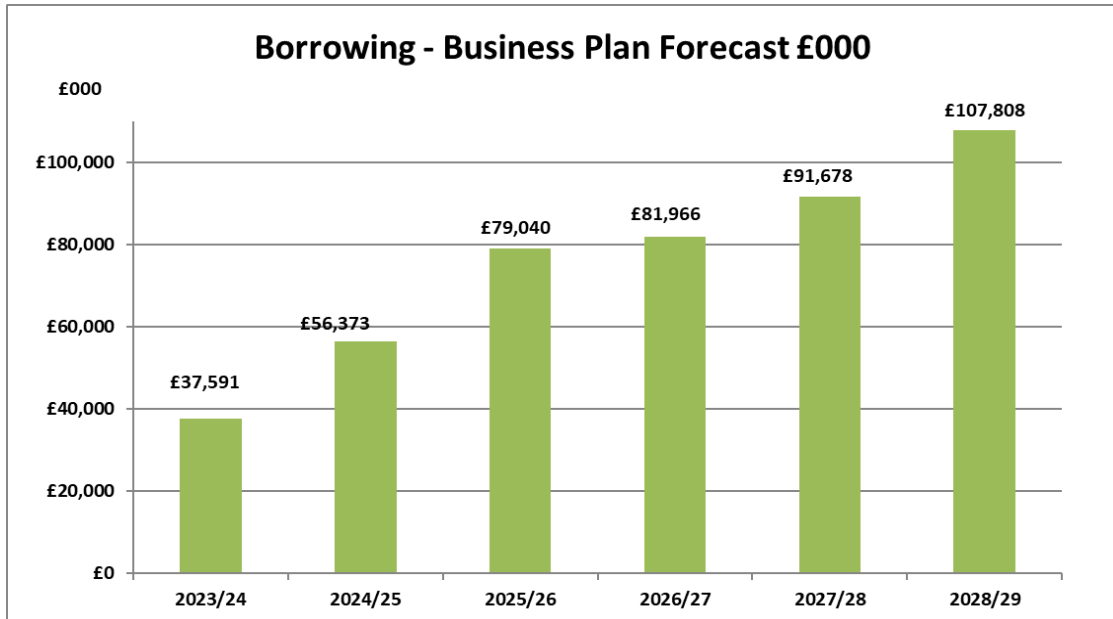
November Executive. The additional growth bids include licencing costs and the HRA share of the SOCITIM review of the ICT service as recommended to the Executive by the Shared ICT Committee.

- 4.4.8 **Switch Vehicle Fleet from Diesel to HVO (Eco) Fuel £37K** – As part of the Council's climate change ambitions Members approved (in the Balancing the Budget report that went to Executive in November 2023) to switch its vehicle fleet to HVO (eco) fuel from October 2024. This area is currently being reviewed, but initial estimates show a small growth of £37K to the HRA. Any change to this estimate will be included in the Final HRA Budget report.
- 4.4.9 **Regulatory Fees £89K** – The Housing Ombudsman has increased their annual fees to the Council and the Regulator of Social Housing is introducing new fees next year in recognition of its role in regulating customer standards within local authorities. As a regulated housing provider, both of these fees are obligatory and have therefore been included in the budget for 2024/25.
- 4.4.10 The Balancing the Budget savings options for the HRA total £47,260 and have been included in the final HRA budget. However, there is still a further £200K savings that will need to be found in 2024/25

#### **4.5 Borrowing**

- 4.5.1 Based on current forecasts, new loans totalling £37.6Million and £18.8Million are expected to be taken in the current and next financial years for 2023/24 and 2024/25. However, the timing of when to take the new borrowing will be reviewed, weighing up the cost of carry and the prevailing Public Works Loan Board (PWLB) rates. The interest payable in 2023/24 and 2024/25 is estimated to be £8.9Million and £9.4Million respectively and remains unchanged from the December 2023 Executive report.
- 4.5.2 Currently interest rates have continued to stay higher than the unusually low levels seen in the past decade. For next year the Draft Budget assumes a rate of 4.6%, but the HRA Business plan assumes a long term average of 4%. The HRA has also been given a preferential rate for borrowing from the PWLB and this discounted period was extended in the recent Autumn Statement.

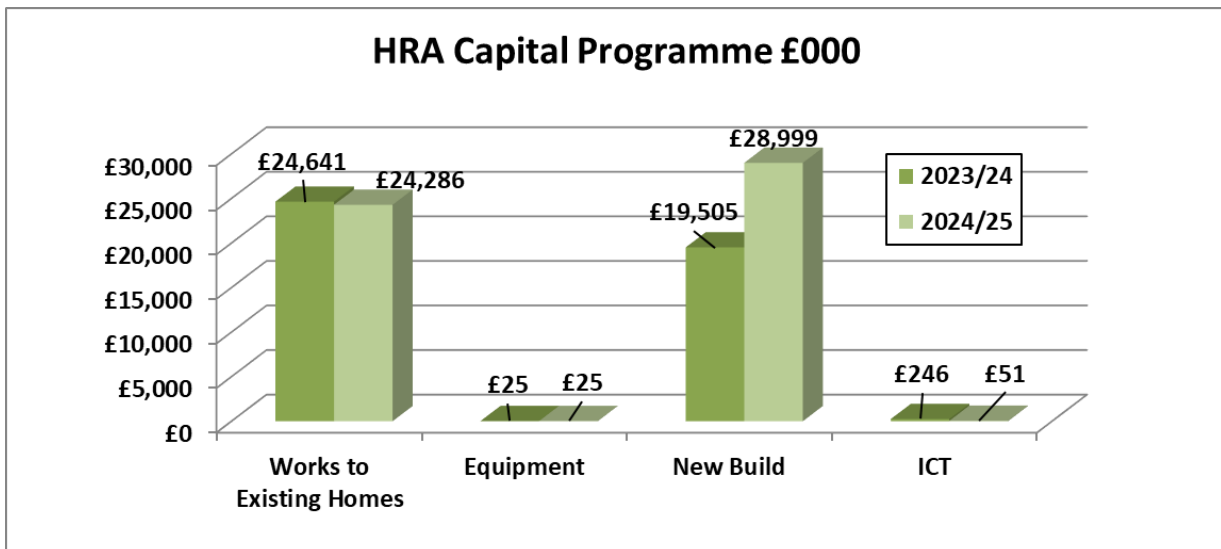




4.5.3 This graph shows the cumulative borrowing projected in the HRA Business Plan. The debt to be taken for 2023/24 and 2024/25 is £56.3Million, of which £37.5Million is converting internal borrowing to external debt.

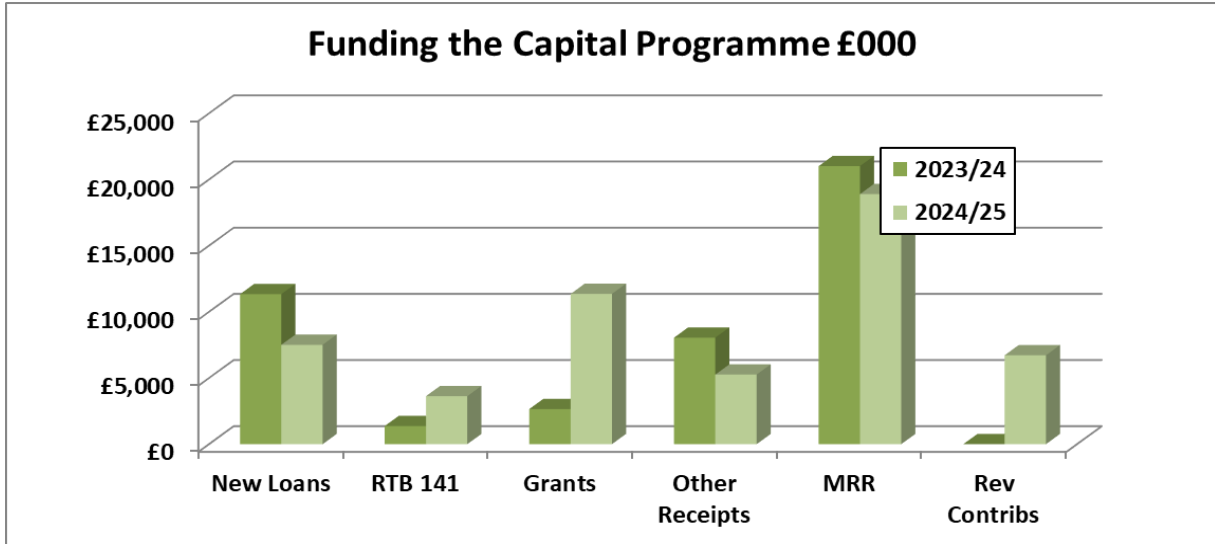
#### 4.6 Capital Expenditure

4.6.1 The table below shows the revised capital programme for 2023/24 and the proposed spend for 2024/25. This position was used to construct the HRA business plan, but the final programme will be included in the capital budget reports for 2024/25 and any revenue implications will be shown in the final HRA budget report in January.



4.6.2 The majority of the capital expenditure relates to work on existing homes and the new build programme. The capital works on the housing stock is projected to be in line with the current year and the projected spend on new schemes is in line with the development programme included in the business plan. The table below shows the funding sources for the programme. Most of the work to existing homes continues to be financed from the major repairs reserve

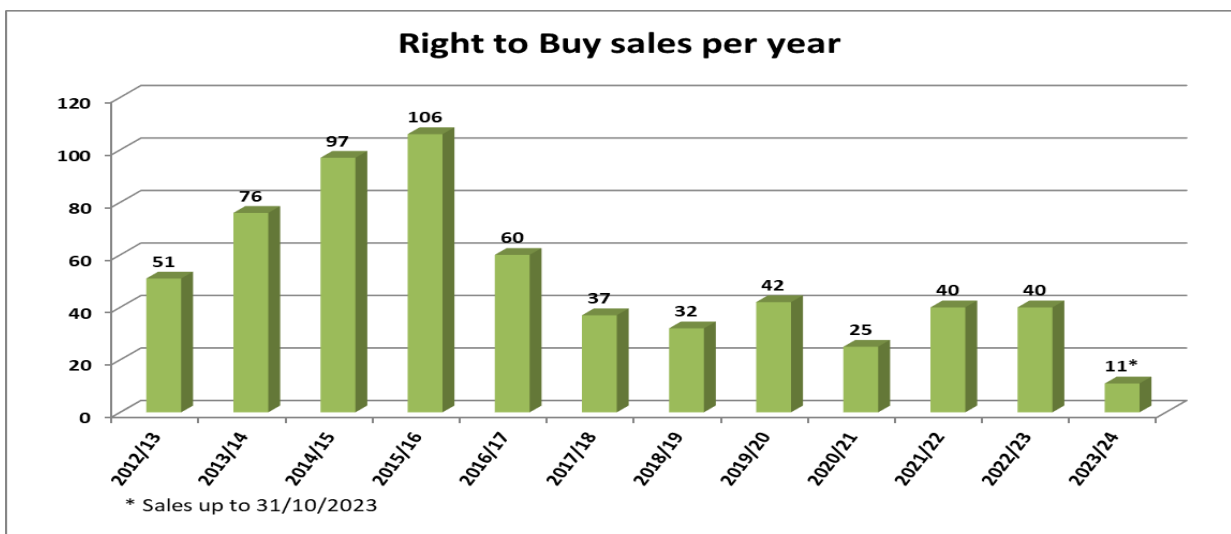
(funded from depreciation charges to the HRA) and the new build costs from loans and receipts. However, there has been an increase in the revenue contributions to capital in 2024/25 in line with the business plan projections and we are due to receive significant grant income for decarbonisation projects and to support the provision of temporary accommodation.



#### 4.7 Use of One for One Receipts

4.7.1 The Council has an ambitious development programme and is currently completing a major redevelopment scheme at the Kenilworth Road site. This has helped to ensure that RTB receipts have been spent within the new time limits and the Council has been able to make full use of the Government’s decision to allow authorities to retain all of the receipts from sales for 2022/23 and 2023/24.

4.7.2 Sales of properties remain lower than the recent peak in 2015/16 and it looks likely that they will be in line with projected estimates of 35 properties for 2022/23. The budget for 2023/24 continues to assume sales of 35 properties for rent budgeting and capital receipts purposes. The graph below shows recent sales activity by year.



## 4.8 Final Budget Proposals

- 4.8.1 At the time the draft HRA budget was published for the December 2023 Executive a number of recharges for services between the General Fund and HRA and visa versus were still to be completed for services such as finance, ICT, insurance and Human Resources. This has now been completed and has resulted in an increase in recharges to the HRA of £192K, mainly as a result of the increase in the HRA head count as an over proportion of total staff numbers, this is used as cost driver to apportion services where appropriate.
- 4.8.2 There were other recharge adjustments of £12,800, giving an overall increase in net costs of £179K between the December 2023 and January 2024 report.
- 4.8.3 The Final 2024/25 HRA budget is estimated to be a net deficit of £261,110. The table below shows the movements between the draft budget paper and final budget proposal.

Summary of 2024/25		
<b>Draft HRA 2024/25 budget</b>		<b>£81,770</b>
<b>Changes from Draft to Final Budget</b>		
Net Increase in General Fund Recharges to HRA	£183,800	
Increase in Insurance Costs	£8,340	
Net Decrease in Recharges to General Fund	£12,230	
Other Recharge Adjustments	(£25,030)	
<b>Total Changes:</b>		<b>£179,340</b>
<b>Final HRA 2024/25 budget</b>		<b>£261,110</b>

## 4.9 Risk Assessment of Balances

- 4.9.1 All HRA balances, in excess of the minimum balance held for assessed risks in year, are required to fund the HRA 30-year programme.
- 4.9.2 A risk assessment of balances has been completed and is in Appendix C to this report. The HRA balances currently exceed this for the reasons set out in paragraph 4.8.2. There has been a significant increase in the minimum balance calculation from £3.3Million to £10.3Million. This is in order to mitigate the higher borrowing levels included in the HRA Business Plan and to allow greater flexibility to respond to future challenges facing the account.

<b>HRA Balances:</b>	<b>2023/24</b> <b>£</b>	<b>2024/25</b> <b>£</b>
<b>HRA Balance 1 April</b>	(10,569,201)	(12,385,251)
Use of balances in Year	(1,816,050)	261,110
<b>HRA Balance 31 March</b>	<b>(12,385,251)</b>	<b>(12,124,141)</b>
Minimum Balances	(3,320,000)	(10,261,500)
Debt Repayments	(9,065,251)	(1,862,641)

#### **4.10 Consultation**

4.10.1 The proposals in this paper are the result of detailed consultation with Executive Members, Senior Executives and service managers across the Council. They also reflect customer priorities identified through the Tenant's Survey.

4.10.2 The draft HRA budget proposals were considered at Overview and Scrutiny at a meeting held on the 19 December 2023. A number of points were raised which included:

- Rent increases are prescribed by government Policy which is currently CPI +1% which equated to a rise of 7.7% for 2024/25.
- There was support in place for those struggling to meet their rental liability including housing benefit, council tax support, universal credit and debt advise services, all of which are promoted. In addition, some service charges had reduced (for a number of tenants) with the reduction in gas and electric prices partly mitigating the increase.
- The EQIA would be updated and strengthened following comments from a Member regarding the impact on young people.

4.10.3 An all Member briefing session was held on the 5 December 2023 to update Councillors on the HRA Business Plan and growth requirements.

## **5 IMPLICATIONS**

### **5.1 Financial Implications**

5.1.1 Financial implications are included in the body of the report.

### **5.2 Legal Implications**

5.2.1 Legal implications are included in the body of the report.

### **5.3 Staffing Implications**

5.3.1 The unions will be consulted on the options contained in this report, where there is an adverse impact on staffing resources. Human Resources staff will co-ordinate centrally the implementation of any staff related savings from the budget process.

## **5.4 Risk Implications**

- 5.4.1 Due to frequent Government policy changes, there are significant risks in setting the HRA budget. Historically the ring-fenced account has relied almost solely on rent income to finance both revenue and capital works. Many changes in policy, including the loss of £225Million from the Business Plan from four years of rent reductions, have made medium to long term planning difficult and for 2023/24 there was a 7% rent cap. Overall risks have also increased with the removal of the debt cap in 2019, as the Council is making long term financing decisions, on capital investment, based on income streams set by the current policy.
- 5.4.2 Currently one of the continuing risks to the account is a large increase in arrears. These have increased, in part as a result of tenants switching from housing benefits to Universal Credit, but also due to the Cost-of-Living crisis. To mitigate this position increased resources are still in place to help recover rent owed and the provision for bad debt has been increased to recognise that not all the outstanding debt will be recovered.
- 5.4.3 Inflation rates are still above the Government 2% target which will continue to put pressure on capital and revenue repairs budgets and may put further pressure on HRA resources. There are also continued risks in recovery of high utility costs from tenants and leaseholders.
- 5.4.4 The full operational implications of regulatory changes are still being implemented, in particular the response to the Social Housing Regulation Act, Building Safety Act and the Fire Safety Act. As policy and best practice is developed this could increase budget pressures on the HRA.
- 5.4.5 There is a risk of interest rates being higher than projected and leading to a reduction in the amount of expenditure for both revenue and capital. There is also a risk that the PWLB rate differential between gilts and borrowing rates for the HRA might be adjusted from the current 60bps and leading to a reduction in the amount of expenditure for both revenue and capital.
- 5.4.6 The HRA has a £200,000 saving target built into the 2024/25 budget linked to expected savings from the Transformation programme. With future years savings increasing to £500,000 per annum.

## **5.5 Equalities and Diversity Implications**

- 5.5.1 In carrying out or changing its functions (including those relating to the provision of services and the employment of staff) the Council must comply with the Equality Act 2010 and in particular section 149 which is the Public Sector Equality Duty. The Act replaced three previous equality legislations – the Race Relations Act (section 71), the Sex Discrimination Act (section 76A) and the Disability Discrimination Act (section 49A). The Council has a statutory obligation to comply with the requirements of the Act, demonstrating that as part of the decision-making process, due regard has been given to the needs described in the legislation. These duties are non-delegable and must be considered by Council when setting the budget in January 2024.

- 5.5.2 To inform the decisions about the Budget 2024/25 officers have undertaken Brief Equality Impact Assessments (EqIAs) for service-related budget proposals, which will be further developed as proposals are agreed and implemented. Where there is a potentially negative impact, officers have identified further action needed to inform a final decision and to mitigate the impact where this is possible.
- 5.5.3 Attached as Appendix D is an EqIA for increasing the rent charged by 7.7% per annum, including the mitigations that will be implemented to lessen the impact wherever possible and as amended following consultation with Overview and Scrutiny.

## **6 BACKGROUND DOCUMENTS**

- BD1 Final Housing Revenue Account (HRA) Budget Setting and Rent Report 2023/24 - January 2023 Council
- BD2 Housing Revenue Account Business Plan Review 2023 – November 2023 Executive
- BD3 Draft Housing Revenue Account Budget Setting and Rent Report 2024/25 – December 2023 Executive

## **7 APPENDICES**

- Appendix A – Housing Revenue Account Summary
- Appendix B- Fees and Charges
- Appendix C – Risk Assessment of Balances
- Appendix D - EQIA for HRA Rent

APPENDIX A	HOUSING REVENUE ACCOUNT SUMMARY			
	Actual 2022/23 £	Original Budget 2023/24 £	Working Budget 2023/24 £	Original Budget 2024/25 £
<b>Summary of Expenditure</b>				
Supervision and Management	10,361,225	9,715,400	9,494,430	10,524,000
Special Services	6,118,471	7,451,310	7,068,090	7,603,260
Rent, Rates, Taxes and Other Charges	898,754	709,610	751,520	797,320
Repairs and Maintenance <sup>(1)</sup>	10,783,947	10,616,720	11,970,840	13,115,370
Depreciation	13,162,934	13,568,080	13,568,080	14,843,650
Corporate and Democratic Costs	1,106,784	1,209,640	1,209,640	1,165,590
Contribution to the Bad Debt Provision	401,941	375,000	375,000	423,440
<b>Total Expenditure</b>	<b>42,834,057</b>	<b>43,645,760</b>	<b>44,437,600</b>	<b>48,472,630</b>
<b>Summary of Income</b>				
<b>Rental Income:</b>				
Dwelling Rents	(41,711,023)	(45,678,620)	(45,226,120)	(49,678,160)
Non Dwelling Rents	(86,162)	(93,120)	(93,120)	(94,120)
	<b>(41,797,185)</b>	<b>(45,771,740)</b>	<b>(45,319,240)</b>	<b>(49,772,280)</b>
Charges for Services & Facilities - Tenants	(2,376,738)	(3,361,740)	(3,017,290)	(3,165,960)
Leaseholder Service Charges	(876,027)	(1,006,540)	(1,006,540)	(1,087,120)
Contributions Towards Expenditure	(637,349)	(308,520)	(354,020)	(344,020)
Reimbursement of Costs	(323,309)	(354,540)	(309,040)	(325,040)
Recharge Income (GF & Capital)	(2,563,211)	(2,546,480)	(2,236,660)	(2,272,400)
<b>Total Income</b>	<b>(48,573,820)</b>	<b>(53,349,560)</b>	<b>(52,242,790)</b>	<b>(56,966,820)</b>
Gain on sale of HRA Non-Current Assets	(9,695,340)	0	0	0
Interest Payable	7,338,321	8,698,640	7,536,200	9,448,620
Interest Receivable	(902,736)	(1,025,180)	(1,547,060)	(1,487,450)
Capital grants & Contributions receivable	(97,853)	238,070	0	6,715,130
Pension Interest and return on assets	0	0	0	0
<b>Net (Surplus)/Deficit For Year</b>	<b>(9,097,371)</b>	<b>(1,792,270)</b>	<b>(1,816,050)</b>	<b>6,182,110</b>
<b>Movement on the HRA</b>				
Accounting basis to funding basis under statute	9,478,564	0	0	0
Transfer to Reserves	17,244,024	0	0	(5,921,000)
<b>Housing Revenue Account Balance</b>				
<b>Net Expenditure/(Income) for Year</b>	<b>17,625,217</b>	<b>(1,792,270)</b>	<b>(1,816,050)</b>	<b>261,110</b>
<b>Balance B/Fwd 1 April</b>	<b>(28,194,418)</b>	<b>(10,569,201)</b>	<b>(10,569,201)</b>	<b>(12,385,251)</b>
<b>HRA Balance C/Fwd 31 March</b>	<b>(10,569,201)</b>	<b>(12,361,471)</b>	<b>(12,385,251)</b>	<b>(12,124,141)</b>

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Appendix B	Description of Chargeable Service	2023/24 Gross Fee Payable by Customer	Net Fee (2024/25)	VAT (exemption can be applied for on certain fees)	2024/25 Gross Fee Payable by Customer	Gross Increase £	increase %	2023/24 Budget	Increase in Budget	2024/25 Proposed Budget
<b>Housing Revenue Account</b>										
<b>Specialist Support</b>										
<b>Guest Bedrooms</b>	Silkin Court, Walpole Court, Scarborough Avenue, Southend Close, Pinewoods & Fred Millard.	£13.80	£12.00	£2.40	£14.40	£0.60	4.35%			
<b>Guest flats</b>	Norman Court, Silkin Court	£23.40	£20.50	£4.10	£24.60	£1.20	5.13%			
<b>Short Stay Units</b>	Assessment (per day)	£11.70	£12.50	£0.00	£12.50	£0.80	6.84%			
	Respite	£23.40	£24.50	£0.00	£24.50	£1.10	4.70%			
								£10,900	£550	£11,450
<b>Laundry Charges</b>	Independent living/flexicare laundry wash	£3.30	£2.92	£0.58	£3.50	£0.20	6.18%			
								£7,600	£470	£8,070
<b>Room Hire</b>	Hairdressing at Silkin/Fred Millard, (Hourly charge) *	£6.00	£5.34	£1.07	£6.40	£0.40	6.70%			
	Private chiropodist and other services, (per hour) *	£6.00	£5.34	£1.07	£6.40	£0.40	6.70%			
								£2,000	£0	£2,000
<b>Support Services and careline for HRA tenants</b>	Housing related support (includes all services shown under careline alarms)	£19.65	£19.65	£0.00	£19.65	£0.00	0.00%			
	SIM Careline Unit (additional weekly charge)	£1.20	£1.00	£0.20	£1.20	£0.00	0.00%			
	independent living and flexi care support charge for previous HRS protected clients and new residents entitled to HB	£10.50	£10.50	£0.00	£10.50	£0.00	0.00%			
	response service for new customers (50 weeks)	£8.70	£7.25	£1.45	£8.70	£0.00	0.00%			
	Response service to other provider equipment (50 weeks)*	£4.92	£4.10	£0.82	£4.92	£0.00	0.00%			
	Monitoring only service (50 weeks) *	£3.90	£3.25	£0.65	£3.90	£0.00	0.00%			
								£467,500	£0	£467,500
<b>Careline Alarm- private (Shortfall funded from General Fund)</b>	Response service (52 weeks) *	£8.70	£7.25	£1.45	£8.70	£0.00	0.00%			
	Response service out of area (52 weeks)*	£8.70	£7.25	£1.45	£8.70	£0.00	0.00%			
	Response service to other provider equipment (52 weeks)*	£4.92	£4.10	£0.82	£4.92	£0.00	0.00%			
	Monitoring only service (52 weeks) *	£3.90	£3.25	£0.65	£3.90	£0.00	0.00%			
								£93,000	£0	£93,000
	Careline (Winkhaus) keys*	£14.40	£12.80	£2.56	£15.36	£0.96	6.70%			
	Fobs - Sheltered Schemes (Black)	£23.10	£20.54	£4.11	£24.65	£1.55	6.70%			
	Fobs - Sheltered Schemes (Shark)	£13.80	£12.27	£2.45	£14.72	£0.92	6.70%			
Replacement Pendants	Tynetec pendant	£60.00	£53.35	£10.67	£64.02	£4.02	6.70%			
	Doro pendant	£50.40	£44.81	£8.96	£53.78	£3.38	6.70%			
	Chiptech	£52.98	£47.11	£9.42	£56.53	£3.55	6.70%			
Key safe	Supply	£22.20	£22.50	£0.00	£22.50	£0.30	1.35%			
	Fit	£64.20	£65.00	£0.00	£65.00	£0.80	1.25%			
Lock Change		£93.60	£83.21	£16.64	£99.85	£6.25	6.68%			
								£3,850	£260	£4,110
<b>General Needs Tenants and Leaseholders:</b>										
<b>Key Fobs</b>	Old Style "Black fobs"	£23.10	£20.54	£4.11	£24.65	£1.55	6.70%			
	New "Shark" Fobs*	£13.80	£12.27	£2.45	£14.72	£0.92	6.70%			
<b>Communal door entry keys</b>	Replacement keys for entry doors to flat blocks.	£22.08	£19.63	£3.93	£23.56	£1.48	6.70%			
<b>Laundry charges - Roundmead</b>	Wash tokens	£6.24	£5.55	£1.11	£6.66	£0.42	6.70%			
	Dry Tokens	£3.36	£2.99	£0.60	£3.59	£0.23	6.70%			
<b>Management Fees for Westwood Court &amp; Kilner Close</b>	Administration Fees	£1.26	£1.12	£0.22	£1.34	£0.08	6.70%			
								£7,500	£500	£8,000

Appendix B cont.	Description of Chargeable Service	2023/24 Gross Fee Payable by Customer	Net Fee (2024/25)	VAT (exemption can be applied for on certain fees)	2024/25 Gross Fee Payable by Customer	Gross Increase £	Increase %	2023/24 Budget	Increase in Budget	2024/25 Proposed Budget
<b>Stores</b>		<b>£7.00</b>	<b>£7.47</b>	<b>£0.00</b>	<b>£7.47</b>	<b>£0.47</b>	6.70%			
<b>Lock change</b>	Callout	<b>£152.40</b>	<b>£135.51</b>	<b>£27.10</b>	<b>£162.61</b>	<b>£10.21</b>	6.70%			
	Admin charge	<b>£54.60</b>	<b>£48.55</b>	<b>£9.71</b>	<b>£58.26</b>	<b>£3.66</b>	6.70%			
	Charge		<b>POA</b>		<b>POA</b>					
								<b>£28,400</b>	<b>£1,900</b>	<b>£30,300</b>
<b>Tenant's Retrospective Charges</b>		<b>£0.00</b>		<b>£0.00</b>	<b>£0.00</b>	<b>£0.00</b>	n/a			
<b>Inspection charge - depending on cost of work</b>	From £0 to £999	<b>£235.00</b>	<b>£250.75</b>	<b>£0.00</b>	<b>£250.75</b>	<b>£15.75</b>	6.70%			
	From £1,000 to £1,999	<b>£240.00</b>	<b>£256.08</b>	<b>£0.00</b>	<b>£256.08</b>	<b>£16.08</b>	6.70%			
	From £2,000 to £2,999	<b>£260.00</b>	<b>£277.42</b>	<b>£0.00</b>	<b>£277.42</b>	<b>£17.42</b>	6.70%			
	From £3,000 to £3,999	<b>£270.00</b>	<b>£288.09</b>	<b>£0.00</b>	<b>£288.09</b>	<b>£18.09</b>	6.70%			
	From £4,000 to £4,999	<b>£320.00</b>	<b>£341.44</b>	<b>£0.00</b>	<b>£341.44</b>	<b>£21.44</b>	6.70%			
	From £5,000 to £5,999	<b>£430.00</b>	<b>£458.81</b>	<b>£0.00</b>	<b>£458.81</b>	<b>£28.81</b>	6.70%			
<b>Adminstration</b>		<b>£170.00</b>	<b>£181.39</b>	<b>£0.00</b>	<b>£181.39</b>	<b>£11.39</b>	6.70%			
								<b>£6,400</b>	<b>£50</b>	<b>£6,450</b>
<b>Leasehold charges for services - VAT not applicable. All fees are additional income for SBC</b>										
<b>Solicitors enquiries/standard pre-sale enquiries*</b>	10 working day response - from date of payment	<b>£190.00</b>	<b>£202.73</b>	<b>£0.00</b>	<b>£202.73</b>	<b>£12.73</b>	6.70%			
<b>Solicitors enquiries/standard pre-sale enquiries*</b>	3 working day response - from date of payment	<b>£290.00</b>	<b>£309.43</b>	<b>£0.00</b>	<b>£309.43</b>	<b>£19.43</b>	6.70%			
<b>Re-mortgage enquiries*</b>	Enquiries raised at a time of remortgaging	<b>£90.00</b>	<b>£96.03</b>	<b>£0.00</b>	<b>£96.03</b>	<b>£6.03</b>	6.70%			
<b>Copy of lease*</b>	fee for providing a copy of the lease	<b>£45.00</b>	<b>£48.02</b>	<b>£0.00</b>	<b>£48.02</b>	<b>£3.02</b>	6.70%			
<b>Copies of quarterly service charge invoice*</b>	additional inspection fee	<b>£40.00</b>	<b>£42.68</b>	<b>£0.00</b>	<b>£42.68</b>	<b>£2.68</b>	6.70%			
<b>Copies of service charge estimate or actual statement*</b>	additional inspection fee	<b>£40.00</b>	<b>£42.68</b>	<b>£0.00</b>	<b>£42.68</b>	<b>£2.68</b>	6.70%			
<b>Deed of Postponement</b>		<b>£130.00</b>	<b>£138.71</b>	<b>£0.00</b>	<b>£138.71</b>	<b>£8.71</b>	6.70%			
<b>Notice of Charge</b>		<b>£45.00</b>	<b>£48.02</b>	<b>£0.00</b>	<b>£48.02</b>	<b>£3.02</b>	6.70%			
<b>Notice of Transfer/Assignment</b>		<b>£45.00</b>	<b>£48.02</b>	<b>£0.00</b>	<b>£48.02</b>	<b>£3.02</b>	6.70%			
<b>Lease extension</b>	Valuation fee	<b>£350.00</b>	<b>£373.45</b>	<b>£0.00</b>	<b>£373.45</b>	<b>£23.45</b>	6.70%			
	Legal fee	<b>£760.00</b>	<b>£810.92</b>	<b>£0.00</b>	<b>£810.92</b>	<b>£50.92</b>	6.70%			
	Adminstration fee	<b>£180.00</b>	<b>£192.06</b>	<b>£0.00</b>	<b>£192.06</b>	<b>£12.06</b>	6.70%			
	Deposit - £260 or 10% of the premium, whichever is higher	<b>£260.00</b>	<b>£277.42</b>	<b>£0.00</b>	<b>£277.42</b>	<b>£17.42</b>	6.70%			
<b>Collective enfranchisement</b>	Valuation fee	<b>£730.00</b>	<b>£778.91</b>	<b>£0.00</b>	<b>£778.91</b>	<b>£48.91</b>	6.70%			
	Legal fee	<b>£760.00</b>	<b>£810.92</b>	<b>£0.00</b>	<b>£810.92</b>	<b>£50.92</b>	6.70%			
	Adminstration fee	<b>£180.00</b>	<b>£192.06</b>	<b>£0.00</b>	<b>£192.06</b>	<b>£12.06</b>	6.70%			
<b>Consent fee/sub let fee</b>	Cost of requesting permission to sublet the property	<b>£70.00</b>	<b>£74.69</b>	<b>£0.00</b>	<b>£74.69</b>	<b>£4.69</b>	6.70%			
<b>Alterations</b>										
<b>Minor alterations - these are internal works within the demised premises that do not require planning permission or building control approval</b>	Pre-application advice (non-refundable)	<b>£200.00</b>	<b>£213.40</b>	<b>£0.00</b>	<b>£213.40</b>	<b>£13.40</b>	6.70%			
	Minor application consideration and decision (non-refundable)	<b>£400.00</b>	<b>£426.80</b>	<b>£0.00</b>	<b>£426.80</b>	<b>£26.80</b>	6.70%			
	Letter licence - deed	<b>£270.00</b>	<b>£288.09</b>	<b>£0.00</b>	<b>£288.09</b>	<b>£18.09</b>	6.70%			
	Full licence - issued by Building Surveyor	<b>£410.00</b>	<b>£437.47</b>	<b>£0.00</b>	<b>£437.47</b>	<b>£27.47</b>	6.70%			
	Extension of the letter licence period	<b>£240.00</b>	<b>£256.08</b>	<b>£0.00</b>	<b>£256.08</b>	<b>£16.08</b>	6.70%			
<b>Major alterations</b>	Pre-application advice (non-refundable)	<b>£240.00</b>	<b>£256.08</b>	<b>£0.00</b>	<b>£256.08</b>	<b>£16.08</b>	6.70%			
	Major application consideration and decision (non-refundable)	<b>£650.00</b>	<b>£693.55</b>	<b>£0.00</b>	<b>£693.55</b>	<b>£43.55</b>	6.70%			
	Landlord licence - deed	<b>£470.00</b>	<b>£501.49</b>	<b>£0.00</b>	<b>£501.49</b>	<b>£31.49</b>	6.70%			
	Supplemental lease/deed of variation additional premises/restrictions)	<b>£210.00</b>	<b>£224.07</b>	<b>£0.00</b>	<b>£224.07</b>	<b>£14.07</b>	6.70%			
	Extension of the letter licence period	<b>£320.00</b>	<b>£341.44</b>	<b>£0.00</b>	<b>£341.44</b>	<b>£21.44</b>	6.70%			

<b>Appendix B cont.</b>	<b>Description of Chargeable Service</b>	<b>2023/24 Gross Fee Payable by Customer</b>	<b>Net Fee (2024/25)</b>	<b>VAT (exemption can be applied for on certain fees)</b>	<b>2024/25 Gross Fee Payable by Customer</b>	<b>Gross Increase £</b>	<b>increase %</b>	<b>2023/24 Budget</b>	<b>Increase in Budget</b>	<b>2024/25 Proposed Budget</b>
<b>Minor alterations - these are internal works within the demised premises that do not require planning permission or building control approval</b>	Pre-application advice (non-refundable)	£285.00	£304.10	£0.00	£304.10	£19.10	6.70%			
	Minor application consideration and decision (non-refundable)	£525.00	£560.18	£0.00	£560.18	£35.18	6.70%			
	Retrospective letter licence	£430.00	£458.81	£0.00	£458.81	£28.81	6.70%			
<b>Major alterations</b>	Pre-application advice (non-refundable)	£325.00	£346.78	£0.00	£346.78	£21.78	6.70%			
	Major application consideration and decision (non-refundable)	£940.00	£1,002.98	£0.00	£1,002.98	£62.98	6.70%			
	Supplemental lease (extension of demised premises)	£410.00	£437.47	£0.00	£437.47	£27.47	6.70%			
	Landlord licence - deed	£670.00	£714.89	£0.00	£714.89	£44.89	6.70%			
<b>Unauthorised alterations (The cost of this will depend on whether it is Minor or Major Works and the figure given is the minimum for major works)</b>	Minor assessment and ruling	£500.00	£533.50	£0.00	£533.50	£33.50	6.70%			
	Major assessment and ruling	£740.00	£789.58	£0.00	£789.58	£49.58	6.70%			
	Stop and make safe notification (including liaison with other council officers)	£365.00	£389.46	£0.00	£389.46	£24.46	6.70%			
	Re-instatement minor works	£740.00	£789.58	£0.00	£789.58	£49.58	6.70%			
	Re-instatement major works	£980.00	£1,045.66	£0.00	£1,045.66	£65.66	6.70%			
									£500	£500
	<b>GRAND TOTAL</b>							<b>£627,150</b>	<b>£4,230</b>	<b>£631,380</b>

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**APPENDIX C: RISK BASED ASSESSMENT OF THE LEVEL OF HOUSING REVENUE ACCOUNT BALANCES  
2024/25**

Potential Risk Area	Comments including any mitigation factors		
Income from areas within the base budget where the Council raises "Fees and Charges"	Potential risk that the budgeted level of income from activities where the Council is charging for services will not be achieved. This is anticipated largely to be as a result of the downturn in economy and the current cost of living crisis, but could also be as a result of increased void rates, lower collection rates, disputed bills, All "fees and charges" income is reviewed as part of the monthly/quarterly budget monitoring process. All budgets are profiled over the year based upon previous experience.		
		<b>Calculated Risk</b>	
Specific Areas	Estimated Income	Risk assessed at	Balances Required
Rechargeable works not raised or recovered	-£166,560	10.00%	-£16,656
Leaseholder charges not realised (excluding insurance)	-£926,600	5.00%	-£46,330
Rental income (increase in voids rates)	-£49,630,160	0.75%	-£372,226
Service Charges (increase in voids rates)	-£2,208,290	0.75%	-£16,562
Heating charges	-£505,920	5.00%	-£25,296
<b>Total</b>			<b>-£477,070</b>

Potential Risk Area	Comments		
Demand Led Budgets	Potential risk that spending on parts of the budget where the Council has a legal duty to provide the service increases significantly, including due to regulatory requirements. Individual budgets reviewed as part of the monthly budget monitoring process. All budgets are profiled over the year based upon previous experience and so any variances should show up during the year.		
		<b>Calculated Risk</b>	
Specific Areas	Estimated Exposure	Risk assessed at	Balances Required
Storm damage and fire damage uninsured costs (excess is £25,000 for fire damage)	£25,000	100.00%	£25,000
Response and Emergency repairs increase as a result of inflationary pressures or unforeseen repairs	£12,287,850	5.00%	£614,393
Unforeseen Capital works not budgeted for requiring a contribution to capital (based on a proportion of the capital programme)	£53,361,020	2.00%	£1,067,220
Inflation pressures on capital works requiring additional revenue resources to fund the shortfall	£53,361,020	0.75%	£400,208
NEW Insufficient budget identified for Void Repairs	£500,000	10.00%	£50,000
Insufficient budget identified for damp and mould works	£250,000	10.00%	£25,000
<b>Total</b>			<b>£2,181,821</b>

Potential Risk Area	Comments including any mitigation factors		
Changes since budget was set	Potential risk that things change since the budget estimates were made and the estimates are then under budgeted for.		
		<b>Calculated Risk</b>	
Specific Areas	Estimated Exposure	Risk assessed at	Balances Required
Transitional Vacancy Rate 4.5% not achieved	£326,340	10.00%	£32,634
Increase in bad debt provision	£423,440	10.00%	£42,344
Utility inflation (Electricity increase in April 2018, Gas increase from Oct 2018 )	£1,904,310	5.00%	£95,216
Pay award is higher than budgeted for	£11,351,620	2.00%	£227,032
<b>Total</b>			<b>£397,226</b>

**APPENDIX C: RISK BASED ASSESSMENT OF THE LEVEL OF HOUSING REVENUE ACCOUNT BALANCES  
2024/25**

Potential Risk Area	Comments including any mitigation factors		
Income from areas within the base budget where the Council raises "Fees and Charges"	Potential risk that changes in government policy and legislation mean income from activities where the Council is charging for services will not be achieved.		
		<b>Calculated Risk</b>	
Specific Areas	Estimated Income	Risk assessed at	Balances Required
Increased Right to buys as a result of Government initiatives reducing the amount of collectable rent. Assume an additional 20 RTB's increasing the number to 55 in 2023/24	£115,211	50.00%	£57,606
Higher rent arrears as a result of cost of living crisis	£1,600,831	10.00%	£160,083
<b>Total</b>			<b>£217,689</b>

Potential Risk Area	Comments including any mitigation factors		
Estimated balances required for any over spend or under -recovery of expenditure	This calculation replaces the calculation based on Net Expenditure		
		<b>Calculated Risk</b>	
Specific Areas	Estimated Exposure	Risk assessed at	Balances Required
Gross Expenditure (excluding fixed interest costs and depreciation and RCCO and cost covered above)	£6,918,310.00	5.00%	£345,916
<b>Total</b>			<b>£345,916</b>

Potential Risk Area	Comments including any mitigation factors		
Greater exposure to interest rate changes	The latest Business Plan revision includes re-financing of existing debt and a higher level of borrowing in the first 10 years of the plan. To mitigate this reserve values have been increased related to future debt		
		<b>Calculated Risk</b>	
Specific Areas	Estimated Exposure	Risk assessed at	Balances Required
10 Year Assumed new borrowing	£168,793,000	4.50%	£7,595,685
<b>Total</b>			<b>£7,595,685</b>

Level of Balances Assumed in Housing Revenue Account Based on risk

£10,261,522

Balances held for other HRA spend.

£1,862,619

**Total Required balances**

**£12,124,141**

**Appendix D**

**Full Equality Impact Assessment  
Rent and Service charges 2024- 2025 Changes.**

<b>What is being assessed?</b>		<b>HRA: Rent and Service Charge 2024/25</b>			
Lead Assessor	Karen Long			Assessment team	Elizabeth Ddamulira Keith Reynoldson
Start date	Jan 2024	End date	Dec 2025		
When will the EqIA be reviewed?	Jan 2025				

Who may be affected by it?	All tenants, regardless of Protected Characteristic (PC) group will be impacted by the increase in rent and charges, however data indicates that there will be a disproportionate impact on older or disabled tenants. For this reason, Age and Disability have been highlighted, and the mitigations across all PC groups are covered off in the 'Socio-economic' section.
What are the key aims of it?	Rent increases are prescribed by Government and it is extremely difficult therefore not to apply the determination made by Government annually.  To increase the rent on dwellings from week commencing 1 April 2024 by 7.7%, which is 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). This has been calculated in accordance with the current Rent Standard issued by the Government that increases rents by September CPI inflation +1% and the Council's Rent and Service Charge Policy.

The Council's Rent and Service Charge Policy provides a framework for setting rents and service charges within legislative requirements. The rent and service charge income underpins the delivery of the Housing Revenue Account Business Plan's key housing objectives to deliver effective services, to invest in its properties to ensure homes are of a modern standard and to provide new social housing to rent. The policy was revised in December 2022.

The revisions aimed to ensure that the policy complied with the government's direction on the Rent Standard 2019 and to clarify the Council's position in relation to service charge increases and affordable rents. A further aim since 2022 is to mitigate the impact of Cost of Living Crisis (CoL) and general economic challenges on customers and their ability to pay rent and service charges. Key elements include:

- To increase rents on social rent and affordable rent properties by up to CPI+1% each year from 2020, for a period of at least five years.
- Increase the rents for all excluded properties by CPI +1%, e.g. LSSO
- Set the rent for a proportion of new build homes at affordable rents.
- Set the rent where adaptations or extensions have resulted in the property being increased in size (for example, an additional bedroom), in accordance with the formula rent as detailed in the policy.
- Further to the Welfare Reform and Work Act 2016, charge the rent payable by new tenants of existing social rent housing at the higher of the formula rent (i.e. the 'social rent rate'), or the actual rent (i.e. the 'assumed rent rate') as at 8<sup>th</sup> July 2015, with the appropriate rent increase applied in line with the current Rent Standard Direction (February 2019).
- Charge actual costs for service charges but with the provision to apply a cap, subject to any legal constraints, on affordability grounds where appropriate.
- Mitigation of general economic challenges impact and Cost of Living Crisis (CoL)



What **positive measures** are in place (if any) to help **fulfil our legislative duties** to:

Remove discrimination & harassment		Promote equal opportunities	The aim of the Rent & Service Charge Policy is to provide a fair method of calculating rents and service charges for all of our tenants. It also aligns with the council's Concessions for Fees and Charges Policy, and the principle of recovering the cost of providing services.	Encourage good relations	
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What sources of data / information are you using to inform your assessment?

- Policy Statement on Rents for Social Housing, February 2019
- Direction on the Rent Standard, 2019
- Welfare Reform and Work Act 2016
- Housing and Planning Act 2016
- Rent and service charge policy agreed by Exec December 2019 and recommended to Council in January 2020
- Rent account information
- Housing System data
- Supported housing service data
- Equality & Diversity Annual Report 22/23

In assessing the potential impact on people, are there any

Approval to increase rents by CPI + 1% for 5 years from 2020/21 required a revision of HRA Budget plans priorities. The latest HRA Business Plan was agreed at the November 2023 Executive Meeting.

overall comments that you would like to make?

The average rent increase for 2024/25 is 7.7%, in line with the current rent standard.

When calculating rents and service charges accounts, consideration will be taken of the need to balance any increase in the combined rent and service charge with the potential financial impact on customers. This relates to 36% of homes to which a service charge applies, which are predominantly flats as well as sheltered accommodation. The Council must recover the actual cost of providing the service and service charge costs will increase with inflationary pressures and changes in usage.

The impact of the 2024/25 rent increase and service charges is

- 7,424 homes or 93% receive a rent and service charge increase between £4 and £9.99 per week;

We had 6,799 general social rented properties, 66 affordable rent properties, 794 Sheltered Accommodation and 79 LSSO as at November 2023. The setting of a proportion of new build lets at affordable rents will contribute positively to increasing the supply of new homes in Stevenage. All target groups will benefit given the need for affordable housing is common across all socio-economic and minority groups. The current low supply of new affordable housing and the high cost of the private rented sector in Stevenage have impacted adversely on those groups whose incomes are average or below average.

This also further supports work with people who need help to live independently at home and those at risk of homelessness, through wider housing options, continued provision of support, and financial assistance for adaptations and more homelessness preventative programmes respectively.

Any groups that are potentially disadvantaged are still expected to be able to benefit from a council property set at a social rent.

Tenants benefited from four years of rent reduction from 2016-2020 so the impact of the rent increase is mitigated partially by having to use a lower base than it would have been had there not been a mandatory rent reduction (cumulative) of 1 % between 2016-2020.

### Evidence and impact assessment

Explain the potential impact and opportunities it could have for people in terms of the following characteristics, where applicable:

Age					
Positive impact		Negative impact	<p>Residents may be experiencing exceptional economic hardship as a result of the cost of living crisis, and increases in energy, food and fuel costs in particular. This may have a greater impact older people, who may have additional needs for heating and to run particular equipment and may also have lower income / be reliant on pensions and/or benefits (which have been increased in line with inflation). Office of National Statistic (ONS) data<sup>1</sup> confirms that under 30s and over 60s have lower than average incomes, with ages in between having higher than average incomes.</p> <p>The increase will impact tenants in who are charged for services in flats and/or sheltered accommodation. Tenants living in sheltered housing do so because they have additional needs that require support relating to age, disability or both. The minimum age for entry into sheltered housing is 55 years and data from Northgate indicates that the proportion of tenants aged 60+ in sheltered housing, is almost three times the proportion for all tenant housing.</p>	Unequal impact	

<sup>1</sup> <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2023>

			<p>In relation to flat blocks, the data indicates that there is a higher proportion of people aged 18-29 years in flat blocks compared with all SBC housing. This is because these are comprised of smaller accommodation Studio-2 bed flats which is allocated to single people and single or couples with up to 2 children.</p> <p>For people living in independent living/flexicare schemes, in addition to basic rent and service charges, those who pay for the support/emergency response services that are not eligible for Housing benefit may see an increase in overall payment due each week.</p> <p>We currently know that the general economic challenges and Cost of Living Crisis (CoL) have an in impact on all our residents and also note that this is disproportionately of particular risk to older people and those with underlying conditions. This may result in in this age group incurring extra expenses that may affect their ability to pay rent and service charges.</p>		
<p>Please evidence the data and information you used to support this assessment</p>			<p>Northgate          Equality &amp; Diversity Annual Report 22/23          Office of National Statistics – Employment &amp; Labour Market</p>		
<p>What opportunities are there to mitigate the impact?</p>	<p>Ongoing and day to day consultation will take place with residents in 2024/25 to establish the impact of the rent &amp; service charge increase. Please also refer to the mitigations outlined in the socio-economic section below, most of which will also apply to this protected characteristic group.</p>		<p>What do you still need to find out? Include in actions (last page)</p>		

**Disability**

Positive impact		Negative impact	<p>Residents may be experiencing exceptional economic hardship as a result of the cost of living crisis, and increases in energy, food and fuel costs in particular. This may have a greater impact on people with a disability, who may have additional needs for heating and to run particular equipment, and may also have lower income / be reliant on benefits (which have been increased in line with inflation). For information, in July 2023, there were 4,252 Personal Independent Payment (PIP) claimants in Stevenage, 1,853 of which were male and 2,401 were female. This is 21% increase in claimants from March 2022 when there were 3,528 total PIP claimants in Stevenage.</p> <p>Northgate data on tenants in relation to disability is limited, however, to give some context, the data indicates that the proportion of tenants in sheltered housing declaring that they had a disability was almost double the proportion for the whole SBC tenant population.</p> <p>More widely, and according to the 2021 Census, 17.2% of Stevenage residents had a disability covered under the Equality Act that limited their day-to-day activities, which is a 1.5% increase from the 2011 census.</p> <p>In addition, the Office for National Statistics (ONS) show that disabled workers earn on average £1.93 per hour less than non-disabled employees (a gap of over £3,500 per year based on a 35-hour week). The disability pay gap – the difference between median pay for disabled employees and non-disabled employees – was <b>13.8%</b> in 2021.</p>	Unequal impact	
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Please evidence the data and information you used to support this assessment	Northgate Equality & Diversity Annual Report (2022-23)		
What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)	

<b>Gender reassignment, Marriage or civil partnership, Pregnancy &amp; maternity, Race, Religion or belief, Sex, Sexual orientation N/A</b>					
Positive impact		Negative impact		Unequal impact	
Please evidence the data and information you used to support this assessment		There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups.			
What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)			

<b>Socio-economic<sup>2</sup></b>					
<b>e.g. low income, unemployed, homelessness, caring responsibilities, access to internet, public transport users</b>					
Positive impact		Negative impact	The rent increase will be applied across all tenancies prescribed by the Work and Welfare Reform Act and in line with the current Rent Standard Direction (February 2019) regardless of circumstances. This will be applied for 2024/2025.	Unequal impact	

<sup>2</sup>Although non-statutory, the council has chosen to implement the Socio-Economic Duty and so decision-makers should use their discretion to consider the impact on people with a socio-economic disadvantage.

		<p>In May 2023, 6,163 households were in receipt of Universal Credit in Stevenage, a 2% decrease from 6283 households in March 2022.</p> <p>Those reliant on Housing Benefit (HB) and Universal Credit (UC) Housing costs to cover their full rent and eligible service charges won't be affected by the increase in rent and service charges as their benefit award will be recalculated.</p> <p>The number of bids on the new build properties let at affordable rents are similar to the number received for new build let at social rents. There is a mixture of employed and unemployed applicants. Applicants in receipt of benefits are not excluded or unfairly treated.</p> <p>Those who receive services for which a service charge is made will be charged the actual cost of those services. Heating charges are exempt from HB and tenants are expected to pay this. Water charges are also exempt from HB and are set by the Water Authority. SBC collects the water charges on behalf of the Water Authority.</p> <p>According to the 2019 English Index of Multiple Deprivation, Stevenage continues to be the most deprived authority in Hertfordshire. Of this, Bedwell is the most deprived ward in Town. Residents may be experiencing exceptional economic hardship as a result of the cost of living crisis, and increases in energy, food and fuel costs in particular. Households in the general rented homes, especially those on lower incomes, in general pay more of their income on housing costs and have less resilience to cope with financial shocks. This is anticipated to lead to a significant increase in fuel poverty, and extreme fuel poverty.</p>		
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			<p>By pushing those who had previously been coping into financial hardship, it is very likely that the rise in cost of living is going to intensify health inequalities that have already been exacerbated by the Covid-19 crisis and we know that poverty and health inequalities are inextricably linked.</p>		
<p>Please evidence the data and information you used to support this assessment</p>			<p>Northgate Equality &amp; Diversity Annual Report 2022/23 English Index of Multiple Deprivation 2019</p>		
<p>What opportunities are there to mitigate the impact and promote equality and inclusion?</p>	<p>To help mitigate any negative impacts on residents the Council will continue to offer financial assistance through multiple support schemes and activities, including:</p> <p>Services charges for 2024/25 have reduced as a result of lower utility costs and the average combined rent and service charge increase for a 2 bed flat is £1.07, 1 bed flat £0.10 and for a bedsit is a reduction of £0.14.</p> <p>Rent increase information will be published on the Council website early February 2024 to start preparing tenants.</p> <p>The rent notification letter (to be sent out at the end of February) will offer tenants the opportunity to discuss any queries they have with staff. It will explain why the rent has increased and also explain any increase in service charges. Where a property has a number of service charges they will be fully explained, with a summary of how the weekly charge has increased overall.</p> <p>Where support charges are also included (mainly but not exclusively for sheltered and flexi care schemes) separate notifications will be sent out to these</p>		<p>What do you still need to find out? Include in actions (last page)</p>	<p>Ongoing consultation will take place with residents throughout 2024/25 to establish impact of the rent &amp; service charge increase and put in place systems to mitigate this accordingly</p>	



	<p>residents to ensure it is clearly set out how each element of the weekly charge is made up.</p> <p>To ensure that this is explained as clearly as possible there will be a FAQ sheet and details on the website and hard copies available for those who need them.</p> <p>The policy states that the Council will have regard to the Local Housing Allowance when setting affordable rents. If affordable rents are set at this level, HB/ UC housing cost will cover the rent in full for those tenants who are entitled to the maximum amount of housing benefit. Setting at the Local Housing Allowance will also benefit tenants who are, for example on a low wage or zero hour contracts and where partial housing benefit can be paid.</p> <p>For those moving into Affordable Rent (AR) properties a comprehensive affordability assessment is carried out prior to offer to ensure that the tenancy is sustainable.</p> <p>The implementation of the policy in respect of Affordable Rent will be kept under review by the Housing Development Executive Committee and should adverse impacts be identified this will inform future decision making in this regard.</p> <p>Support provision for this group has been increased as part of an Income Recovery Action plan and it has been extended for a further 2 years to ensure that they can pay through sustainable arrangements to maintain payments towards rent and service charges and have access to required support. Additional staffing resources have been secured to continue work to target and support UC cases to maximise income collection and minimise the level of arrears for this group of tenants.</p>		
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	<p>The Council will make links to support and guidance clear on all of its communication platforms.</p> <p>The Council will prepare staff to enable them to respond effectively and empathetically with tenants.</p> <p>There is Welfare Steering Group - Cost of Living &amp; Cost of Living and Income recovery Action Plans in place to mitigate some of the worst impacts of the cost of living crisis and general economic challenges, the action plans seeks to minimise the negative on people in Stevenage. The action plans also considers the role of Stevenage Borough Council, as employers, recognising the impact of the CoL on low paid staff. It is therefore expected that the action plans will also have a positive impact on the health and wellbeing of staff as well.</p>		
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<b>Other</b>				
<b>please feel free to consider the potential impact on people in any other contexts</b>				
Positive impact		Negative impact		Unequal impact
Please evidence the data and information you used to support this assessment				
What opportunities are there to mitigate the impact?				What do you still need to find out? Include in actions (last page)

**What are the findings of any consultation with:**

Residents?	Although time has not allowed for formal consultation, ongoing consultation will take place with residents throughout 2024/25 to establish impact of the rent & service charge increase and put in place systems to mitigate this accordingly. Please also refer to the mitigations outlined in the socio-economic section above.	Staff?	N/A
Voluntary & community sector?	N/A	Partners?	N/A
Other stakeholders?	<p>Housing Management Advisory Board (HMAB) was consulted in November 2019 and was supportive of the policy to charge service charges at actual costs but with the provision in the policy to cap any increases if this would cause hardship.</p> <p>In terms of affordable rents, HMAB broadly supported this policy. There are still some concerns about the affordability of such schemes and the position if tenants lost employment/were on a low wage. The rent would be covered in full for those tenants entitled to full HB/ UC housing costs due to the rent being set at the LHA level. Also those in low paid employment may be entitled to partial HB/ UC housing costs. Thorough affordability assessments will be carried out.</p>		

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**Overall conclusion & future activity**

<p>Explain the <b>overall findings</b> of the assessment and <b>reasons for outcome (please choose one)</b>:</p>	
<p>1. No inequality, inclusion issues or opportunities to further improve have been identified</p>	

<p>Negative / unequal impact, barriers to inclusion or improvement opportunities identified</p>	<p>2a. Adjustments made</p>	<p>The future viability of the HRA Business Plan is reliant upon us being able to maximise income collection, recover arrears and the costs of service provision where it's possible to do so.</p> <p>Only a proportion of new builds will be at affordable rent in line with the revised HRA Budget plan. The proposal to offer a mix of new build rents at affordable rent levels and at social rent levels would result in additional income to the HRA over 30 years which makes a significant contribution to the sustainability of the plan and the Council's ability to build new homes and to deliver other housing priorities.</p>
	<p>2b. Continue as planned</p>	<p>There are plans to build 228 social rented and 150 affordable rented properties over the 5 years of the revised Business Plan. The policy and the aim is for a 50/50 split, but due to the timing of delivery on schemes the weighting is slightly biased towards affordable, but it evens out over the whole 30 year plan.</p> <p>This means that there will be a total of approximately 3.2% of council homes at affordable rent at the end of the 5 year period. The majority of annual lettings (i.e. of new build and re-let properties) would continue to be at a social rent 5 and it is estimated that after 30 years the vast majority of council property rents (an estimated 87%) will be set at the social rent rate, subject to any changes in legislation or Government guidance.</p>
	<p>2c. Stop and remove</p>	

Detail the **actions that are needed** as a result of this assessment and how they will help to **remove discrimination & harassment, promote equal opportunities** and / or **encourage good relations**:

Action	Will this help to remove, promote and / or encourage?	Responsible officer	Deadline	How will this be embedded as business as usual?
Consultation with residents to establish the impact of the rent increase	Remove discrimination and promote equal opportunities. put in place systems to mitigate this accordingly	Elizabeth Ddamulira	March 2025	Systems will be put in place to mitigate impacts

Approved by Head of Housing -Karen Long :

Date: 03/01/2024

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Part 1



Agenda item:

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**Meeting** EXECUTIVE  
**Portfolio Area** RESOURCES AND TRANSFORMATION  
**Date** 17 January 2024



## DRAFT GENERAL FUND AND COUNCIL TAX SETTING 2024/25

### KEY DECISION

**Authors** Clare Fletcher  
**Contributor** Senior Leadership Team  
**Lead Officers** Clare Fletcher  
**Contact Officer** Clare Fletcher

### 1 PURPOSE

- 1.1 To consider the Council's draft 2024/25 General Fund Budget, Council Tax Support Scheme and draft proposals for the 2024/25 Council Tax.
- 1.2 To consider the projected 2023/24 General Fund Budget.

### 2 RECOMMENDATIONS

- 2.1 The 2023/24 revised net expenditure on the General Fund of **£13,272,960** is approved as set out in paragraph 4.10.1.
- 2.2 The draft General Fund Budget for 2024/25 of **£11,427,090** is 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% Council Tax increase).
- 2.3 The updated position on the General Fund Medium Term Financial Strategy (MTFS) as summarised in section 4.12 be noted.

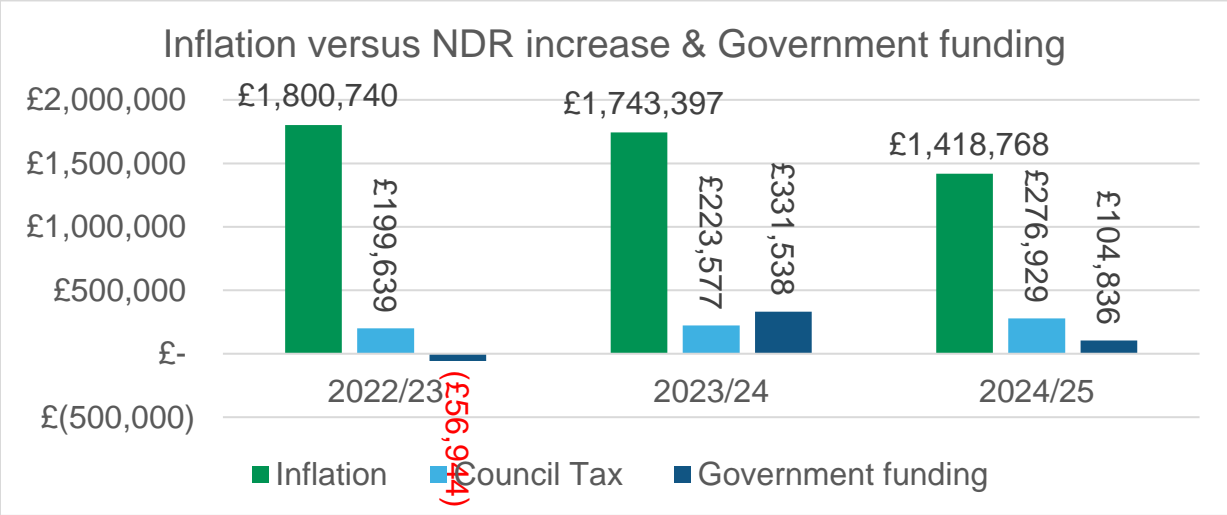
- 2.4 The minimum level of General Fund reserves of **£3,537,794**, which is in line with the 2024/25 risk assessment of balances, as shown at Appendix C to this report, is approved.
- 2.5 The contingency sum of **£400,000** within which the Executive can approve supplementary estimates, be approved for 2024/25, (reflecting the level of balances available above the minimum amount).
- 2.6 The 2024/25 Balancing the Budget options as set out in section 4.7 and Appendix A, totalling **£1,223,852** and **£95,063** for the General Fund and HRA respectively, be included into the Council's budget setting processes for consideration by the Overview & Scrutiny Committee.
- 2.7 That events options as set out in paragraph 4.7.4 are approved for 2024/25.
- 2.8 The Growth options included in section 4.8 are approved for inclusion in the 2024/25 General Fund (**£167,120**) and HRA (£47,265) budgets.
- 2.9 That the pressures identified in sections 4.2 and 4.9 to this report are noted.
- 2.10 Members approve the use of £200K of Business Rates in the base budget and any gains above that are only used once realised and are ring fenced to maintain the Council's financial resilience.
- 2.11 Members approve the use of the 'pooling gains' of **£220,000** as set out in paragraph 4.4.7.
- 2.12 That the decisions taken on recommendations 2.2 – 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.
- 2.13 That Members note the Equalities Impact Assessment appended to this report (Appendix D).
- 2.14 That key partners and other stakeholders are consulted and their views considered as part of the 2024/25 budget setting process.

### **3. BACKGROUND**

- 3.1 This report sets out the 2024/25 draft General Fund Budget including Balancing the Budget (BTB) options, growth bids and pressures. The General Fund Budget forms part of the Council's Budget and Policy Framework. Under Article 4 of the Constitution, the Budget includes: the allocation of financial resources to different services and projects; proposed contingency funds; setting the council tax; the council tax support scheme; decisions relating to the control of the Council's borrowing requirement; the control of its capital expenditure; and the setting of virement limits.
- 3.2 As set out in the November 2023 Executive Balancing the Budget report, the 2024/25 budget setting process should be considered against the backdrop of Government grant cuts which total £5.3Million since 2010 which have required the Council to find cumulative savings of £11Million when inflationary costs are also taken into consideration. COVID affected the Council's finances during 2020/21-2021/22 (an estimated £4Million cost) as has the cost of living crisis due to higher inflation (estimated £1.4Million impact during 2023/24).



3.3 Members will have seen a number of local government journal and national press articles which highlight concerns concerning the local government funding model. The Government has commenced an inquiry on financial distress in local authorities. This follows a number of Councils issuing a section 114 notice because they can no longer set a balanced budget for the year. The Local Government Association (LGA), District Council Network (DCN) and the County Council's Network (CCN) amongst other organisations have all warned that more Section 114 notices are likely unless the local government funding model is revised to reflect the pressures councils are facing across a range of services.



Note: as reported in the November 2023 Balancing the budget report

3.4 It is also worth noting that there has been a transition towards more inherent risk within local government funding, where resources can fluctuate significantly between years, such as new homes bonus or business rates and annual specific service grant awards.

3.5 New and unfunded pressures, less certainty over funding, government policy changes which carry financial impacts and higher inflation will, most regrettably, result in further service reductions / cessations unless appropriate changes are made to the local government funding model.

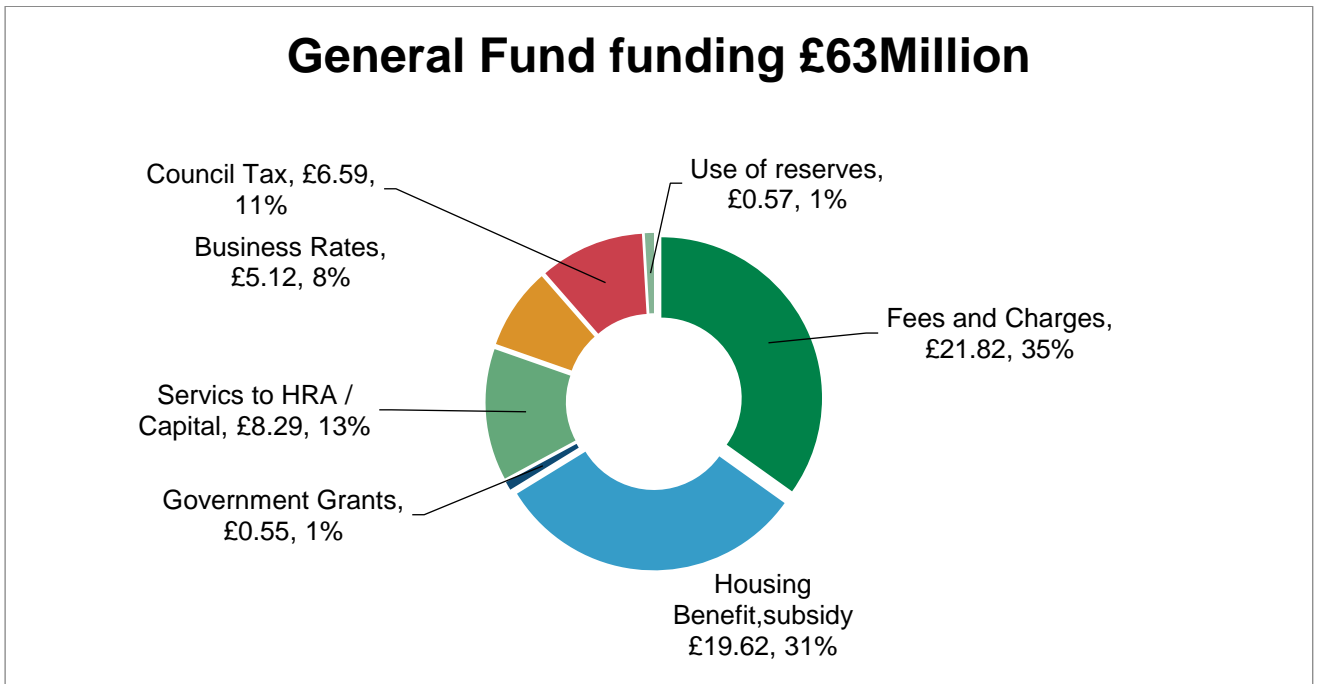
3.6 A survey by the District Councils' Network (DCN), published 24 October 2023 revealed that 52% of respondents do not expect to be able to balance their budget in 2024/25 without needing to draw on reserves, with a further 24% unsure of their positions. The DCN predicted that authorities face a total budget deficit of £550m in 2023/24 and £610m in 2024/25. The DCN stated that Councils also anticipate making savings amounting to 9% of their budgets which are likely to affect service provision. Elizabeth Dennis, the DCN's finance spokesperson, said: "Unless we receive a realistic financial settlement and the financial freedoms to ensure we can raise extra money to undertake our work, councils are left only with an impossible choice of which services to cut back. "Any further scaling back of district council services would be disastrous."

3.7 The Local Government Association (LGA) survey which took place prior to the Department for Levelling Up, Housing & Communities publishing the finance

policy statement on the 5 December 2023 identified that one in five councils in England may have to issue a section 114 notice this year or next year. The LGA has previously estimated that English councils face a £4bn funding gap over the next two years to “keep services standing”.

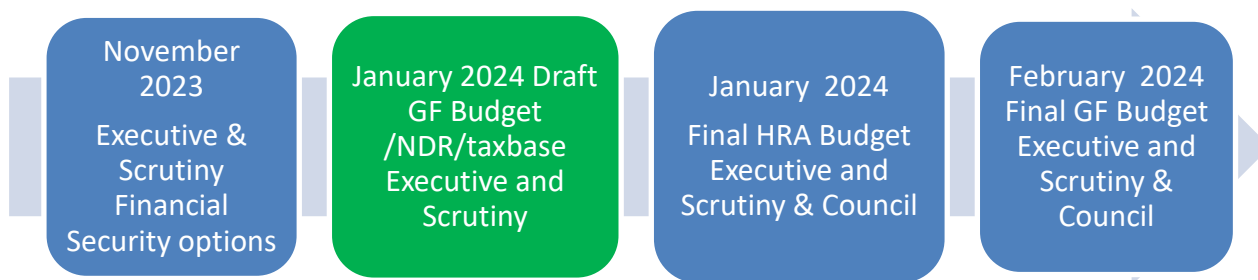
3.8 Since the November Balancing the Budget report the government has published the Finance Settlement for Councils for 2024/25. A summary of what this means for the Council is set out in section 4.1 and the General Fund resource projections have been updated accordingly.

3.9 The original 2023/24 SBC General Fund net budget of £12.46Million (gross £63Million) is funded as set out below.



3.8 Due to the significant level of savings required in recent years this Council along with many others has adopted a one year budget setting process rather than taking a three year view. Whilst the Council does not currently have a three year budget the Medium Term Financial Strategy identifies the projected funding needs over a longer period and is reviewed annually. The Balancing the Budget priority has a number of workstreams and Members will note that for 2024/25, the Transformation and the Co-operative Commercial Insourcing Strategy have contributed significantly for the 2024/25 ‘Balancing the Budget’ savings target. Accordingly, no service cuts are proposed for . Next year. However, with a forecasted on-going need to make £1Million savings per year, work to look at initiatives / options for 2025/26 will commence early in the next financial year.

3.9 The Budget and Policy Framework Procedure Rules in the Constitution, prescribe the Budget setting process, which includes a consultation period. The timescale required to implement this process is outlined below.



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

##### 4.1 Stevenage Borough Finance Settlement 2024/25

4.1.1 On 18 December 2023, the Secretary of State for the Department for Levelling Up, Housing and Communities (DLUHC) released a written statement to Parliament on the provisional local government finance settlement 2024/25. The settlement is for one year and is based on the Spending Review 2023 (SR23) funding levels. The National Core Spending Power (CSP) figures show an increase of 6.5% for 2024/25, however this includes assumptions about increases in council tax, which increases core spending power by 3.5% nationally.

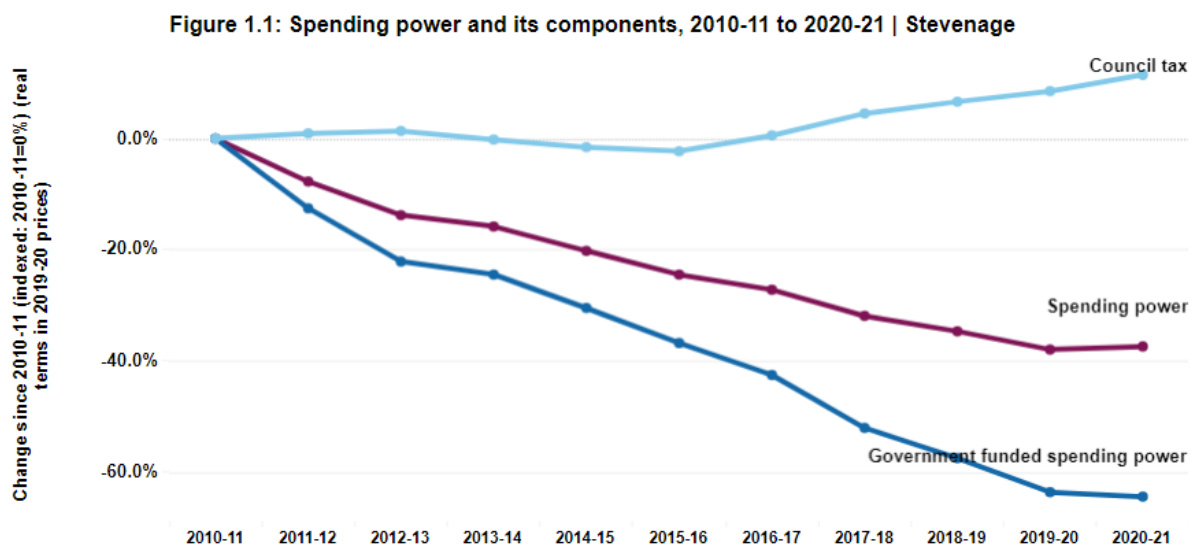
National Provisional Funding Settlement	2023-24 £Million	2024-25 £Million	Variance £Million	% change of total increase
Settlement Funding Assessment	£15,671	£16,563	£892	
Under-indexing the business rates multiplier	£2,205	£2,581	£376	
Council Tax Requirement exc. parish precepts	£33,984	£36,062	£2,078	<b>3.5%</b>
New Homes Bonus	£291	£291	£0	
Services Grant	£483	£77	(£406)	
Funding Guarantee	£133	£197	£64	
Rural Services Delivery Grant	£95	£95	£0	
Improved Better Care Fund	£2,140	£2,140	(£0)	
Social Care Grant	£3,852	£4,544	£692	
ASC Mkt Sustainability and Improvement Fund	£562	£1,050	£488	
Adult Social Care Discharge Fund	£300	£500	£200	
Grants rolled in	£480	£0	(£480)	
<b>Core Spending Power</b>	<b>£60,196</b>	<b>£64,100</b>	<b>£3,904</b>	<b>6.5%</b>

- 4.1.2 The council tax referendum limit will be 3% or £5 on a Band D, whichever is the greater for local authorities, with social care authorities allowed to collect an additional 2% social care precept. There were exceptions to the referendum limits for a few Councils with Woking at 10% and Slough / Thurrock 8%.
- 4.1.3 For 2024/25 the small business multiplier (SBRR) in England will be frozen for a fourth consecutive year at 49.9p, which applies to businesses with a rateable value of less than £51,000, while the standard multiplier (for all other businesses) will be uprated by September CPI (6.7%) to 54.6p. The under-indexing of the SBRR means the Council will collect less NNDR but the government has committed to funding these policy changes by giving Council's S31 grants to compensate for the reduction in income collected
- 4.1.4 The Stevenage New Homes Bonus (NHB) allowance for 2024/25 is £7,290 (2023/24 £86,736).
- 4.1.5 Top Up/Tariff Adjustments (Negative Revenue Support Grant RSG) – As in previous years, the government has not included any negative RSG in the settlement. As part of previous funding deals Councils were due to have their funding reduced by negative RSG which essential cuts the amount of monies retained by business rates as paying RSG had actually ceased by 2019/20. This would result in a cost of £27,146 to SBC in 2024/25 before any inflation indexing.
- 4.1.6 A summary of the 2024/25 settlement versus the September and December MTFS assumptions is shown in the table below, with funding £146K higher than estimated. This is partly because the government uses a four year historic average increase to estimate council tax bases for the CSP and that estimate was £50K lower than Stevenage's 2024/25 approved taxbase.

<b>Provisional Finance Settlement (2024/25)</b>				
	<b>September MTFS</b>	<b>December MTFS</b>	<b>Settlement</b>	<b>Variance</b>
Business Rates	(£2,847,507)	(£2,847,507)	(£2,812,960)	£34,547
Under indexing	(£482,000)	(£482,000)	(£509,446)	(£27,446)
<b>Total Business Rates</b>	<b>(£3,329,507)</b>	<b>(£3,329,507)</b>	<b>(£3,322,406)</b>	<b>£7,101</b>
Revenue Support Grant	(£108,120)	(£108,120)	(£108,811)	(£691)
New Homes Bonus (NHB)	(£10,000)	(£10,000)	(£7,290)	£2,710
Services Grant	(£100,000)	(£100,000)	(£16,371)	£83,629
3% guarantee	(£51,728)	(£51,728)	(£291,982)	(£240,254)
<b>Total</b>	<b>(£3,491,235)</b>	<b>(£3,491,235)</b>	<b>(£3,746,860)</b>	<b>(£146,814)</b>

- 4.1.7 The District Councils' Network Chairman Cllr Sam Chapman Allen said regarding the announcement,  
 "Today's settlement falls well short of stemming the acute financial pressures for district councils resulting from the 15% real-terms spending squeeze since 2015, rapid growth in demand for temporary accommodation, and prolonged steep cost and pay inflation"

4.1.8 While the 2024/25 CSP increase is 6.5%, The National Audit Office (NAO) have published data that shows Stevenage’s Core Spending Power (CSP) **has reduced by 64.5% in real terms** (2019/20 prices) when comparing 2010/11 to 2020/21).



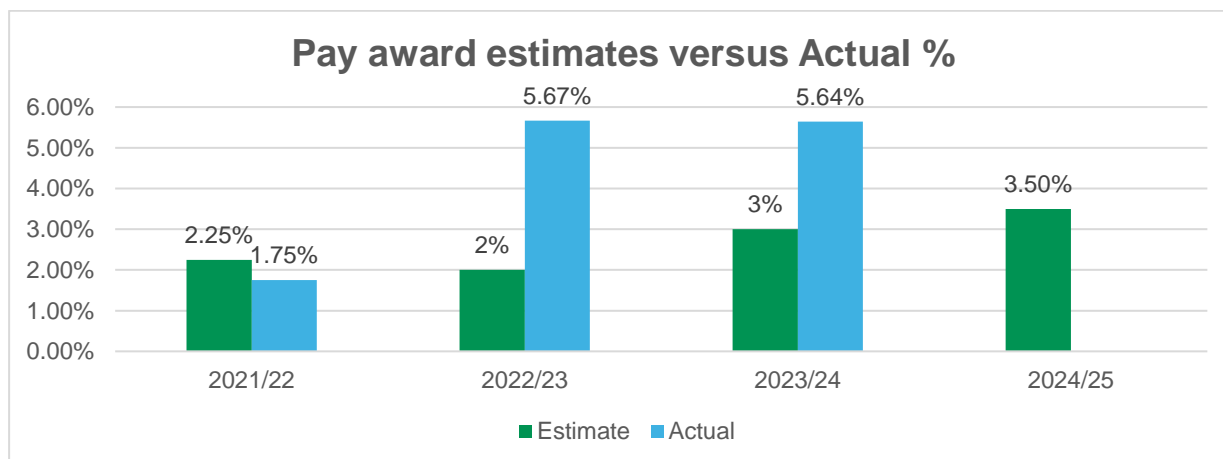
## 4.2 Pressures and Gains currently assumed in the General Fund 2024/25

4.2.1 The General Fund budget assumptions for 2024/25 now include growth pressures of £2.1Million as set out below and are included in section 4.9 to this report.

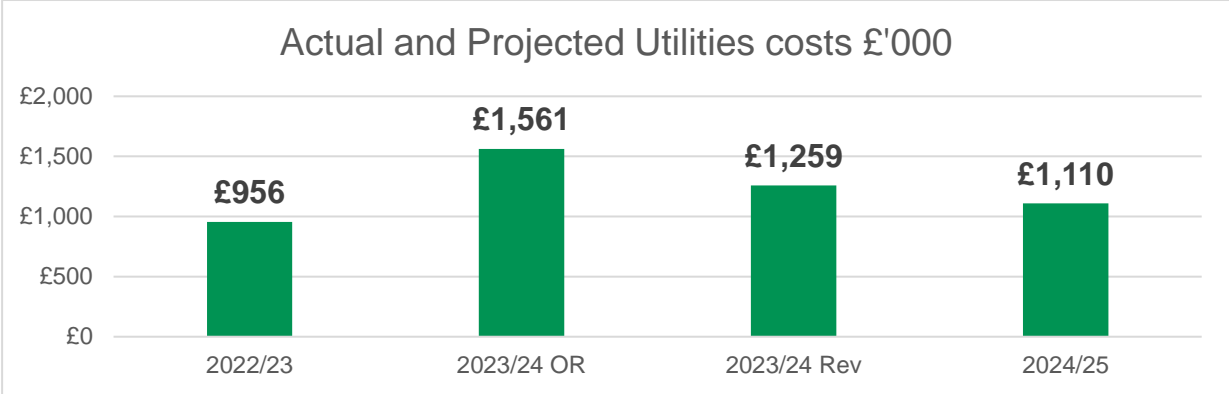
Pressures	2024/25 MTFS	2024/25 Draft Budget	+/-	Comments
ICT review	£104,000	£104,000		Follows a review by the Society for Innovation Technology and Modernisation on the right size of the ICT operation to deliver on both Councils priorities, the MTFS assumes an increase in budget of £104K in 2024/25 (part year implementation).
ICT Licences, software and hardware costs	£205,000	£184,260	↓	Following a root and branch review of hardware and software costs and licences, however the cost in 2024/25 has reduced as some of the costs are for a proportion of the year only.
Car Park income losses	£300,000	£300,000		Although income is improving year on year, it is still not achieving pre-COVID levels. Latest MTFS shows a projected pressure in 2024/25 of £300K.

Pressures	2024/25 MTFS	2024/25 Draft Budget	+/-	Comments
Garage income losses	£85,000	£85,000		2024/25 Income will continue to be impacted because of the asbestos issue in the garages, although the introduction of on-line garage lettings has enabled the Council to reduce the losses more quickly than previously anticipated.
Inflation pressures	£1,464,000	£1,283,057	↓	This is based on the latest projections for utilities and a 3.5% pay award. The figure shown is net of costs charged to the HRA.
Local Plan costs	£100,000	£100,000		There is a need to complete number of studies for the next Local Plan update.
Housing Subsidy Admin	£10,000	£10,000		As housing benefit caseloads reduces (migration to Universal Credit), the subsidy payment also reduces.
Increase in Audit fees	£0	£66,700	↑	Notification by the PSAA of higher audit fees for 2023/24 onwards
Increase in Bank Charges	£0	£13,340	↑	Higher cost of processing the Council's income and expenditure
<b>Total Pressures identified</b>	<b>£2,268,000</b>	<b>£2,146,357</b>	↓	A reduction of £121,643 in costs

4.2.2 The General Fund BTB savings target accounts for the impact of higher inflationary pressures. The current MTFS targets may need to be increased again beyond 2024/25 if, for instance, pay inflation remains at the levels seen in 2022/23 and 2023/24. The pay awards since 2022/23 have been significantly above MTFS estimates as the National Joint Council (NJC) offer has sought to address the higher announced increases to the living wage. The table below shows the estimate versus actual since 2021/22.



4.2.3 Utility costs are projected to reduce from the peak projected for 2023/24 and have been modelled to be lower for this and next year. The current year's costs have reduced as highlighted in the table below. However, this remains an estimate and utility prices may still fluctuate based on economic and market conditions which drove the initial spike in costs.

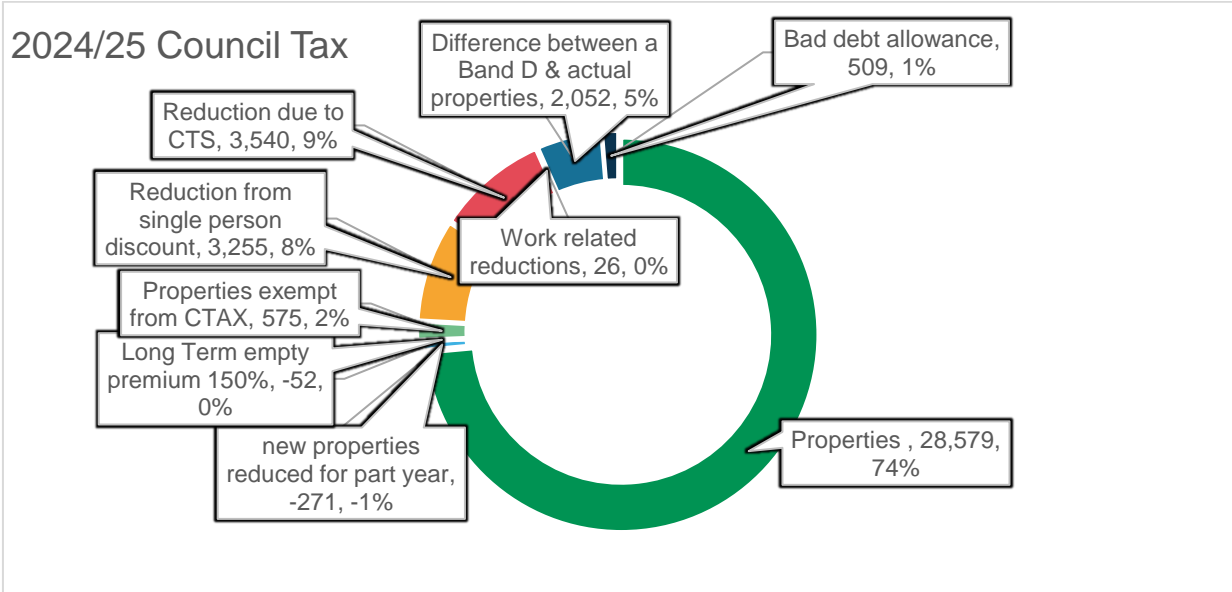


4.2.4 As noted in paragraph 4.2.1 Car Parking income is still below pre-pandemic levels and a reduction of £300K has been estimated for 2024/25. It should also be noted that commuter parking income has also been adversely impacted by train strikes during 2023/24.

**4.3 Council Tax and Council Tax Support**

4.3.1 The December 2023 Executive Council Tax base report showed an increase in the tax base of 1.51% compared to 2023/24. This includes an increase of 2% in the CTS caseload, (compared to the October 2023 caseload) and also known new housing numbers.

4.3.2 The impact of discounts and reliefs on the gross tax base or number of properties in Stevenage is summarised in the chart below.



- 4.3.3 The November 2023 Executive BTB report recommended that Members approve an increase of 2.99% for the Stevenage Borough Council share of the council tax which equates to £198,514 new income in addition to the increase in the taxbase (reported to the December 2023 Executive), which adds a further £99,039. Under the 2024/25 referendum regulations, the County Council (HCC) can increase council tax by 3% and, as noted previously, a further 2% for the Social Care precept and the Police and Crime Commissioner (PCC) can increase their share of council tax by up to £13 on a Band D.
- 4.3.4 Members should note that SBC only retains a relatively small part of the overall Council Tax raised each year. To illustrate this, taking a Band C property, (which is the biggest proportion of properties in Stevenage) the relative shares of council tax for a band C property are shown below.

Authority	2022/23	2023/24	Cost per week	Increase	Share 2022/23	Share 2023/24
Hertfordshire County Council	£1,359.38	£1,427.23	£27.45	4.99%	77.33%	77.35%
Stevenage Borough Council	£200.51	£206.50	£3.97	2.99%	11.40%	11.19%
Police Crime Commissioner	£198.22	£211.56	£4.07	6.73%	11.27%	11.46%
<b>Total</b>	<b>£1,758.11</b>	<b>£1,845.29</b>	<b>£35.49</b>	<b>4.96%</b>	<b>100.00%</b>	<b>100.00%</b>

- 4.3.5 An estimate of the 2.99% increase in council tax for Stevenage Borough Council is summarised in the table below.

Council Tax increase modelled for Stevenage Precept 2024/25				
Council Tax band	2023/24	2.99% increase	Total cost per year	Total cost per week
A	£154.87	£4.63	£159.50	£3.07
B	£180.69	£5.40	£186.09	£3.58
C	£206.50	£6.17	£212.67	£4.09
D	£232.31	£6.95	£239.26	£4.60
E	£283.93	£8.48	£292.41	£5.62
F	£335.56	£10.03	£345.59	£6.65
G	£387.18	£11.57	£398.75	£7.67
H	£464.62	£13.89	£478.51	£9.20



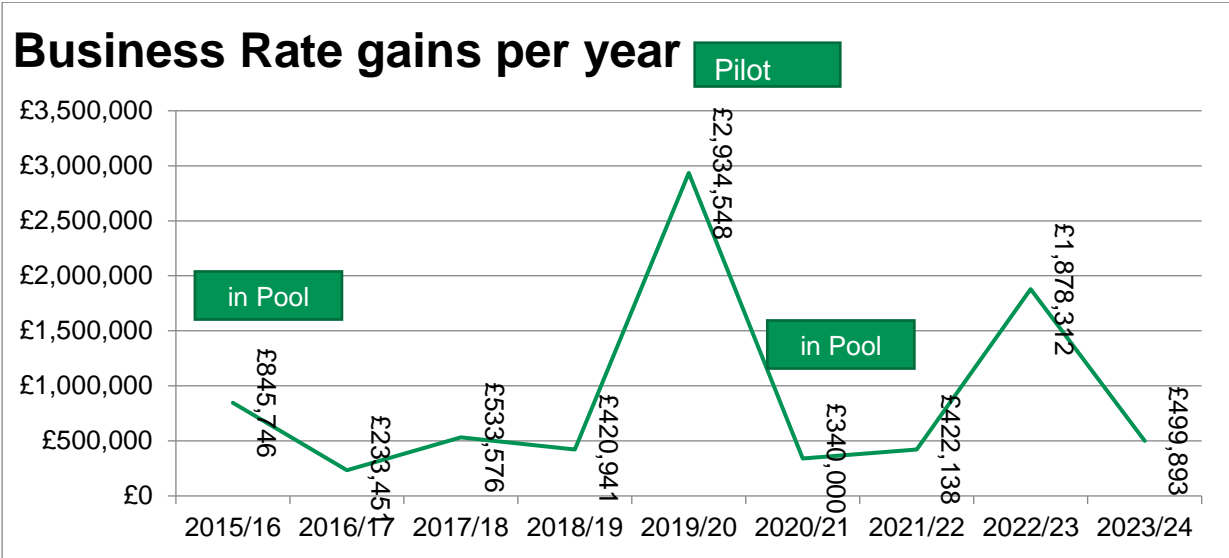
## **Council Tax Support**

- 4.3.6 A local CTS scheme cannot be revised for at least one financial year. Billing Authorities (such as SBC) must consider whether to revise or replace their scheme with another on an annual basis.
- 4.3.7 Any revision to a scheme must be made by the Council by the 11 March, immediately preceding the financial year in which it is to take effect and will require consultation with those affected. Additionally, consideration should be given to providing transitional protection where the support is to be reduced or removed.
- 4.3.8 The Council must, in the following order, consult with major precepting authorities, (i.e. Hertfordshire County Council and Police and Crime Commissioner (PCC) for Hertfordshire), publish a draft scheme in such manner as it thinks fit, and consult such other persons as it considers are likely to have an interest in the operation of the scheme. The Shared Revenues and Benefits service wrote to both precepting authorities regarding the proposal for 2024/25.
- 4.3.9 The current **working age** scheme requires those on maximum benefits only to pay 8.5% of their council tax bill for the year. This equated to £156.85 for a Band C council home in 2023/24 on the total bill (with an additional 25% discount for a single person) or £3.02 per week.
- 4.3.10 Members approved a resolution, within the 20 September 2023 Executive Council Tax Support report, to retain the existing scheme for 2024/25. Members are asked to approve the existing scheme updated to reflect benefit changes for 2024/25.

## **4.4 Business Rates Income**

- 4.4.1 The MTFs and draft General Fund budget only includes the 2024/25 baseline funding for business rates, or the amount the government has assessed the Council needs under its funding formula, plus an assumption of £200K gains per year for the period 2024/25-2027/28.
- 4.4.2 Any NDR gains above the baseline have been used previously to fund time limited growth and regeneration objectives. The rules governing NDR accounting mean any estimated gains are taken in year and any difference between the actual and the estimate are taken from or, in the case of losses refunded to, the Collection Fund in future years. In the September 2023 MTFs the CFO recommended that due to the level of gains being achieved that a prudent level is assumed of £200K per year with any above this transferred to the NDR reserve to improve the resilience of the General Fund.
- 4.4.3 The level of business rates that the Council keeps each year is determined once the NDR1 form issued by the government is completed. This calculates business rates collectable, level of reliefs to be given in 2024/25 and S31 grants due. The November Balancing the Budget report recommended this be delegated to the CFO after consultation with the Resources & Transformation Portfolio Holder for the reasons set out in para.4.4.4.

- 4.4.4 In order to complete the NNDR1 to calculate the projected business rates for 2024/25, the year end release needs to be applied to the finance which means that a first draft will not be completed until 18-20 January 2024 as such after the publication of the January draft budget report. In addition, the Government has consulted on changes to the NNDR 1 for 2024/25 requiring further software changes which will also need to be received and tested before completion of the form.
- 4.4.5 The 2023/24 business rates will be reviewed as part of the NNDR1 activity. As at the 1 December there were reductions to the current year's yield due to prior year adjustments mainly rating appeals, which the council has provided for. Based on the current projections 2023/24 business rate income is in line with the current years estimate. Any difference if it materialises would be repaid or paid to the Collection Fund/General Fund in 2024/25.
- 4.4.6 Business rate gains fluctuate between financial years as shown below and as they cannot be guaranteed. Above the threshold of £200K they are used to help maintain the financial resilience of the General Fund, (i.e. in year shortfall on savings due to part year implementation), rather than to fund the running of day to day services.



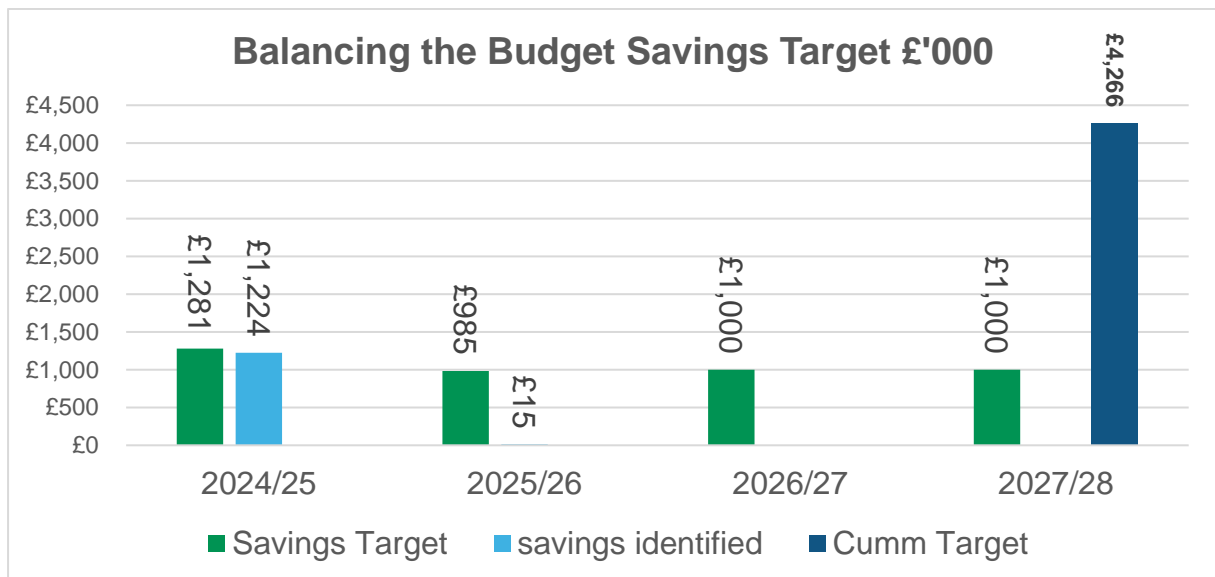
*Note: Pilot -75% of gains retained in Hertfordshire. Pool-A number of Hertfordshire Councils join and retain more gains through a lower levy*

- 4.4.7 When a 'pooling arrangement' is formed between a number of Districts and the County an amount of money is top sliced for growth bids, with a bigger share going to those Hertfordshire Councils not in the 'pool' that year. The County Council 'hold' the funds and this has built up over a couple of years and for Stevenage the amount that that can bid for to deliver economic development and growth is £220K. the following bids are proposed which Members are asked to support.

- **Project 1- Plot A Swingate SG1 Regeneration scheme. £150K**  
The money will support the Council's costs to set up a JV to help activate the first SG1 plot which will generate 261 homes on the former Swingate office site £150K (legals/commercials/tax advice)
- **Project 2- Support to Businesses for climate change initiatives £70K**  
To provide micro grants to SME's to support them to decarbonise and grow in Stevenage, the scheme would be run through SBC Economic Development Team and SME's would need to bid for the funding

**4.5 The Balancing the Budget Savings Target to Find**

4.5.1 The September MTFS report set out the General Fund's savings target over the next four years (£4.27Million) with £1.23Million being required in 2024/25. The November 2023 Balancing the Budget report identified an increase to that amount of £57K as a result of higher growth bids recommended for inclusion in the budget than the 2024/25 MTFS growth allowance of £75K (see also para. 4.6.3)



4.5.2 The Balancing the Budget savings target will be kept under constant review due to points highlighted in section 3 of this report. The level of reserves required and therefore the level of savings is based on a risk assessment. Some of the more significant risks which could materialise and increase the need for further savings are summarised in the table below.

Expenditure and Income	Impacted by	Risk (to increase cost)
<b>Inflation</b>	Although price increases around utilities and fuel have fallen, there is still huge volatility in the market with the continual war in Ukraine.	medium

Expenditure and Income	Impacted by	Risk (to increase cost)
	The MTFS assumes a 3.5% pay award for 2024/25, a continuation of higher inflation may drive much higher pay negotiation outcomes (see also para 4.2.2)	high
	Projections for inflation will continue to exacerbate inflationary pressures in the General Fund and HRA for pay, goods and services, although month on month inflation increase has fallen, the base still includes the higher increases at circa 10%. (August CPI 6.2%, October CPI 4.6%, November 3.9%)	high
<b>Demand for services</b>	There may be an increase for support services such as homeless and advice and this puts further pressure on the Council's budgets	medium
<b>Fees and Charges</b>	The continual impact of 'Cost of Living Crisis' may impact the Council's fees and charges income which is required to support the funding of services.	medium
<b>Core funding</b>	The government has not signalled any new funding for the Public Sector and the MTFS includes a 'status quo' for grant funding, there is a risk that funding could be reduced will be removed. The IFS have estimated that, based on reasonable assumptions about what may be needed for the NHS and schools and existing commitments on defence, overseas aid and childcare, funding for other services in England may need to be cut by an average of over 3% per year in real-terms.	high
	Grant funding for new burdens is announced annually such as homeless or rough sleeper funding which makes recruitment and retention difficult on a permanent basis	high
	There is uncertainty around future years government funding.	high

#### 4.6 The 2024/25 Balancing the Budget Options process for the General Fund.

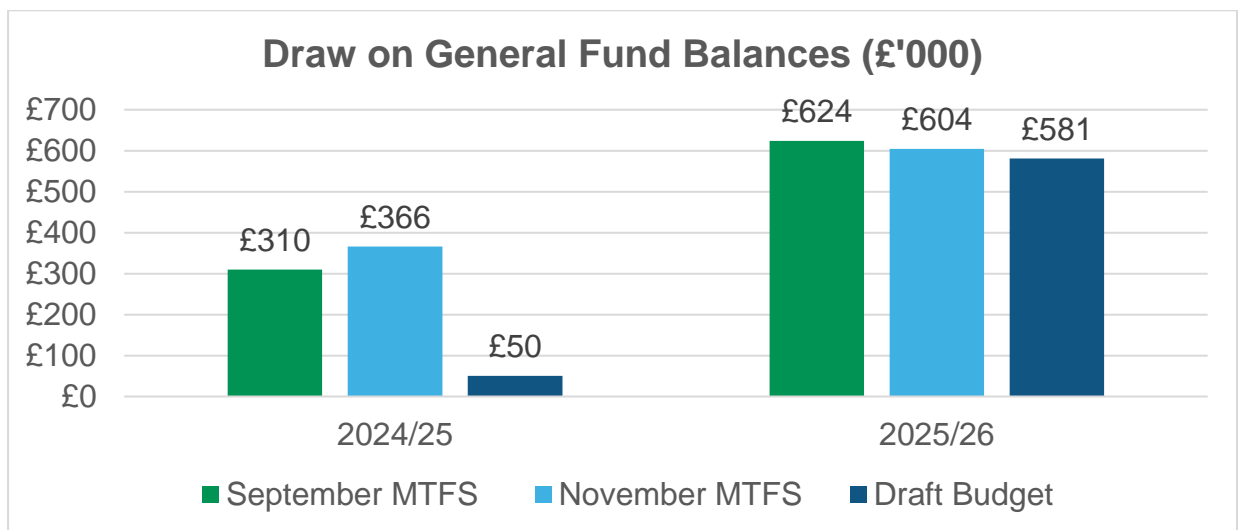
4.6.1 In recognising the scale of the savings required, the Council's Senior Leadership Team (SLT), agreed with the Executive Portfolio holders that a star chamber process would be undertaken looking at:

- New surplus income streams.
- Opportunities for grant funding.
- Opportunities to secure for full cost recovery concerning services provided for third parties.
- The potential to reduce / cease discretionary services highlighting related consequences.

- Opportunities to reduce service frequencies / standards e.g. from gold standard to bronze (whilst ensuring that statutory services continue to be provided).
- a review of cross cutting areas such as training, post etc.

4.6.2 This work was carried out during September and October 2023 and culminated in the options contained within this report. As noted previously due the identification of Commercial / Insourcing and Transformation opportunities has negated the need for service reductions being proposed for 2024/25 with the exception to changes to football pitches.

4.6.3 As set out in para. 4.5.1, the November 2023 BTB report identified a short fall in 2024/25 savings options of £56,710. However, a number of other cost/income factors have improved the General Fund’s financial position as shown in the table in para. 4.1.6 and within section 4.9 below. This has reduced the projected use of General Fund balances for 2024/25, mitigating the need to find more savings. As highlighted previously a major cost pressure for the General Fund is pay inflation and if a further pay award of circa 5% was agreed versus the 3.5% increase allowed for in the budget, this would increase costs by £340K for next year and each year on-going. Even without higher pay inflation in order to achieve the 2025/26 £581K draw on balances circa £1Million savings will need to be found and delivered.



#### 4.7 Balancing the Budget Savings 2024/25

4.7.1 The Council's Officers and Executive Members have been able to recommend a savings package for 2024/25 which maintains service provision. The sum value of options recommended for approval is summarised in the chart below and totals £1.223Million (Appendix A). These options remain unchanged from the November 2023 Executive Balancing the Budget report.



4.7.2 Part of the Transformation workstream reported to the September 2023 Executive resulted in one post being deleted for which redundancy costs of £40,000 will be incurred of which 50% will be charged to the General Fund in 2023/24. There are no redundancies projected for the 2024/25 savings package as the other 2024/25 Transformational options will be achieved through staff turnover or vacant posts.

4.7.3 The Council's Transformation programme is the key strand of the BTB corporate priority through which the Council can seek to maintain as much of its service offer as possible. This approach is deemed to be preferable to seeking year on year service cuts to meet the shortfall between funding and spend although it is highly likely that an element of year-on-year savings will still be required as part of a blended budget setting approach.

4.7.4 As part of the 2023/24 budget setting process (at the January 2023 Executive) Members approved the removal of the fireworks saving option (£18,000) and the Town Twinning savings option (£14,000) for one year and funded them from the allocated Business rates gain reserve. A review of all events in the Town to include fireworks has been undertaken during the current year and the following savings are recommended as alternative options to the removal of the fireworks and Town Twinning:

- Removal of free parking for town centre events
- Members attending Town Twinning paying for their transport and reducing the event to three days through holding business meetings remotely. This will result in accommodation and travel savings
- Reduction in Mayoral budgets (historic underspends)
- Reduction in the spend for 'celebrities' for Christmas light switch on events
- Cease filming of Pride of Stevenage awards
- Reduce costs of events through smarter working e.g. digital marketing

4.7.5 It is recommended that the options identified above are approved and the Fireworks and Town Twinning events are re-instated in the budget.

#### 4.8 Growth Options

4.8.1 The growth bids for 2024/25 remain unchanged from the November 2023 Balancing the Budget report and are summarised below.

Recommended Growth	2024/25 GF	2024/25 HRA	Comments
Payroll Apprentice	£15,410	£7,590	Development of the inhouse resource will result in reduction in reliance on third party contractor.
Graduate / Trainee Planner	£35,300	£0	To enable the service to continue its performance around bringing new revenue into the Council and to support the Council in growing its own staff.
Switch from diesel fuel to HVO for the Council fleet	£66,000	£9,000	This will support the Council ambition to lower its greenhouses gas emissions until the opportunity arises to an alternative power source for the fleet, reducing emissions by up to 90% or 795 tonnes per year implementation 1 October 2024. This would equate to £132K for 2025/26 (see Appendix E)
Street Scene digital operation solution	£15,000	£0	A digital system to manage and deliver the street and grounds maintenance service through improve scheduling, easier adjustment of frequencies of operation and real time job progress and could lead to future savings.
Woodlands Team -HRA post	£0	£30,675	Bid approved in part for one HRA post to review trees on HRA land
<b>Growth on-going</b>	<b>£131,710</b>	<b>£47,265</b>	
Green Space Development Officer- 2024/25 only	£35,410		Included for one year until review of allotments completed, funded from General Fund balances
<b>Growth 2024/25 only</b>	<b>£35,410</b>	<b>£0</b>	
<b>Total Growth</b>	<b>£167,120</b>	<b>£30,675</b>	

4.8.2 As part of the review of growth by SLT and the Executive , it is recommended that:

- The introduction of a 2nd Green Spaces Development Officer at a cost of £35,410 should continue for a further year to allow for a review of the allotment service processes and procedures to be undertaken and that the 2024/25 cost is funded from reserves.
- There is a need to review trees on HRA land and that one post should be approved to focus on the HRA trees at a cost of £30,368.

#### 4.9 Changes to the 2024/25 General Fund budget versus the September MTFS

4.9.1 The General Fund budget is now projected to be £11.427Million (with a draw on balances of £50K), versus the September General Fund projection of £11.373Million (and a draw on balances of £310K), an adverse difference of £53.5K, which is summarised below and includes the pressure detailed in section 4.2.

Changes to the 2024/25 Budget			
Expenditure and income	2024/25		Paragraph Reference
<b>September MTFS</b>		<b>£11,373,517</b>	
<b>Inflation:</b>			
Increased pay inflation	£78,101		<b>Para 4.9.3</b> refers
Increased contractual inflation	£80,919		<b>Para 4.9.3</b> refers
Reduction in utility inflation	(£339,963)	<b>(£180,943)</b>	<b>Para. 4.2.3 &amp; 4.9.3</b> refers
<b>Pressures:</b>			
External Audit Fees	£66,670		<b>Para. 4.9.4</b> refers
Bank Charges	£13,330		<b>Para. 4.9.4</b> refers
Reduction in cost of ICT software	(£20,740)		<b>Para. 4.9.4</b> refers
reduction in New Homes Bonus (NHB)	£2,710	<b>£61,970</b>	<b>Para.4.1.6</b> refers
<b>Charges to Other Funds:</b>			
Recharges to the HRA	(£341,113)		<b>Para 4.9.5</b> refers
Recharges to Capital	£202,990	<b>(£138,123)</b>	<b>Para 4.9.6</b> refers
<b>Growth Options:</b>			
Growth recommended for approval	£87,771	<b>£87,771</b>	This includes one off growth funded for a year ( <b>see para. 4.8.1</b> )
<b>Balancing the Budget Savings Options:</b>			
Options recommended for approval	£6,048		The September MTFS target was £1.23M.
2023/24 options	£36,000	<b>£42,048</b>	<b>Para 4.9.7</b> refers



Changes to the 2024/25 Budget			
Expenditure and income	2024/25		Paragraph Reference
<b>Use of Reserves:</b>			
Income guarantee reserve	£150,000		<b>Para 4.9.8 refers</b>
Transfer of ICT reserve to GF	£14,450	<b>£164,450</b>	<b>Para 4.9.8 refers</b>
Other:		<b>£16,400</b>	Small budget variances
<b>Total Changes</b>		<b>£53,573</b>	
<b>Revised General Fund budget</b>		<b>£11,427,090</b>	

4.9.2 The difference between the September MTFS and the draft budget is £53,573. Within that are a number of larger variances for which explanations are given below.

4.9.3 Inflationary pressures are estimated to be £181K lower than the September 2023 high level estimate as a result of:

- The total salary cost is now estimated to be £78K higher which represents 0.33% of the 2024/25 salary estimate based on the current salary establishment.
- Higher contractual inflation including an increase in business rates of £39K as result of the impact of transitional increases and increases.
- Reduction in utility prices as set out in paragraph 4.2.3.

4.9.4 Since the 2023 MTFS was reported a number of additional new pressures have arisen these include:

- External Audit Fees- the Council has been advised by the Public Sector Audit Appointments (PSAA) that from 2023/24 the scale fees for external audits have increased from £86K to £186K (General Fund and HRA share). Members will be aware the external audit sector has faced significant issues in terms of backlogs. Members should also note that the scale fees reduced when the Audit Commission was abolished by circa 50%.
- There has been an increase in bank transaction charges over the last couple of years as a result of an increase in card transactions and costs, totalling £20K of which £6K is recharged to the HRA.
- The ICT software and hardware pressure identified in the September 2023 MTFS of £205K has reduced by £20.7K as some of this increase starts part way through 2024/25 and the reduction has been re-profiled into 2025/26

4.9.5 Recharges to the HRA have increased due to a number of factors which include:

- HRA share of increased External Audit fees - £33K
- HRA share of increased bank charges £6K
- HRA growth for management of HRA trees (see also para 4.8.2)
- A number of cost drivers are based on headcount (ICT, HR & payroll, employee insurance etc) and the number of HRA staff as a proportion of

the overall head count has increased from 33% to 38% and this has increased the HRA's share of support costs.

4.9.6 Officer time charged to capital (TA) is now projected to be £202K lower (£302K to £100K) in 2024/25 due to the switch from capital to more revenue projects such as the garages and commercial stock. While this has now been recognised in the General Fund for next year, Members should also be aware that a review of the structure of the property team is currently underway and any changes that impact on the General Fund further (favourable or adverse) will be reported back to Members as part of the quarterly monitoring reports.

4.9.7 One of the 2023/24 savings option was a commercial let for Shephalbury depot (estimated at £100K for 2024/25). The structure of the rental agreed means the income is lower in the first two years than the savings option approved, but exceeds the target thereafter and this has been built into the revised MTFS.

4.9.8 The 2024/25 budget assumed a number of allocated reserve movements:

- A Contribution of £150K from the income equalisation reserve, to support General Fund balances in recognition of the current parking losses estimated. However due to the revised draw on balances for next year and the level of increase in fees and charges for 2024/25, plus the risk around fees in the current economic climate, the CFO recommends not returning these monies to the General Fund. This means the income equalisation balance for 2024/25 remains unchanged at £750K which represents 3% of the Council's fees and charges budgets. This reserve can be drawn down on should fees and charges fall below the budgeted amount in year.
- A Contribution of £100K was assumed from the ICT reserve for 2024/25, however some of the reserve was required in year and the amount available to be transferred back to the General Fund is £14K lower.

4.9.9 Although the 2024/25 General Fund net expenditure is £53K higher than the September 2023 MTFS, core resources have also increased which has mitigated the increase in expenditure and reduced the draw on balances this is because:

- Government funding is higher (see para 4.1.6)
- The projected surplus for Council tax relating to this and prior years is higher by £128K
- The Council tax base increase approved at the December Executive was a 1.51% increase versus a 1% in the September MTFS (£35K)

<b>Comparison of September and Draft Budget</b>			
	<b>September MTFS</b>	<b>Draft Budget</b>	<b>Variance</b>
<b>Net Budget</b>	<b>£11,374</b>	<b>£11,427</b>	<b>£54</b>
<b>Core Resources:</b>			
Government funding*	(£3,589)	(£3,740)	(£150)
Business gains assumed	(£200)	(£200)	£0
Council Tax	(£6,803)	(£6,838)	(£35)

<b>Comparison of September and Draft Budget</b>			
	<b>September MTFS</b>	<b>Draft Budget</b>	<b>Variance</b>
Council tax surplus	(£30)	(£158)	(£128)
Business Rate (surplus/deficit)	(£441)	(£441)	£0
<b>Total Core Resources</b>	<b>(£11,063)</b>	<b>(£11,377)</b>	<b>(£313)</b>
<b>Draw on balances</b>	<b>£310</b>	<b>£50</b>	<b>(£260)</b>

*\*NHB is shown in net expenditure*

#### **4.10 2023/24 Budget changes**

4.10.1 The 2023/24 General Fund budget is projected to increase by £400,038 predominately as a result of the 2023/24 pay award being higher than budgeted (5.64% versus 3%) and reducing utility costs. A summary of the changes is detailed below.

<b>Changes to the 2023/24 Budget</b>		
<b>Expenditure and income</b>	<b>2023/24</b>	<b>Comments</b>
<b>General Fund working budget</b>	<b>£12,872,920</b>	
Increased pay award	£554,690	The impact of the pay award over than budgeted (MTFS estimate was £565K and this projection is £10K lower)
Increase in bank charges	£13,330	See <b>para 4.9.4</b>
Increase in external audit fees	£66,670	see <b>para 4.9.4</b>
Increase in Member allowances	£13,810	Adjustment for the actual pay award at 3.88% and small correction to original budget
Reduction in Utility inflation	(£6,090)	Small reduction in utility and fuel inflation
Business Rate Pooling gains	(£220,000)	See <b>para. 4.4.7</b> funding for SG1
Use of Pooling gains	£70,000	See <b>para. 4.4.7</b> funding for SG1
Increase in recharges to the HRA	(£133,350)	As a result of higher salaries in the General Fund
Other	£40,980	
<b>Total Changes</b>	<b>£400,040</b>	
Revised General Fund budget	<b>£13,272,960</b>	

#### **4.11 Level of Balances required for General Fund and projected balances**

4.11.1 The September 2023 MTFS assumed that the minimum level of balances required would be £3.5Million. A full assessment has been carried out and

detailed in Appendix C and, accordingly, the minimum level of balances now totals £3,537,794. However, this will need to be kept under review based on the risks set out in this report.

4.11.2 The projected General Fund balances and council tax requirement are set out below. This table does not include assumptions regarding business rate gains for 2024/25 or a revision to 2023/24 which will be included in the General Fund February 2024 Draft budget report.

General Fund Budget	2023/24 Estimate	2023/24 Projected	2024/25 Estimate
Net Expenditure	£12,463,780	£13,272,960	£11,427,090
(Use of)/ Contribution to Balances	(£572,268)	£1,330,421	£50,494
<b>Budget Requirement</b>	<b>£11,891,512</b>	<b>£14,603,381</b>	<b>£11,477,584</b>
Revenue Support Grant	(£102,052)	(£102,052)	(£108,811)
Service Grant	(£104,041)	(£104,041)	(£16,371)
3 % guarantee grant	(£78,399)	(£78,399)	(£291,982)
Total grant support	<b>(£284,492)</b>	<b>(£284,492)</b>	<b>(£417,164)</b>
Business Rates net of tariff and levy	(£1,338,970)	(£1,389,996)	(£2,707,177)
S31 grants NNDR	(£2,233,191)	(£2,233,191)	(£815,229)
Total in year business rates	<b>(£3,572,161)</b>	<b>(£3,623,187)</b>	<b>(£3,522,406)</b>
(Return) /Contribution to Collection Fund (NDR) re 2021/22 & 2022/23	(£1,535,040)	(£1,535,040)	(£440,820)
(Return) /Contribution to Collection Fund (NDR) re 2020/21	£86,839	£86,839	£0
Collection Fund Surplus (ctax)	(£46,290)	(£46,290)	(£158,277)
Council Tax Requirement	£6,540,369	£6,540,369	£6,837,929
Council Tax Base	28,153	28,153	28,579
Council Tax Band D	£232.31	£232.31	£239.26
Council Tax Band C	£206.50	£206.50	£212.67

## 4.12 Medium Term Financial Strategy General Fund Summary

4.12.1 The MTFS modelling has been updated to reflect the contents of this report and is summarised below.

General Fund balances £'000	2023/24	2024/25	2025/26	2026/27	2027/28
Opening Balance	(£5,954)	(£4,623)	(£4,573)	(£3,991)	(£3,782)
In Year	£1,330	£50	£581	£209	(£177)
Closing Balance	<b>(£4,623)</b>	<b>(£4,573)</b>	<b>(£3,991)</b>	<b>(£3,782)</b>	<b>(£3,959)</b>
Minimum balances	(£3,547)	(£3,537)	(£3,537)	(£3,537)	(£3,537)
Closing Balance versus minimum level	(£1,076)	(£1,036)	(£454)	(£245)	(£422)

( )=more balances than the minimum level

4.12.2 the risks to setting a balanced budget going forward are that:

- The funding assumptions included in the SRR23 show a decrease for unprotected services, such as some of those provided by District and Borough Councils, going forward.
- There is a need to make on-going annual savings for the reasons set out in sections three and five to this report.
- The General Fund Capital Strategy has a future funding shortfall and the capital spend in 2024/25 has been rationalised and may require contributions from the General Fund to support investment.

4.12.3 In addition to the risk assessment of balances to support the General Fund's financial resilience, there are two further allocated reserves available which are summarised below. The CFO recommends they are retained at the projected levels in case they are needed to support the General Fund in year.

Reserves £'000	Closing 2022/23	Use/(to)	Closing 2023/24	Use	Closing 2024/25
Income equalisation Reserve	(£458)	(£300)	(£758)	£0	(£758)
Gains (NNDR)	(£656)	(£1,550)	(£2,206)	(£170)	(£2,375)
<b>Total Available to support the GF</b>	<b>(£1,114)</b>	<b>(£1,850)</b>	<b>(£2,964)</b>	<b>(£170)</b>	<b>(£3,133)</b>

Reserves £'000	Opening 2023/24	Use/(to)	Closing 2023/24	Use	Closing 2024/25
NHB reserve (1)	(£253)	£0	(£253)	£243	(£10)
Transformation Reserve (2)	(£714)	£54	(£660)	£0	(£660)
Homeless reserve (3)	(£429)	£335	(£94)	£94	£0
Planning Delivery (4)	(£165)	£90	(£75)	£60	(£15)
Queensway Car Park monies (5)	(£79)	(£43)	(£122)	(£43)	(£165)
Town square reserve (6)	(£1,059)	£63	(£996)	£68	(£928)
Regeneration Reserve (7)	(£264)	(£35)	(£299)	£100	(£199)
Insurance reserve (8)	(£78)	£16	(£62)	£0	(£62)
ICT reserve (13)	(£327)	£241	(£86)	£86	(£0)
Town centre (14)	(£12)	£12	(£0)	£0	(£0)
Leisure (15)	(£150)	£10	(£140)	£140	£0
Future Councils reserve (9)	(£750)	£375	(£375)	£375	£0
Stevenage works (10)	(£53)	£0	(£53)	£0	(£53)
Asylum seekers reserve (11)	(£50)	£0	(£50)	£50	£0
Commercial Property repair reserve (12)	(£41)	£0	(£41)	£0	(£41)
<b>Revenue Reserves for specific purpose</b>	<b>(£4,423)</b>	<b>£1,119</b>	<b>(£3,304)</b>	<b>£1,171</b>	<b>(£2,132)</b>

4.12.5 There is a planned use of £1.1Million and £1.2Million in 2023/24 and 2024/25 respectively. The reserves are used for as follows:

1. NHB reserve was created to hold NHB allocations so that the General Fund did not become reliant on the funding. This reserve has reduced from its peak of £1.6Million to £7.4K in 2024/25.
  2. Transformation Reserve is used to hold the monies set out for the Council's Transformation programme including improving the Council's digital offer and streamlining processes to give better outcome for residents. The spend for 2024/25 is still to be concluded and an update will be included in the February 2024 Executive report.
  3. These are ringfenced government Homeless grants which are used to support the Council's homeless function including additional staff resources.
  4. Planning Delivery is required to support the surveys for the Local Plan and is used over and above the General Fund allocation in 2024/25 of £100K.
  5. Queensway Car Park Monies - this is the income from the Queensway Limited Liability Partnership (LLP) for parking income. This money has been ringfenced to support the fit out of future commercially tenancies on Queensway North.
  6. Town Square Reserve - the monies are held to support the running costs of assets acquired for regeneration purposes.
  7. The Regeneration reserve is used to fund one off additional costs incurred by the Regeneration Team to support the teams projects including professional and legal advice.
  8. The Insurance reserve is used to support adhoc preventative works to reduce potential future claims where no core budget is in place.
  9. The Future Councils Reserve is used to ringfence the £750K of funding received by the government, part of which is being spent in the current year for digital improvements and cyber security. The Council was one of only eight Councils to successfully bid for funding.
  10. Stevenage Works is a job and training hub / partnership which comprises SBC, North Herts College and Job Centre Plus. The funding in the reserve has yet to be forecast and an update will be included in the February report.
  11. These are ringfenced Asylum grants which are used to support the Council's homeless function including the provision of additional staff resources. The funding in the reserve has yet to be forecast and an update will be included in the February 2023 Executive report.
  12. The Commercial Property Reserve is a reactive pot which can be used to support works to the commercial estate if expenditure is above the in-year budget allocation.
- 4.12.2 There are a number of reserves where the monies are all spent by 31 March 2024 and these include;
13. ICT Reserve - this was used to absorb pressures in year, however a review of software and infrastructure pressures has been undertaken the results of which are included in the General Budget on-going for 2024/25 and the balance on the reserve has been returned to the General Fund to underwrite some of those costs in 2024/25
  14. The Town Centre reserve was set up from monies transferred to the Council when the Council took back the Town Centre Management

function and has been used to support events in the Town Centre. A review of events has been undertaken as set out in this report.

15. The Leisure Reserve was set up to support the retendering and delivery of the new leisure management contract and the remaining balance has been used to support capital improvements to the Council's leisure assets included in the Draft Capital Strategy to this January 2024 Executive.

#### **4.13 Chief Finance Officer's Commentary**

4.13.1 The Chief Finance Officer is the Council's principal financial advisor and has statutory responsibilities in relation to the administration of the Council's financial affairs (Section 151 of the Local Government Act 1972 and Section 114 of the Local Government Finance Act 1988). This commentary is given in light of these statutory responsibilities.

4.13.2 The Council has evolved its budget strategy to meet multiple challenges as set out in this report and the financial strategy to deal with this is the 'Balancing the Budget' strand of 'Future Town Future Council'.

4.13.3 Officers regularly update the MTFS to ensure that a clear financial position for the Council can be demonstrated over the next five years. This medium term view of the budget gives a mechanism by which future 'budget gaps' can be identified allowing for a measured rather than reactive approach to reducing net expenditure. Work is ongoing throughout the year to seek to bridge the Balancing the Budget funding gap.

4.13.4 The Council has taken significant steps over recent years to balance its budget and the current projections show that the on-going balanced budget will be achieved by 2027/28 ensuring inflationary pressures are matched by increases in fees and income or reductions in expenditure. However, this relies on a significant savings target being achieved (see section 4.5) and inflation reducing in the medium term and government funding in line with that projected in the MTFS.

4.13.5 The impact of COVID and the Cost of Living crises have increased financial risk to Councils with resultant increases in inflation and lower fees and charges. The Council has however taken a number of financial resilience measures taken/for approval which increase the security of the Council's position, are:

- A risk assessment of balances to ensure general reserves held take the increased risk from recessionary pressures into account.
- The income equalisation reserve (£758K by 31 March 2024) which can be returned to the General Fund if fees and charges are lower than projected.
- Reduce the use of reliance on Revenue Contributions to Capital (RCCO) by identifying sites for disposal and using capital receipts rather than revenue (September 2020 MTFS report). However, the Capital Strategy report to the October 2023 Executive set out a number of steps that needed to be taken and in the interim RCCO may need to be used to fund any capital resourcing gap.

- Identification of a sufficient level of on-going Balancing the Budget options to ensure the General Fund is above or at the minimum level of balances.
- Use of any business rate gains only when realised above the £200K identified and ring fenced to maintain the financial resilience of the General Fund and thereafter FTFC priorities. The projected balance as at 31 March 2024 projected to be £2.375Million
- A transformation programme to deliver savings for both the General Fund and HRA.
- A Commercial and Insourcing Strategy to look for opportunities to increase the Council's income from new commercial options, ensuring fees and charges are set based on the cost of services and any insourcing opportunities.

4.13.6 The current projections of balances and the measures the Council has taken to date as set in this report mean that the level of balances projected are sufficient to set the 2024/25 budget.

4.13.7 While delivering this budget, the Council is also continuing to deliver its ambitious programmes to redevelop and regenerate the town centre and to provide more social, affordable and aspirational homes. Whilst both programmes offer great opportunities for the town and local residents they also carry the risk of potentially needing more resources. There is a ring-fenced reserve for Regeneration and further estimates of resources have been included in the General Fund MTFS.

#### **4.14 Contingency Sums**

4.14.1 Executive Members will recall that a Contingency Sum needs to be determined by the Council as part of the Budget and Policy Framework in order to avoid the need for Council to consider all supplementary estimates during the course of the year. This contingency sum constitutes an upper cumulative limit during the financial year within which the Executive can approve supplementary estimates, rather than forming part of the Council's Budget Requirement for the year. A sum of £400,000 is proposed for 2024/25, this remains unchanged from the current year, however, as always, due regard will need to be given to breaching minimum balances.

#### **4.15 Consultation**

##### **Council Financial Security Group (CFSG) (25 October 2023)**

4.15.1 CFSG was presented with savings and growth options for consideration for 2024/25 balancing the budget. No voting was carried out for saving options, however, the group did consider the nine growth options (as detailed at Appendix A) and scored them by "do not support" 0 point, "support but low priority" 1 point and "support with high priority" 3 points. The table below shows the results.



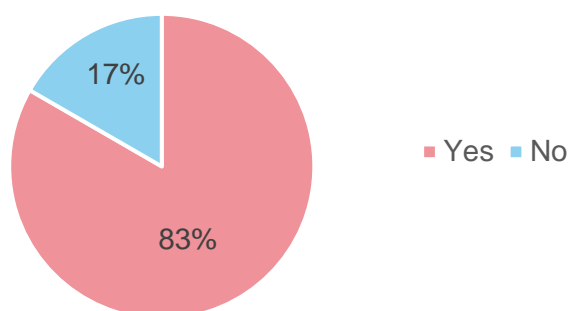
<b>Growth bids received for 2024/25</b>	<b>Score</b>	<b>Recommended as per paragraph 4.6</b>
Payroll Apprentice*	12	Yes
Graduate Planner*	12	Yes
Change remit of Planning Manager posts x 2	6	No
Improvement to finance ledger system	10	No – looking to fund through alternative sources
2nd Green Spaces Development Officer**	7	One year
Switch from diesel fuel to HVO*	9	Yes
Additional street scene manager	9	No
Creation of woodland team	10	1 post in HRA
Street scene digital operation solution*	6	Yes – a catalyst for further savings

### **Corporate Plan – six-week consultation starting 23 October**

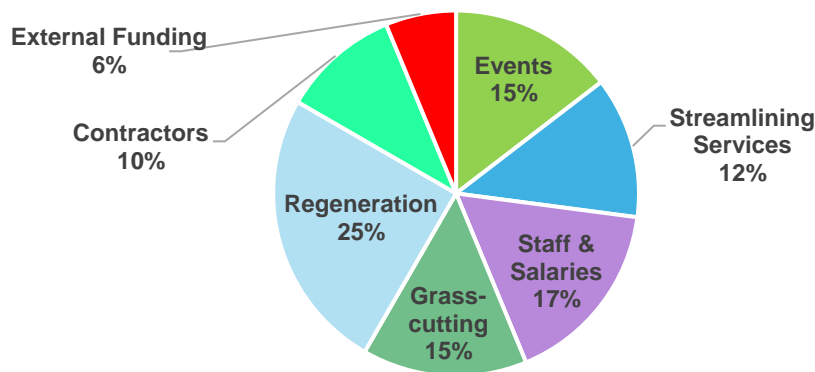
4.15.2 The Councils final draft Corporate Plan is also on the agenda for today's Executive meeting. As part of the process to co-produce the Corporate Plan consultation was undertaken to include ascertaining if respondents:

- Agree that Balancing the Budget should be a priority so that the Council can remain financially resilient and continue to deliver key services as set out in the Corporate Plan?
- If no, is the alternative is to reduce services and provide less?
- If yes, what should the Council stop doing to generate £1.23Million savings?

4.15.3 83% of respondents to the consultation agreed that Balancing the Budget should be a priority:



4.15.4 All survey respondents were asked for financial savings suggestions. The responses can be categorised into seven themes:



- Regeneration work would attract new businesses to the area which would increase business rate revenue and car parking income (25%). – *The Council has opened a new Multi Storey car park and is working with partners to bring new business into the town, also improving the business rates collected and retained by the Council.*
- Reduce Staff and Councillor salaries (17%). – *The Council’s Member allowances are reviewed and agreed by an Independent Remuneration Panel and staff pay is governed by the collective pay agreements as agreed with the unions.*
- The Council should consider selective grass-cutting allowing green spaces to grow wilder (within safe reasons) and reduce maintenance costs for grass cutting etc. (15%) – *The Council has already implemented this as a measure with an associated cost reduction.*
- Streamlining services (12%) – *The Council has a transformation programme which aims to streamline processes and reduce costs.*
- Reduce use of Contractors (10%) – *The Council has a Commercial and Insourcing Strategy which includes reviewing contracts to see if they can be brought back in-house at the point of re-tendering.*
- Reducing or cancelling events such as the November Fireworks Display, or those held on the Event Island and the Stevenage Museum. (15%)- *The Council has reviewed the cost of events to reduce their associated cost as set out in para. 4.78-4.7.9*
- Seeking external funding to plug the financial gap (6%). *The Council has actively sort external funding and has received circa £80Million of revenue and capital funding over the last few years.*

### Resident Survey (2021)

4.15.3 The 2021/22 survey highlighted that resident’s number one cost reduction preference is for the Council to provide more online services. The ranking of this option increased since 2017 which supports the Transformation programme as a method to reduce costs, improve efficiency / productivity and customer service.

Please tell us your order of preference for each of the following options by ordering them 1 to 5	2021 rank	2017 rank	1 <sup>st</sup>
Reduce time and money spent on paperwork by interacting with more residents and customers online	1	1	41%

<b>Please tell us your order of preference for each of the following options by ordering them 1 to 5</b>	<b>2021 rank</b>	<b>2017 rank</b>	<b>1<sup>st</sup></b>
Increase income from fees and chargeable services, to keep the council's element of Council Tax as low as possible	2	3	24%
Spend less by reducing or cutting the services that you tell us are not a priority	3	2	16%
Make money by selling more of our services to residents and customers	4	5	9%
Increase our element of Council Tax (for example from 51p per day to 55p per day)	5	4	10%

4.15.4 The 2021 residents' survey asked residents whether the council tax represented value for money. While strongly disagree has increased (from 7% to 15%), overall 52% (up from 46% in 2017) agree it represents value for money as shown in the chart below.

	<b>Responses</b>	<b>2021</b>	<b>2017</b>	<b>2015</b>	<b>2013</b>	<b>2011</b>
<b>To what extent do you agree or disagree that the Council Tax paid to Stevenage Borough Council provides good value for money?</b>	Strongly agree	16%	10%	7%	6%	6%
	Tend to agree	36%	36%	39%	39%	40%
	Neither	18%	30%	30%	35%	33%
	Tend to disagree	10%	17%	18%	17%	16%
	Strongly disagree	15%	7%	6%	5%	5%
	Don't know (DNRO)	4%				
	<b>Summary: Agree</b>	<b>52%</b>	<b>46%</b>	<b>46%</b>	<b>45%</b>	<b>46%</b>
	<b>Summary: Disagree</b>	<b>26%</b>	<b>24%</b>	<b>24%</b>	<b>22%</b>	<b>21%</b>

## 5 IMPLICATIONS

### 5.1 Financial Implications

5.1.1 The report deals with Council finances and as such all implications are contained in the main body of the report.

5.1.2 Savings options are required to follow the Budget and Policy Framework as set out in Paragraph 3.1.10. Fees and charges require a report to the Executive and were included in the Commercial and Insourcing Strategy to the October 2023 Executive.

### 5.2 Legal Implications

5.2.1 The Council is required to set a balanced budget each year. The Local Government Finance Act 1992 requires the Council to estimate revenue expenditure and income for the forthcoming year from all sources, together

with contributions from reserves, in order to determine a net budget requirement to be met by government grant and council tax.

### **5.3 Policy Implications**

5.3.1 The report deals with Council policy and as such all implications are contained in the main body of the report.

### **5.4 Staffing and Accommodation Implications**

5.4.1 The 2024/25 budget options include the redundancy of one member of staff, following a consultation period. All other staff options will be achieved through staff turnover.

5.4.2 In compliance with SBC's Organisational Change Policy any proposals that involve potential redundancies will be fully consulted on with the trade unions and affected staff for a minimum 30-day consultation period, and again may therefore change depending on the outcomes of the consultation process.

5.4.3 Wherever possible staff who find themselves in a redundancy situation will be redeployed to a suitable alternative post. If that redeployment results in the staff affected moving into a lower-graded, post pay protection will apply for a 12-month period.

### **5.5 Equal Opportunities Implications**

5.5.1 In carrying out or changing its functions (including those relating to the provision of services and the employment of staff) the Council must comply with the Equality Act 2010 and in particular section 149 which is the Public Sector Equality Duty. The Council has a statutory obligation to comply with the requirements of The Act, demonstrating that as part of the decision-making process, due regard has been given to the need to:

- Remove discrimination, harassment, victimisation and any other conduct that its unlawful under this Act
- Promote equal opportunities between people who share a protected characteristic and those who do not
- Encourage good relations between people who share a protected characteristic and those who do not.

5.5.2 These duties are non-delegable and must be considered by Council when setting the Budget in February 2024.

5.5.3 To inform the decisions about the Budget 2024/25 officers have begun Equality Impact Assessments (EqIAs) and an overarching EQIA for the budget has been produced to inform the decision taken by Council in February 2024. This EqIA is summarised and attached in **Appendix D** with further information on the process to date and planned activity.

## **5.6 Risk Implications**

- 5.6.1 There are risk implications to setting a prudent General Fund budget if the Financial Security options identified in Appendix A are not achieved and crucially if future options are not found to meet the targets outlined in the report.
- 5.6.2 There are a number of risks that have been identified and these are set out in the report.

## **5.7 Climate Change Implications**

- 5.7.1 The Council declared a climate change emergency at the June 2019 Council meeting with a resolution to work towards a target of achieving net zero emissions by 2030. The Transformation programme and the digital on-line agenda will contribute to reducing the Councils carbon footprint. In 2023/24 the Council approved an additional officer post to support its efforts meet its climate change goals. Included in the 2024/25 options is a growth bid to convert the Council's fleet from diesel to use hydrogenated vegetable oil (HVO) in order to reduce the Councils carbon emissions. The business case setting out the carbon reductions is appended to this report (Appendix E).

## **BACKGROUND DOCUMENTS**

- BD1 General Fund Medium Term Financial Strategy (2023/24-2027/28) September 2023 Executive
- BD2 Commercial and Insourcing Strategy October 2023 Executive (including fees and charges)
- BD2 Balancing the Budget November 2023 Executive

## **APPENDICES**

- Appendix A General Fund and HRA Budget Options
- Appendix B General Fund Growth Options
- Appendix C Risk Assessment of Balances
- Appendix D Equalities Impact Assessment
- Appendix E Business Case for HVO fuel

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# Appendix A Balancing the Budget Savings 2024/25

Option	Description	Saving	GF	HRA	Redundancies FTE	Implementation costs	Approved Y/N	date
<b>Savings Identified in Quarterly Monitoring Reports:</b>								
Additional Commercial rental income	This includes commercial rents from the new shops at the Kenilworth Development	£221,300	£215,000	£6,300			Y	July & September 2023 Executive
HCC Maintenance Verge 2023/24 & 2024/25	Review of contract costs for provision of service to Herts County Council	£63,632	£63,632				Y	September 2023 Executive & November 2023 Balancing the Budget Report
Homeless B&B costs	Reduction in B&B costs due to more Council accommodation provided	£100,000	£100,000				Y	September 2023 Executive
Reduction in leisure contract costs	Reduction in the budgeted provision required for the new leisure contract	£145,490	£145,490				Y	September 2023 Executive
Animal Control Contract	Re-procurement of contract	£18,660	£18,660				Y	September 2023 Executive
	<b>Total</b>	<b>£549,082</b>	<b>£542,782</b>	<b>£6,300</b>	<b>0</b>			
<b>Transformation Options:</b>								
Move the CSC to the Atrium, change opening hours and introduce on-line service options	This option has been achieved by reducing head count in the CSC through turnover (4 FTE) , reducing opening hours by 1 hour per day and providing digital options for services, this has meant more of the cost of the CSC now relates to housing services and increases the cost to the HRA.	£146,956	£200,601	( £53,645)	0		Y	September 2023 Executive
Align Management responsibilities to the Transformation Model	Appoint Head of Specialist Advice and Support and new AD for Housing and Communities. This combines two existing AD posts (both vacant) and combines two manager roles related to Specialist Advice.	£194,789	£67,890	£104,899	1	£40,000	Y	September 2023 Executive
Cease having two payroll runs (Councillor & Officer)	Merge the Councillor payroll run with the Officer payroll and reduce admin and support costs required. The estimated change for Members is likely to happen for the February payroll.	£5,000	£3,350	£1,650			Y	November Executive Balancing the Budget report
Reduce floor space occupied in Daneshill House	In line with hybrid working this option reduces the floors used in the building and delivers projected utility savings	£15,000	£11,250	£3,750			Y	September 2023 Executive
Closer working for Member & Executive support	This option is to have a joined up working arrangement between the two teams and reduce by one FTE	£41,705	£27,525	£14,180	0		Y	November Executive Balancing the Budget report
Solar Panels fitted to refuse and recycling lorries	This is projected to save 11,000 litres of fuel	£11,000	£11,000	£0			Y	Capital bid approved February 2023 Council
Reduce costs of administering Book of Remembrance	A 2023/24 growth bid was approved to digitise the book alliviating the need for officers to physically turn the page 365 days of the year	£4,865	£4,865	£0			Y	Capital bid approved February 2023 Council
Reduced running cost of Multi Storey car parks	Implementation of new barrier system has reduced running costs	£5,000	£5,000	£17,930			Y	November Executive Balancing the Budget report
	<b>Total</b>	<b>£424,315</b>	<b>£331,482</b>	<b>£88,763</b>	<b>1</b>	<b>£40,000</b>		

Fees and Charges Options:								
General Fund fee increases	Fee increases for General Fund services including garages, car parks, engineers, planning were included in the Commercial & Insourcing Strategy.	£396,587	£396,587	£0			Y	October 2023 Executive
Statutory increase in Planning Fees	Government legislation passed in December to increase planning fees which are set by statute	£117,881	£117,881	£0			Y	November 2023 Executive Balancing the Budget report

## Appendix A Balancing the Budget Savings 2024/25

Option	Description	Saving	GF	HRA	Redundancies FTE	Implementation costs	Approved Y/N date	
Engineers fee increases	Increases in Engineer fees for licences etc for developments	£14,000	£14,000	£0			Y	November 2023 Executive Balancing the Budget report
Planning fees	to encourage applicants to apply via the portal for planning direct applications and to recover the costs associated with enquiries	£1,500	£1,500	£0			Y	November 2023 Executive Balancing the Budget report
General Fund income budgets rebased	There are some income budgets that have been reviewed as part of the fee review for 2024/25 and these include trade waste and indoor market	(£ 207,194)	#####	£0			Y	November 2023 Executive Balancing the Budget report
Additional income from Filming	The existing budget of £10K has been increased for 2024/25	£2,000	£2,000	£0			Y	November 2023 Executive Balancing the Budget report
Additional income Advertising	Additional advertising has been secured and the budget increased from 2024/25	£7,800	£7,800	£0			Y	November 2023 Executive Balancing the Budget report
New income from parcel lockers rental	New income stream generated by the Commercial Team	£2,400	£2,400	£0			Y	November 2023 Executive Balancing the Budget report
	<b>Total</b>	<b>£334,974</b>	<b>£334,974</b>	<b>£0</b>	<b>0</b>	<b>£0</b>		
<b>Other:</b>								
Re-basing Training budgets	A review of historical spend versus training budgets have identified opportunity to reduce budget by 10% across all services – protecting safeguarding and health & safety training. With emphasis to maximise the usage of the Apprenticeship Levy	£9,000	£9,000	£0			Y	November 2023 Executive Balancing the Budget report
Reduction in the offer for Football Teams to reduce costs	Providing goal nets and corner flags (+ goal posts for 5v5/7v7) for football teams with no markings and no changing rooms which have limited usage there would not be a need to staff the games, saving money on overtime at weekends	£5,614	£5,614	£0			Y	November 2023 Executive Balancing the Budget report
	<b>Grand Total</b>	<b>£1,322,985</b>	<b>£1,223,852</b>	<b>£95,063</b>	<b>1</b>	<b>£40,000</b>		



## Appendix B Balancing the Budget Growth 2024/25

Option	Description	Growth	GF	HRA	Approved Y/N date	
<b>Growth Bids approved</b>						
Payroll Apprentice	Development of in house resource in order to reduce reliance on third party contractor.	£23,000	£15,410	£7,590	Y	November 2023 report
New Graduate Planner / Trainee	To enable the service to continue its performance around bringing new revenue into the Council and to support the Council in growing its own staff.	£35,295	£35,295		Y	November 2023 Report
Switch from Diesel to Hot Vegetable Oil (HVO) fuel	This will support the Council ambition to lower its greenhouses gas emissions until the opportunity arises to an alternative power source for the fleet, reducing emissions by up to 90% or 795 tonnes per year implementation 1 October 2024. This would equate to £132K for 2025/26	£75,000	£66,000	£9,000	Y	November 2023 Report
Street Scene digital operation solution	A digital system to manage and deliver the street and grounds maintenance service through improve scheduling, easier adjustment of frequencies of operation and real time job progress and could lead to future savings.	£15,000	£15,000		Y	November 2023 Report
	<b>Total</b>	<b>£148,295</b>	<b>£131,705</b>	<b>£16,590</b>		
<b>Growth Bids approved for one year:</b>						
Permanent post for 2nd Green Spaces Development Officer - currently filled via secondment	Should continue for a further year to allow for a review of the allotment service processes and procedures to be undertaken and that the 2024/25 cost is funded from reserves	£35,414	£35,414	£0	Y	November 2023 Report
	<b>Total</b>	<b>£35,414</b>	<b>£35,414</b>	<b>£0</b>	<b>Y</b>	
<b>Growth Bids approved in Part:</b>						
Creation of a team dedicated to woodland and new tree management	This team would also be responsible for tree planting and aftercare, such as formative pruning. This would support the council targets to increase the tree canopy coverage and carbon neutral ambitions. Currently this work is supported by the arboriculture team, taking them away from proactive scheduled work on the Town's street trees.	£92,025	£0	£30,675	Part	November 2023 Report for HRA role
	<b>Total</b>	<b>£92,025</b>	<b>£0</b>	<b>£30,675</b>		
<b>Not Approved:</b>						
Finance Ledger Improvements	To continue to improve the efficiency of the General Ledger system	£5,000	£3,350	£1,650	N	Look to fund from transformation budgets
Creation of an additional Street Scene Manager, dedicated to Cleansing	Improve operational efficiency of the service, better management of sickness and agency staff	£31,433	£31,433	£0	N	Implement option around digital operation solution, due to financial constraints not approved
	<b>Total</b>	<b>£36,433</b>	<b>£34,783</b>	<b>£1,650</b>		
	<b>Grand Total</b>	<b>£312,167</b>	<b>£201,902</b>	<b>£48,915</b>		

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**APPENDIX C : RISK BASED ASSESSMENT OF THE LEVEL OF GENERAL FUND BALANCES 2024/25**

Potential Risk Area	Comments including any mitigation factors		
Income from areas within the base budget where the Council raises "Fees and Charges"	Potential risk that the budgeted level of income from activities where the Council is charging for services will not be achieved. This is anticipated largely to be as a result of the downturn in economy and cost of living crisis, but could also be as a result of poor weather, new competition. All "fees and charges" income is reviewed as part of the monthly/quarterly budget monitoring process. All budgets are profiled over the year based upon previous experience.		
		<b>Calculated Risk</b>	
Specific Areas	Estimated Income	Likelihood Percentage	Balances Required
Parking Income* (on street/off-street)	£5,284,620	4.0%	£211,385
Development Control Income	£557,050	4.0%	£22,282
Recycling Income	£749,960	4.0%	£29,998
Garages	£3,943,380	1.0%	£39,434
Trade Refuse & Skips	£904,690	3.0%	£27,141
Indoor Market	£386,600	10.0%	£38,660
Commercial Property Income	£3,766,990	5.0%	£188,350
Cost of Living losses arising from a lower fees and charges in excess of budgeted for			£500,000
<b>Total</b>			<b>£1,057,249</b>

\* The council has a parking account which identifies how parking fees are spent on parking and related costs

Potential Risk Area	Comments		
Demand Led Budgets	Potential risk that spending on parts of the budget where the Council has a legal duty to provide the service increases significantly. Individual budgets reviewed as part of the monthly budget monitoring process. All budgets are profiled over the year based upon previous experience and so any variances should show up during the year.		
		<b>Calculated Risk</b>	
Specific Areas	Estimated Exposure	Likelihood Percentage	Balances Required
Housing Benefit maximum risk based on not meeting threshold for Local Authority errors.	£180,000	40%	£72,000
Loss of Business Rates yield	£3,322,406	maximum loss (7.5%)	£249,180
Lower S31 Grants than anticipated which means the NNDR yield would be higher but would not be returned to the General Fund until 2024/25.	£815,229	5%	£40,761
Increase in bad debts as a economic changes impacting on charging for services	£152,000	100%	£152,000
Bed and Breakfast budget been reduced based on current trends. However, there's a risk that demand could increase.	£79,810	75%	£59,258
risk of capital works requiring funding as a result of rephasing/deferring works in the Capital Strategy	£250,000	100%	£250,000
Housing Benefit overpayment net income reduces and results in a pressure on the General Fund	£492,480	10%	£49,248
<b>Total</b>			<b>£872,447</b>

Potential Risk Area	Comments including any mitigation factors		
Changes since budget was set	Potential risk that things change since the budget estimates were made and the estimates are then under budgeted for.		
		<b>Calculated Risk</b>	
Specific Areas	Estimated Exposure	Likelihood Percentage	Balances Required
Transitional Vacancy Rate 4.5%	£816,320	5.00%	£40,816
Less staff time charged to capital than budgeted	£483,500	5.00%	£24,175
REVISED: pay award is higher than budgeted for 1.5%	£23,592,593		£340,000
Contractual inflation 1% increase	£10,924,464	1.00%	£41,696
Utility and fuel inflation usage/costs increase	£1,525,854	10.00%	£152,585
Borrowing costs will be higher than estimated on new borrowing in Capital Strategy	£204,624	1% increase in borrowing costs for the garage programme	£12,584
<b>Total</b>			<b>£611,857</b>

Potential Risk Area	Comments including any mitigation factors		
Other Risks	Potential risk that savings options will not be realised as a result of delay or unforeseen circumstances.		
		<b>Calculated Risk</b>	
Specific Areas	Estimated Exposure	Likelihood Percentage	Balances Required
Savings Options	£1,223,851	10.00%	£122,385
<b>Total</b>			<b>£122,385</b>

Potential Risk Area	Comments including any mitigation factors		
Estimated balances required for any over spend or under -recovery of expenditure and income	This calculation replaces the calculation based on Net Expenditure		
		<b>Calculated Risk</b>	
Specific Areas	Estimated Exposure	Likelihood Percentage	Balances Required
Gross Income (excludes specific income listed above)	£32,776,595	1.50%	£491,649
Gross Expenditure (excludes specific expenditure listed above)	£25,480,484	1.50%	£382,207
<b>Total</b>			<b>£873,856</b>

**Level of Balances Assumed in General Fund Based on risk**

**£3,537,794**

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# **BALANCING THE BUDGET (BTB) 2024/25 – Appendix D**

## **Overall Equality Impact Assessment (EqIA) of BTB Savings Proposals**

### **Equality at Stevenage Borough Council**

1. Stevenage Borough Council is committed to promoting equality, diversity and inclusion across its services, workforce and local community. To demonstrate its commitment to the identification and mitigation of discrimination and inequality, the Council will complete and publish Equality Impact Assessments (EqIA) when there is a new or revised policy, procedure, function, or where there is a withdrawal of service. For more information about the Council's commitment to advancing equalities please refer to the Equality, Diversity & Inclusion Policy (2022-26).
2. We want to deliver services that are fair, accessible and open to everyone who needs them. Equality Impact Assessments (EqIAs) are an important part of the process in ensuring that our intention is translated into action. They help to ensure that decisions are made in a fair, transparent and accountable way, considering the needs and the rights of different people in the community.
3. Based on the protected characteristics under the Equality Act 2010, the Equality Impact Assessment considers the impact on the following groups when making decisions, updating policies and starting new projects:
  - Age
  - Disability
  - Gender reassignment
  - Marital status
  - Pregnancy and maternity
  - Race
  - Religion or belief
  - Sex
  - Sexual orientation.
4. Although non-statutory, the Council has chosen to adopt the Socio-Economic Duty. Council's elected members and officers are required to consider the impact of their decisions on people who are less fortunate because of their social/economic background.
5. EqIAs also help the Council to demonstrate compliance with the requirements of the Public Sector Equality Duty (Section 149 of the Equality Act 2010). The Duty states that a public authority must, in the exercise of its functions, have due regard to the need to:
  - eliminate discrimination, harassment, victimisation and any other conduct that is unlawful under this Act
  - advance equality of opportunity between people who share a protected characteristic and those who do not
  - foster good relations between people who share a protected characteristic and those who do not

## Balancing the Budget Proposals 2024/25

6. Prior to their consideration at Executive in December 2023, all savings proposals were reviewed to determine any potential impact on Stevenage residents in terms of their protected characteristics under the Equality Act 2010. Some of these have no direct public impact and so have not been subject to any further EqIA.
7. Where a new change in policy, procedure, function, service or withdrawal of service is proposed, Assistant Directors and other appropriate managers have drafted EqIAs.
8. This year there are six new proposals that may potentially have a positive, negative or disproportionate impact. These are:
  1. Moving the Customer Service Centre (CSC) to the Atrium
  2. Digitisation of the Book of Remembrance
  3. Football Teams will no longer be provided with equipment such as goalposts
  4. New barrier system in Multi Storey Car Parks (MSCP)
  5. Increased fees and charges (General Fund) to include Planning, Indoor Market, Garages, Car Parks, Cemeteries, Parks
  6. Increased Rents and service charges (Housing Revenue Account)
9. The potential impact of these proposals is summarised over the following pages and will inform the recommendations made at Executive in January 2023. Action to further analyse or mitigate the impact on people with particular protected characteristics is identified where appropriate. Please note the
10. It should be noted that EqIA's are working documents and new equality impacts may be identified throughout the planning and implementation stages of the revised policy, procedure, function, service. To ensure that these changes are captured, EqIAs will be updated, and appropriate mitigations considered accordingly.
11. The following further activity will take place:
  - January 2024 - Consideration of this document at Executive meeting, alongside the budget proposals
  - Ongoing review and update of EQIA's and impact as proposals are further developed and implemented throughout 2024/25, including consultation and engagement as appropriate.

## Summary of Potential Impacts Identified as a Result of Budget Proposals Appendix D

### Key (Summary Potential Impacts Column)

1. Moving the Customer Service Centre (CSC) to the Atrium
2. Digitisation of the Book of Remembrance
3. Football Teams will no longer be provided with equipment such as goalposts
4. New barrier system in Multi Storey Car Parks (MSCP)
5. Increased fees and charges (General Fund) to include Planning, Indoor Market, Garages, Car Parks, Cemeteries, Parks
6. Rents and service charges (Housing Revenue Account)

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
Age	15.2% of Stevenage residents were over 65 at the time of the 2021 census, compared to significantly higher rates in Hertfordshire (17%) and England (18.3%).  Stevenage hosts a slightly younger resident population	1. Since the pandemic the number of people visiting customer services 'in person' has fallen from on average 78 customers a day in Q1 2019 to 7 in Q1 2023, a 90% reduction in the daily average 'in person' visits. The existing space is now oversized for the number of visitors and customers coming into the centre. Another costly and confusing issue for the customer is that there are two entrances to Daneshill House. The relocation of the CSC to the Atrium will ensure that there is one accessible point of entry for service users. To accommodate this and ensure savings, the number of hours open has been reduced, from an	1. The relocation of CSC will ensure a more workable space to meet customers and expedite customer queries. The reduction in hours will be mitigated by improvements to the appointment booking system, which will allow service users to book appointments at times that are convenient to them. Under the Digital First approach, residents will be encouraged to book appointments online, but there will still be an option to call and drop-in where this is not possible.	1. Assistant Director – Transformation

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
	<p>than Hertfordshire and England, with residents aged 15 to 64 years making up 64.6% of Stevenage's population, compared to 63.9% and 63% in Hertfordshire and England, respectively.</p> <p>Office of National Statistic (ONS) data<sup>1</sup> confirms that under 30s and over 60s have lower than average incomes, with ages in between having higher than average incomes.</p>	<p>8am opening to a 9am opening. This may have an impact on all age ranges.</p> <p>2. The older generation of residents may be more likely impacted by the digitisation of the Remembrance book. People who do not have access to a computer or smart phone, may not be able to request or view their entry.</p> <p>3. Residents of all ages may be impacted by the Council reducing the amount of football supplies they provide to teams.</p> <p>5 &amp; 6. Older and younger people may be on lower/fixed incomes and therefore more vulnerable to socio-economic impacts. This raises the possibility that raising rents, fees and</p>	<p>2. The existing physical books will still be displayed, but all new entries (from go-live date) will be digital only. If the demand is evident, there is potential for a digital screen to be displayed to enable in-person visits and digital entries can be made with assistance from the CSC if needed.</p> <p>3. The Council will offer clubs the option to purchase nets and goalposts that the council own for a small fee. To encourage clubs to purchase their own equipment, Football pitch hire will also be available at a reduced rate.</p> <p>5 &amp; 6. See socio-economic impacts section below.</p>	<p>2. Assistant Director – Stevenage Direct Services</p> <p>3. Assistant Director – Stevenage Direct Services</p> <p>5&amp;6. See socio-economic impacts section below.</p>

<sup>1</sup> <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2023>



Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
		charges will have a disproportionate effect on them.		
<b>Disability</b>	<p>According to the 2021 Census, 17.2% of Stevenage residents had a disability covered under the Equality Act that limited their day-to-day activities, which is a 1.5% increase from the 2011 census.</p> <p>The Office for National Statistics (ONS) show that disabled workers earn on average £1.93 per hour less than non-disabled</p>	<p>1. The CSC relocating to the atrium may have an impact on people with disabilities through the opening hours changing from 8am to 9am.</p> <p>2. Residents who have a disability may be more likely impacted by the digitisation of the Remembrance book due to potential online accessibility requirements.</p>	<p>1. Alternative options will remain available for those who require support in person or over the phone. The addition of new ways to access services online is likely to have positive impacts for those with some types of disability. For example, this includes signposting residents to complete a general enquiry form instead of waiting in a phone queue for an average of 10 minutes. The use of sign language and in-person written communication is also on offer to support people from the deaf community visiting the CSC.</p> <p>2. The Council is compliant with Web Content Accessibility Guidelines (WCAG) so that content is accessible to all. These guidelines have recently been updated and the Council will be reviewing all external and internal systems in 2024/25.</p>	<p>1. Assistant Director – Transformation</p> <p>2. Assistant Director – ICT</p>

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
	<p>employees (a gap of over £3,500 per year based on a 35-hour week). The disability pay gap – the difference between median pay for disabled employees and non-disabled employees – was 13.8% in 2021.</p> <p>In July 2023, there were 4,252 Personal Independent Payment (PIP) claimants in Stevenage, 1,853 of which were male and 2,401 were female. This is 21% increase in claimants from March 2022 when there were 3,528</p>	<p>4. The new Barrier System in the Multi-Storey Car Park will use licence plate registration to calculate how long a car has been in the car park. User will be required to input their registration number when making payment.</p> <p>5 &amp; 6. The disability pay gap means that disabled people may be more vulnerable to socio-economic impacts and are more likely to be impacted by the increase in rents,</p>	<p>Whilst accessibility issues may arise for people with disabilities due to the digitisation of the remembrance book, those wanting to make an entry can request assistance via the CSC. Further, people who may have mobility disabilities can view their entry without having to make the journey to the cemetery.</p> <p>4. Guidance on using the system will be displayed within the car-park. Staff will also be available on site to advise. Disabled blue badge holders will continue to park free of charge and without time limit in any on-street pay and display parking bay in Stevenage Town Centre whilst displaying a valid disabled person's blue badge.</p> <p>5 &amp; 6. See socio-economic impacts section below.</p>	<p>2. Assistant Director – Stevenage Direct Services</p> <p>4. Assistant Director – Planning &amp; Regulation</p> <p>5&amp;6. See socio-economic impacts section below.</p>

<b>Protected characteristic</b>	<b>Local/National Information</b>	<b>Summary potential impact(s)</b>	<b>Mitigating action(s)</b>	<b>Responsible officer</b>
	total PIP claimants in Stevenage.	fees and charges. Refer to "Socio-economic" below.		
<b>Gender reassignment</b>	0.49% of residents have a different gender identity to the sex registered at birth, which is similar to averages of 0.41% in Hertfordshire and 0.44% in England.	No differential impacts directly related to people having this characteristic have been identified as a result of these proposals.		
<b>Marital status</b>	Less residents are in married, civil or partnership arrangements in 2021 (46.4%) compared with 2011 (49.4%).	No differential impacts directly related to people having this characteristic have been identified as a result of these proposals.		
<b>Pregnancy and maternity</b>	The total fertility rate (TFR) in Stevenage is 1.8 children per woman in 2021, which is an increase from 1.7	No differential impacts directly related to people having this characteristic have been identified as a result of these proposals.		

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
	in 2020 and a higher rate than the TFR for England (1.62).			
<b>Race</b>	<p>The percentage of Stevenage residents who identify with an ethnic minority has increased from 16.9% in 2011 to 17.2% in the 2021 Census.</p> <p>In 2022, Office of National Statistics (ONS) figures showed that Black, African, Caribbean or Black British employees earned less (£13.53) median gross hourly pay than White employees (£14.35), which has been</p>	5&6. ONS data confirms the existence of an ethnicity pay gap in the UK. People from ethnic minorities may therefore be more vulnerable to socio-economic impacts such as the increase in off-streets parking charges. Refer to “Socio-economic” below.	5&6. See socio-economic impacts section below.	5&6. See socio-economic impacts section below.

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
	consistent since 2012.			
<b>Religion or belief</b>	44.9% of Stevenage residents identify with no specified religion, which is significantly higher than Hertfordshire and England levels (36.6% and 33.7%).	No differential impacts directly related to people having this characteristic have been identified as a result of these proposals.		
<b>Sex</b>	The number of women who participate in any kind of sport or physical activity in England is slowly and steadily increasing in recent years. As of 2021, approximately 17.5 million women participate at least twice a month at any intensity or duration a slight decrease from	3. The Council is keen to encourage women into sport and the need to purchase equipment may negatively impact women's uptake of the sport.  5&6. ONS data confirms the existence of a gender pay gap in the UK. Women may therefore be more vulnerable to socio-economic impacts and are more likely to be impacted by the increase in off-streets parking charges (see socio-economic section below).	3. The Council will offer the option to purchase nets and goal posts that the council own for a small fee. To encourage clubs to purchase their own equipment, Football pitch hire will also be available at a reduced rate.  5&6. See socio-economic impacts section below.	3. Assistant Director – Stevenage Direct Services  5&6. See socio-economic impacts section below.

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
	<p>17.78 million women in 2020 (<a href="http://www.statista.com">www.statista.com</a>).</p> <p>In 2021, the UK's gender pay gap rose from 14.9% to 15.4% (Office for National Statistics, ONS, 2021). This means that, on average, women earn just over 15% less than men per hour.</p>			
<b>Sexual Orientation</b>	2.7% of residents identify with LGBTQ+ sexual orientations, which is higher than Hertfordshire's average of 2.3% but lower than the national average of 3.17% in England.	No differential impacts directly related to people having this characteristic have been identified as a result of these proposals.		
<b>Socio-economic</b>	According to the 2019 English Index	3. The Council reducing the amount of football equipment they provide to	3. The Council will offer the option to purchase nets and goal posts that the	3. AD -Stevenage Direct Services)

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
	<p>of Multiple Deprivation, Stevenage continues to be the most deprived authority in Hertfordshire. Of this, Bedwell is the most deprived ward in Town.</p> <p>In 2023, there are 26.83% of garage licence holders that are Council Tenants that potentially are in receipt some sort of benefits payment.</p> <p>As of 2023, 41.95% of current garage licence holders are documented as being Age 60 or above and could be on lower incomes.</p>	<p>teams will result in teams and players having to provide their own, which may cause financial difficulties depending on their socio-economic status.</p> <p>5. Any introduction of parking charges is likely to impact most on those who are already at socio-economic disadvantage. This could mean that parking becomes unaffordable for some people. However, existing parking charges represent only a small cost compared to the overall expense of running a car, and the less well-off are more likely not to drive (more than half of households in the bottom income quartile do not have a car).</p> <p>The price increase on garages might impact residents with a socio-economic disadvantage who are in receipt of benefits. Specifically, some elderly, disabled &amp; socio-economic disadvantaged residents might be negatively affected due to being charged a maximum additional 95p per week for garages.</p>	<p>council own for a small fee. To encourage clubs to purchase their own equipment, Football pitch hire will also be available at a reduced rate.</p> <p>5. Stevenage Town Centre is well served by other modes of transport to offer alternatives for those who are already at socio-economic disadvantage. Future feedback on this will be closely monitored including throughout the upcoming formal parking public consultation.</p> <p>Holding a garage license is a discretionary service and licensees use them for parking their cars or for storage purposes. If the licensee becomes unable to afford the current tier of garages, they will be able to bid on a lower tier, lower cost garage through Digital Lettings.</p>	<p>5. Culture, Wellbeing &amp; Leisure Services Manager</p> <p>5. Assistant Director – Finance</p>

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
	<p>In May 2023, 6,163 households were in receipt of Universal Credit in Stevenage, a 2% decrease from 6283 households in March 2022.</p> <p>In July 2023, there were 4,252 Personal Independent Payment (PIP) claimants in Stevenage, 1,853 of which were male and 2,401 were female. This is 21% increase in claimants from March 2022 when there were 3,528 total PIP claimants in Stevenage.</p>	<p>The increase in Direct Application Planning Fee might impact residents with a socio-economic disadvantage.</p> <p>There has been a slight increase on some charges associated with park and sports facilities (St Nicholas Pavilion; Ridlins Athletics; sporting events) that may have a negative impact. These price increases will be spread across a number all groups minimising the cost to individuals. These services are already subsidised by the council.</p> <p>Some plot holders may have to give up their allotment if they can no longer afford it due to their socio-economic status.</p> <p>Some fees for burial services have increased that may have a negative impact.</p>	<p>Fee increases and charges are reviewed annually by the Council to ensure that the cost of providing the service is met. Examples of where the council has discretion to increase fees and charges include (but are not limited to): Cemeteries; Fishing; Allotments; Env Health inspection; Planning; Bulky Waste.</p> <p>To help mitigate the increase in Planning Fees, the Council does offer a free enquiry service to ensure a person is provided the advice they need prior to making an application.</p> <p>For those that qualify, a funeral grant can be applied for to help with the cost of a burial.</p> <p>To help mitigate any negative impacts on residents the Council is able to offer concessions to those who are eligible. Eligibility is dependent on the service but typically will include residents in receipt of a means tested benefit. Please see the Council's</p>	



Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
	<p>In March 2023, the number of Council Tax Support recipients of working age (non-pensioners) was 3,154, which has slightly decreased from 3,366 in March 2022.</p> <p>The impact of the 2024/25 rent increase and service charges is 269 homes or 2.7% receive a rent and service charge increase less than £6 per week; 7,266 homes or 90% of households will receive a weekly rent and service charge increase of less than £10 per week (based on 52 weeks).</p>	<p>6. Rents will be increased by 7.6% from 1 April 2024. This has been calculated in accordance with the current Rent Standard issued by the Government that increases rents by September CPI inflation +1% and the Council's Rent and Service Charge Policy.</p> <p>Service charges are not subject to a 7.6% rent increase but are based on cost recovery or actual cost. So for 2024/25, service charge costs will increase with inflationary pressures and changes in usage.</p>	<p>Concessionary Policy for further information on the Council's approach to setting concessions.</p> <p>6. To help mitigate any negative impacts on residents the Council will continue to offer financial assistance through multiple support schemes and activities, including:</p> <p>Rent increase information will be published on the Council website early February 2024 to start preparing tenants.</p> <p>The rent notification letter (to be sent out at the end of February 2024) will offer tenants the opportunity to discuss any queries they have with staff. It will explain why the rent has increased and also explain any increase in service charges. Where a property has a number of service charges they will be fully explained, with a summary of how the weekly charge has increased overall.</p> <p>Where support charges are also included (mainly but not exclusively for sheltered and flexi care schemes)</p>	<p>6. Assistant Director - Finance</p>

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
			<p>separate notifications will be sent out to these residents to ensure it is clearly set out how each element of the weekly charge is made up.</p> <p>To ensure that this is explained as clearly as possible there will be a FAQ sheet and details on the website and hard copies available for those who need them.</p> <p>The policy states that the Council will have regard to the Local Housing Allowance when setting affordable rents. If affordable rents are set at this level, Housing Benefit/ Universal Credit housing cost will cover the rent in full for those tenants who are entitled to the maximum amount of housing benefit. Setting at the Local Housing Allowance will also benefit tenants who are, for example on a low wage or zero hour contracts and where partial housing benefit can be paid.</p> <p>For those moving into Affordable Rent (AR) properties a comprehensive affordability assessment is carried out</p>	

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
			<p>prior to offer to ensure that the tenancy is sustainable.</p> <p>The implementation of the policy in respect of Affordable Rent will be kept under review by the Housing Development Executive Committee and should adverse impacts be identified this will inform future decision making in this regard.</p> <p>Support provision for this group has been increased as part of an Income Recovery Action plan and it has been extended for a further 2 years to ensure that they can pay through sustainable arrangements to maintain payments towards rent and service charges and have access to required support.</p> <p>Additional staffing resources have been secured to continue work to target and support Universal Credit cases to maximise income collection and minimise the level of arrears for this group of tenants.</p> <p>The Council will make links to support and guidance clear on all of its communication platforms.</p>	

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
			<p>The Council will prepare staff to respond effectively and empathetically with tenants, this includes referral to the Council Tax Reduction Scheme. Residents who are eligible to apply include those who have:</p> <ul style="list-style-type: none"> <li>• low income or claiming benefits (including Universal Credit)</li> <li>• have dependent children</li> <li>• ill or disabled</li> <li>• caring for someone</li> <li>• State Pension age</li> <li>• bereaved</li> <li>• pregnant or have recently had a baby</li> <li>• less than £16,000 in savings</li> <li>• savings are over £16,000, but this money was from a compensation payment or a Prisoner of War payment or you are on Pension Credit Guarantee.</li> </ul> <p>The scheme will be communicated to residents through customer-facing support services, as well as through existing information, advice and guidance provided by partners such as Citizens Advice. The Council will also publicise the scheme through its website and social media channels.</p>	

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
<b>Other</b>				

5. Replacing cash payment with contactless payment will decrease the Council's annual costs. Also, this change will reduce crime in the area (no break-in attempts as P&D machines will not hold cash). Contactless payments are more convenient than needing to have the correct coins for the required length of stay. This new payment method will appear on bank statements providing users ability to reclaim parking fee from their employer. Following this upgrade, these parking machines will be connected to a new back-office monitoring system enabling any faults to be quickly identified / resolved and allowing payment queries to be investigated.

Mitigating actions:

- Free parking for disabled blue badge holders already implemented. Cash payment option retained in at least one Council town centre car park. Contact number for assistance to be displayed on all on-street parking machines to help those unable to pay via bank card or by phone. Future public consultation to determine if further adjustments are needed.
- Discussion with the Garages & Commercial team regarding garages void rates and inflationary pressures led to the implementation of applying different percentage increase to different garage types (ranging from 1.95% to 10%) depending on the specification and demand. Every effort will be made for residents to be moved to a lower cost garage (if available) if required.
- Discussion with the Commercial Manager to undertake a benchmarking exercise of SBC pre-application fees against the fees which are charged by authorities across Hertfordshire. Council does also provide a free enquiry service for general householder proposals so will not have to pay for certain levels of advice.
- Awareness raising of concessions available to those on means tested benefits. Raise awareness of concessions available to those on means tested benefits. Undertake satisfaction survey with allotment plot holders.
- Notice will be given in plenty of time to market traders, with support provided to ensure they can continue managing their stalls (i.e., amended payment plans, downsizing if needed, etc).

## **Appendices – Linked EqlAs**

**[Add link to all referenced individual EqlAs and copy them across in the adjacent pages]**

1. CSC Relocation EqlA *(need updated copy following critical friend comments)*
2. Fees & Charges (General Fund) EqlAs *(need updated copies following critical friend comments)*
  - Parking
  - Garages
  - Planning
  - Allotments
  - SDS (Cemeteries, Parks & Trade Waste)
  - Indoor Market
3. Rents & Service Charges (HRA) *(need updated copies following critical friend comments)*

# Appendix E - Climate Change – Decarbonising Stevenage Borough Council Fuel

## Hydrotreated Vegetable Oil (HVO) Business Case

Stevenage Borough Council.

Created by	Richard Baldock / Fabian Oyarzun
Job title	Procurement and Compliance Manager / Head of Climate Action
Contact	07936 360 945
Date	19.12.2023

### 1. Summary

- 1.1 HVO is an effective way to lower the Council's GHG emissions until the Council transitions to a definite zero emissions energy source for the fleet, reducing the fleet-related net emissions by up to 90% or 751 tCO<sub>2e</sub> per year.
- 1.2 There would be an increased cost of circa £156,115.99 to the fleet fuel bill at the current price but significant environmental benefits at the local and global level.
- 1.3 Switching to HVO would help to demonstrate progress in addressing the climate crisis and directing efforts towards the council's climate targets.
- 1.4 There are no additional infrastructure changes required and no modifications to the vehicles' engines are needed.

### 2. Background

- 2.1 As part of Stevenage's target to be net zero by 2030, the Council has set a target to decarbonise the fleet before 2030.
- 2.2 The fleet accounted for circa 23% of Scope 1 and 2 emissions of the Council when we developed the baseline, based on 2018 data.
- 2.3 Currently the Council operates a mixed fleet of vehicles consisting of large goods vehicles, vans, tractors, mowers, road sweepers, plant, and small utility vehicles.
- 2.4 Almost all the fleet currently runs on white diesel fuel. The Council now has two electric vans. The first electric van was delivered on the 23/8/23 and the second on 5/12/23.
- 2.5 White diesel is a petroleum fuel created by distilling crude oil. It is commonly referred to as simply diesel and is used for transport in the UK.
- 2.6 As part of the Council's Climate Change Strategy, we have developed a pathway to decarbonise the fleet. This pathway includes the switch from diesel to an ultra-low carbon biofuel, as soon as possible, and using BEVs as the preferred replacement option for cars and small vans (from 2025 onwards) and light-duty (from 2027), and ZEVs (BEVs or hydrogen FCEVs) for HGVs (from 2027).

- 2.7 Diesel (B7) is a type of diesel that contains up to 7% biodiesel, which is a renewable fuel derived from oilseed rape, sugar beet, and wheat.
- 2.8 In the year 01.12.22 – 30.11.23 the Council used 332,161.70 litres of diesel (B7) in the fleet. Each litre of diesel combusted produces 2.512 kgCO<sub>2e</sub>, therefore the fleet produced 834.39 tCO<sub>2e</sub> in that year.
- 2.9 Changing to HVO can reduce the net GHG emissions from the fleet by up to 90%, a potential saving of 750.95 tCO<sub>2e</sub> per year.

### **3. Hydrotreated Vegetable Oil (HVO)**

- 3.1 HVO, also known as HVO Biodiesel, is a synthetic, second-generation paraffinic fuel, a biofuel produced from vegetable oil waste through hydrocracking or hydrogenation.
- 3.2 Hydrotreating is the process of reacting the feedstock with hydrogen in order to remove atoms other than carbon and hydrogen, particularly oxygen atoms.
- 3.3 As a result, HVO has a longer shelf life than regular biodiesel, which is produced through an esterification process using methanol, which fails to remove oxygen increasing the risk of oxidation. Eventually this can cause contamination and thus regular biodiesel must be closely monitored to check if still usable.
- 3.4 HVO is produced to conform to EN15940 & ASTM D975 standards for paraffinic & diesel fuels, and the EU Fuel Quality Directive (FQD) 2009/30/EC Annex 2.
- 3.5 HVO can be used as a direct, drop-in replacement for white diesel. It can be stored in the same fuel tank and be used in the same way as diesel, without modifications.
- 3.6 All of SBC's fleet vehicles except for two older vehicles (which are due to be replaced) have the OEM approvals for HVO use.
- 3.7 HVO fuel offers improved combustion, further reducing emissions such as NO<sub>x</sub>, MP, unburnt HC, and CO.
- 3.8 If HVO supply ever became an issue the Council fleet can just switch back to diesel.
- 3.9 Vegetable oils used in HVO production may include rapeseed oil, sunflower oil, canola oil, soybean oil, corn oil, palm oil, waste cooking oil, and tall oil.
- 3.10 Therefore, HVO needs to be sourced from suppliers that can demonstrate their supply chains are sustainable, particularly, not using palm oil as this can contribute to deforestation and climate change.
- 3.11 The fuel origin can be verified to check that the source is low carbon when considering the whole supply chain (e.g., ISCC standard). This can be a requirement during our procurement process.

### **4. Costs Comparison: HVO and White Diesel**

- 4.1 The Council used 332,161.70 litres of white diesel between 01.12.2022 and 30.11.23.
- 4.2 The base price of diesel and HVO on the framework that the Council use are the same; however, the supplier margin for white diesel is 3p per litre while for HVO is 50p per litre – more expensive due to increased supply chain costs.



- 4.3 This is 47p per litre more than diesel which equates to £156,115.70 above the amount SBC currently pays per year. The price of white diesel as of 22.11.23 was £1.11638 per litre.
- 4.4 Averaged over a year (the price fluctuates) the cost was approximately £386,569.78 on white diesel. A move to HVO would increase the councils fuel bill to £542,685.77.
- 4.5 This extra amount will decrease over the years, based on the above-mentioned pathway for decarbonising the fleet.
- 4.6 This extra bill expenditure could allow the council to save 750.95 tCO<sub>2e</sub> per year. This means that the abatement cost of carbon through this alternative is 207.89 £/tCO<sub>2e</sub>.

## **5. HVO Switch**

- 5.1 The Cavendish Road depot has two diesel fuel tanks: one is 25,000 litres the other is 5,000 litres.
- 5.2 All the vehicles and machinery have a fuel tag to use the pumps and they are allocated to a pump to use.
- 5.3 We have worked out the practicalities of a partial switch (50%) to HVO. This will mean one tank having HVO and the other diesel.
- 5.4 Currently we have diesel delivery every 2-3 weeks that fills up both tanks. It usually takes 2-3 days from ordering fuel to getting the delivery.
- 5.5 Due to the size of the tanks and our fleet operation patterns, a partial switch would require an important increase in filling up and fuel deliveries, increasing the risk of running out of diesel and having to conduct manual changing of tags.
- 5.6 Trialling HVO in 50% of the fleet will be hard to manage and risks our fuel resilience. We are therefore recommending a 100% switch to HVO.

## **6. HVO Switch Costs Allocation**

- 6.1 The costs have been broken down to the combined fleet, then SDS fleet and non-SDS fleet as SDS are funded from the general fund (GF) and non SDS from the HRA fund.
- 6.2 The diesel price is based on the invoiced price from November 2023 (£1.1638 per litre excluding VAT). HVO is 47p per litre higher due to the supplier margin. The base price is broadly similar.
- 6.3 If the Council switched to HVO at 100% on the 1<sup>st</sup> December 2024, the extra cost for December, January, February and March would be: £52,038.64, split £46,584.36 general fund and £5,454.28 HRA fund (excluding VAT).
- 6.4 As part of the 2024/25 Budget setting process for the General Fund and HRA, Members approved a total of £75k growth (66k General Fund and 9k HRA) to allow for a switch to HVO from the 1<sup>st</sup> of October 2024. This document sets out the benefit of switching fuel as the Council is committed to Net Zero by 2030.

## **7. Reasons for using HVO and benefits**

- 7.1 HVO is a FAME-free, fossil-free, sulphur-free, renewable, biodegradable, and non-toxic fuel that is produced from sustainable sources.
- 7.2 It is an effective way to lower up to 90% of the fleet net GHG emissions, achieving a potential saving of 751 tCO<sub>2e</sub> per year, demonstrating a step towards 'net zero', and leading others by example.
- 7.3 It is a flexible drop-in replacement for diesel and can be used without engine modifications or new infrastructure requirements (no other costs involved).
- 7.4 Mature technology, tested out by large companies (low technological risk), and approved by numerous OEMs.
- 7.5 This interim approach will create time to allow for the development of alternative energy sources and technologies, to help the council plan the finances and ensure the council makes the best investment decisions to get the fleet to zero carbon in due course.
- 7.6 It will also help the council's resilience if there were fuel supply chain issues, with the ability to switch products.
- 7.7 The new fuel contract procurement has got the option to switch to HVO written into the specification. This is due to be in place in March 2024.
- 7.8 HVO can reduce maintenance costs due to the cleaner burning with better engine performance. It reduces particulate build-up, engine wear, and ageing of engine oils.
- 7.9 The unsaturation and contaminants removed during HVO production result in better storage stability and a longer shelf-life of up to 10 years compared to 1 year for diesel (relevant for back-up generators).
- 7.10 HVO leads to exhaust emissions benefits, with substantial reductions in NO<sub>x</sub>, PM, CO, and HC, improving air quality.
- 7.11 Year-round performance, including exceptional cold-weather performance. It can be used down to -42°C. Its low cloud point reduces likelihood of waxing in low temperatures. Additionally, it has a high flash point.

## **8. Drawbacks of using HVO**

- 8.1 HVO has a greater supplier margin than diesel, resulting in an increased fuel bill for SBC.
- 8.2 The reduction of NO<sub>x</sub> and MP emissions varies with the type and size of engine; however, it is certain that Euro 6 engines reduce PMs by as much as 99% and NO<sub>x</sub> by 45%. By 2026 we should only have 5 vehicles in our fleet that are not Euro 6 standard.
- 8.3 As the demand increases the price could also, introducing some risks due to price fluctuations. However, this is not so different from what currently takes place with diesel.
- 8.4 To guarantee that net GHG emissions are reduced by up to 90%, there is a need to monitor the life-cycle emissions across the HVO supply chain, information that must be certified. The Council should also aim to avoid unintended consequences across the HVO supply chain, particularly when using palm oil or feedstock linked to deforestation.
- 8.5 There might be shortages in the supply chain if the demand greatly increases.

## Glossary

<b>B7</b>	Diesel type blended with 7% of renewable biodiesel.
<b>BEV</b>	Battery Electric Vehicle.
<b>CO</b>	Carbon Monoxide.
<b>CO<sub>2</sub></b>	Carbon Dioxide.
<b>CO<sub>2e</sub></b>	Carbon Dioxide Equivalent.
<b>EN15940</b>	A paraffinic diesel fuel specification that governs a new generation of cleaner transport fuel for use in road vehicles.
<b>EU</b>	European Union.
<b>Euro 6</b>	An engine emission standard introduced by the EU in September 2015.
<b>EV</b>	Electric Vehicle.
<b>FAME</b>	Fatty Acid Methyl Ester.
<b>FCEV</b>	Fuel Cell Electric Vehicles.
<b>FQD</b>	Fuel Quality Directive.
<b>GF</b>	General Fund.
<b>GHG</b>	Greenhouse Gases.
<b>HC</b>	Hydrocarbon, an organic compound consisting of hydrogen and carbon.
<b>HRA</b>	Housing Revenue Account.
<b>Hydrocracking</b>	The process that breaks big molecules into smaller ones using hydrogen.
<b>Hydrogenation</b>	The process of adding hydrogen to molecules.
<b>HGV</b>	Heavy Good Vehicle.
<b>HVO</b>	Hydrotreated Vegetable Oil.
<b>ISCC</b>	International Sustainability & Carbon Certification.
<b>Net Zero</b>	The net total of your GHG emissions is zero.
<b>NO<sub>2</sub></b>	Nitrogen Dioxide, a type of NO <sub>x</sub> .
<b>NO<sub>x</sub></b>	Nitrogen Oxides.
<b>OEM</b>	Original Equipment Manufacturer.
<b>Palm Oil</b>	Vegetable oil that is widely used but linked to deforestation.
<b>Particulates</b>	Soot and particles as a result of combustion.
<b>PM</b>	Particulate Matter.
<b>Scope 1</b>	Direct emissions caused by operating the assets the Council owns or control, e.g., burning gas and fuels.
<b>Scope 2</b>	Indirect emissions caused by the production of energy that the Council buy, e.g., electricity generation.
<b>Shelf Life</b>	The length of time that the product can be stored before degrading.
<b>White Diesel</b>	Taxed diesel for road going vehicles.
<b>ZEV</b>	Zero Emissions Vehicle.

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**Meeting** EXECUTIVE  
**Portfolio Area** Resources, Transformation & ICT  
**Date** 17 JANUARY 2024  
**DRAFT CAPITAL STRATEGY 2023/24-2028/29**



## KEY DECISION

**Authors** Rhona Bellis  
**Contributors** Reenu Keogh / Belinda White/ Senior Leadership Team  
**Lead Officers** Brian Moldon  
**Contact Officer** Clare Fletcher

## 1 PURPOSE

- 1.1 To approve revisions to the 2023/24 General Fund (GF) and Housing Revenue Account (HRA) Capital Programme and Strategy and approve the draft Capital Programme for 2024/25 for consideration by the Overview & Scrutiny Committee.
- 1.2 To provide Members with an update on the Council's draft five-year capital strategy and the resources available to fund the Capital Strategy.
- 1.3 To provide Members with an update on the Council's investment strategy as required by the updated prudential code.
- 1.4 To set out the Council's approach to funding its key priorities.
- 1.5 To update Members on the work of the Council's Financial Security Group (CFSG) in reviewing all General Fund capital bids prior to inclusion in the final 2024/25 Capital Strategy to the February 2024 Executive.
- 1.6 This item is a policy and budget report that cannot wait until the February Executive for publication.

## 2 RECOMMENDATIONS

That the:

- 2.1 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.
- 2.2 Draft HRA Capital Budget for 2024/25 of £54.9Million, as set out in Appendix C to the report, be proposed for consultation purposes.

- 2.3 Updated forecast of resources 2024/25 be approved subject to the consultation process, General Fund section 4.4, HRA section 4.10.
- 2.4 General Fund capital budget re-profiling of £2.6Million from 2023/24 to future years be approved (paragraph 4.1.4).
- 2.5 General Fund capital budget savings (paragraph 4.1.3 and 4.1.5) be approved.
- 2.6 Approach to resourcing the General Fund capital programme as outlined in the report (Paragraph 4.4) be approved.
- 2.7 General Fund growth bids identified for inclusion in the Capital Strategy (paragraph 4.2, and Appendix A to the report) be approved in principle.
- 2.8 HRA budget increases identified for inclusion in the Capital Strategy (section 4.9 and Appendix C to the report) be approved.
- 2.9 Approach to resourcing the HRA capital programme as outlined in the report (Paragraph 4.10) be approved.
- 2.10 HRA capital budget re-profiling of £1.45Million from 2023/24 to future years be approved (paragraph 4.9.3).
- 2.11 HRA growth bid (IT £21k) identified for inclusion in the Capital Strategy (paragraph 4.9.4) be approved in principle.
- 2.12 2024/25 de-minimis expenditure limit (section 4.11 of the report) be increased from £7.5K to £9.999K be approved and;
- 2.13 That up to £500k of any revenue surplus in any year can be allocated to the capital reserve to support capital expenditure be approved.

### **3 BACKGROUND**

#### **3.1 Introduction**

- 3.1.1 The purpose of the Capital Strategy is to outline how the Council determines its priorities for capital investment and how much it can afford to borrow as well as setting out any associated risks. The Council's Financial Security Group (CFSG) and the Senior Leadership Team will review the capital bids for 2024/25 contained within the Draft Capital Strategy in December / January 2024 and the results of that review will be included in this report at that time.
- 3.1.2 The framework the government uses to control how much councils can afford to spend on capital investment is known as the Prudential Framework. The objectives of the Prudential Code, which sets out how this framework is to be applied, are to ensure that local authorities' capital investment plans are:
  - affordable, prudent, and sustainable and that:
  - treasury management decisions are taken in accordance with good professional practice;
  - local strategic planning, asset management planning and proper option appraisal are supported.
- 3.1.3 The Government issued guidance on the disclosures required in the Capital Strategy from 1 April 2018 onwards which includes:
  - an Investment Strategy;

- disclosure of other investments and their contribution to service delivery objectives and/or place making role;
- indicators that allow Members and the public to assess a local authority's total risk exposure as a result of investment decisions, including how these investments have been funded, rate of return and additional debt servicing costs taken on;
- the approach to assessing the risk of losses being made before entering and whilst holding an investment; and
- the steps taken to ensure that elected Members and Statutory officers have the appropriate skills and governance.

3.1.4 Some of these disclosures may be outlined in the Treasury Management Strategy instead of the Capital Strategy.

## **3.2 General Fund Investment Strategy**

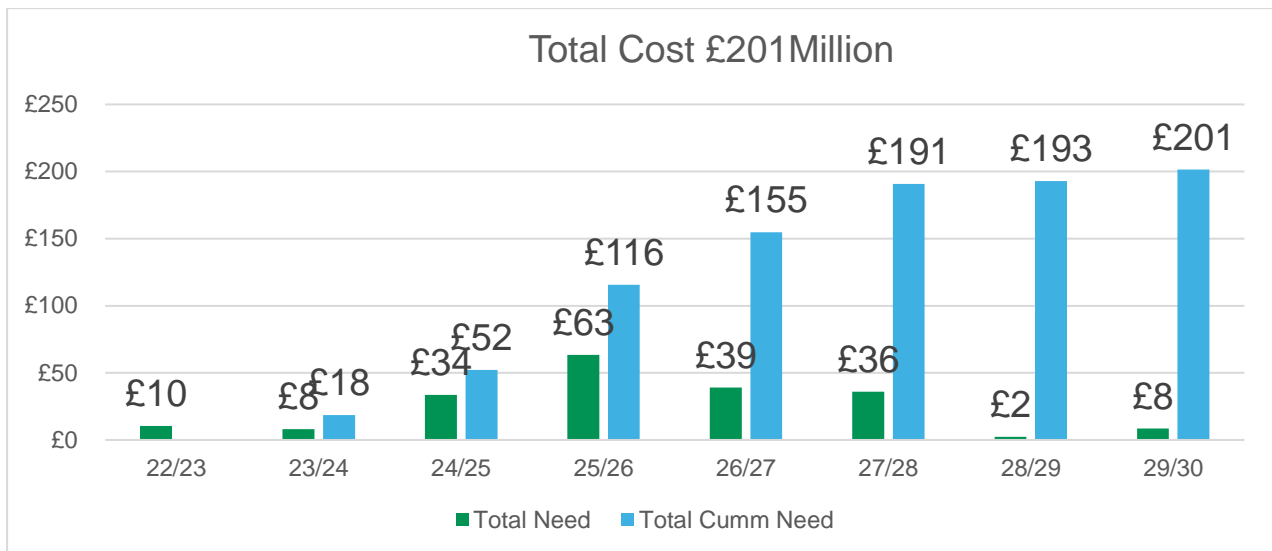
3.2.1 For a number of years capital spend has been prioritised due to the limited availability of capital receipts and the Council's ability to afford borrowing costs. Accordingly, the council applied a 'fix on fail' approach to assets with no significant asset improvements being funded, with the exception of those supported through external funding or partially through external funding (for example Garage Improvement programmes). This approach cannot be sustained in the medium to long term as it will lead to a gradual degradation of the Council's assets with reactive works only being undertaken to keep sites wind and water tight. Sustaining such an approach in the medium term will inevitably lead to close of buildings even before consideration is given to the legal requirements in terms of Energy Performance Certificate (EPC's) and other legal and climate change requirements.

3.2.2 To address the issues above, The General Fund Capital Strategy Overview - Priorities versus Funding Requirement 2023/24-2029/30 report to Executive 15 November 2023 set out the Councils key capital regeneration and community asset ambitions and key land and asset disposals, to determine a funding strategy to meet Corporate objectives and address the issues outlined above.

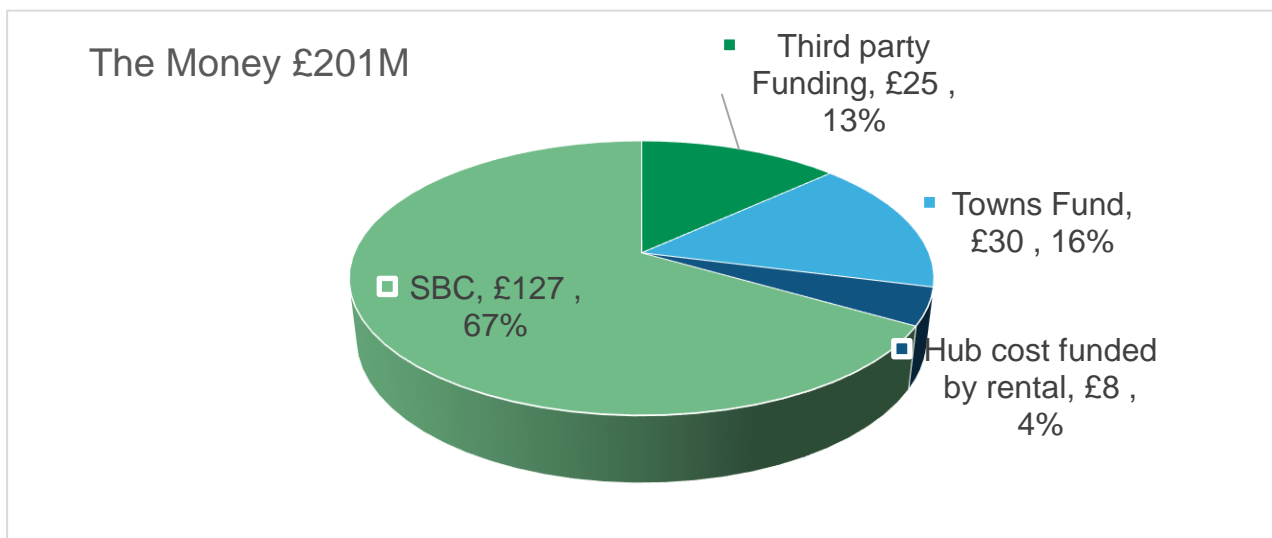
3.2.3 The following priority schemes / activities require a funding strategy:

- Regeneration SG1- Public Sector Hub, Leisure Centre and Theatre
- Climate Change - green fleet, buildings (operational, community and commercial)
- Towns fund programme where match funding is required
- Operational need investment in Community Assets
- Response to Legislative changes e.g. waste and recycling
- Protection of key income streams to ensure the financial resilience of the General Fund

3.2.4 A summary of the spend is shown in the chart below, which gives an estimated cost of £201Million.



3.2.5 The majority of the funding £127Million (67%) is for Stevenage Borough Council to resource as set out in the chart below. In addition, some of the hub costs funded through rental income will need to be financed upfront (£8Million). This will require a funding strategy and prioritisation to meet that £135Million identified capital need.



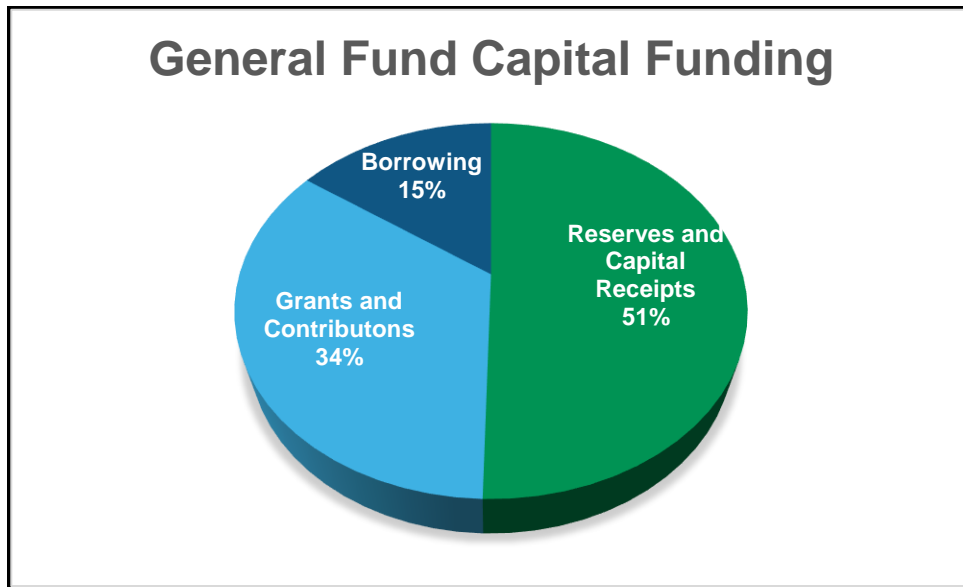
3.2.6 The current potential value of capital receipts that could be released by SBC is £44Million which is significantly less than the need identified of £127Million. This means that even if all approved receipts were delivered there will still be a requirement to find alternative funding strategies or third-party funding to meet the gap or require investment needs to be self-financing through part sale of land to develop and generate receipts. The total investment requirement and ringfenced receipts are currently excluded from the Capital Strategy until the funding gap is identified.

3.2.7 The limited funding available compared to the identified current need means that in the main priority schemes will need to provide a significant element of self-funding through providing land development opportunities.

3.2.8 The current years capital programme (approved February 2023 and as subsequently amended through the quarterly monitoring and supplementary



reports), is fully funded, and shown in the chart below which reflects the quarter one and two monitoring report to the October 2023 Executive.



- 3.2.9 Grants and contributions include £7.5Million Towns Fund Grant from an overall allocation of £37.5Million which is fully allocated to specific regeneration projects. Funding is received in stages as relevant projects proceed.
- 3.2.10 Short term borrowing is used to bridge funding gaps and is generally “repaid” from capital receipts in the following year.
- 3.2.11 Prudential Borrowing remains an option to fund capital schemes. Due to the on-going net cost to the General Fund, any such proposal requires a business case to be completed to determine affordability and benefit to the Council. This approach may be used to fund income generating schemes which support the Councils Priorities. The borrowing in the graph above is internal borrowing, which uses the councils internal cash resources for short term funding requirements. This internal borrowing is repaid in future years from capital receipts.

### **3.3 Housing Revenue Account (HRA) Investment Strategy**

- 3.3.1 The HRA capital programme was revised as part of the HRA Business Plan (BP) approved by Executive in November 2023. The 30-year HRA capital programme provides for £1.643Billion HRA investment including £351Million additional borrowing over the same period, an increase from the last review of £28.8Million (£322.20Million).
- 3.3.2 The plan allows for total investment of £262Million from 2023/24 to 2028/29, with the majority of this invested in existing (56%) and new housing stock (44%). It is important that the Council continues to balance ongoing investment with the need to replace RTB sales, in order meet housing demand and ensure the financial stability of the HRA in the longer term.
- 3.3.3 The HRA is a legally ring-fenced account and the HRA BP covers both revenue and capital expenditure as they are intrinsically linked – capital investment

supporting the provision of services over the course of the plan. More details can be found in the HRA Final Budget 2024/25.

- 3.3.4 Funding for HRA capital projects comes from a variety of sources and preference is given to using restricted or third part funding ahead of more flexible funding, to ensure that funding conditions are met and optimised. These include right to buy receipts, s20 receipts, grants and developer contributions.

### 3.4 Budget and Policy Framework

- 3.4.1 The process for approving capital budgets is set out in the Budget and Policy Framework in the Constitution. This includes a consultation period and the timescale required to implement this is outlined below:

Table 1		
Date	Meeting	Report
Jan-24	Executive	Draft 2023/24 – 2028/29 Capital Strategy (GF and HRA)
	Overview and Scrutiny	Draft 2023/24-2028/29 Capital Strategy (GF and HRA)
Feb-24	Executive	Final 2023/24 – 2028/29 Capital Strategy (GF and HRA)
	Overview and Scrutiny	Final 2023/24 – 2028/29 Capital Strategy (GF and HRA)
Feb-24	Council	Final 2023/24 – 2028/29 Capital Strategy (GF and HRA)

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

### 4.1 Capital Programme– 2023/24-2024/25 General Fund

- 4.1.1. Due to the ongoing financial pressures as set out section 3 of this report the CFO recommended the following approach to approving and funding General Fund 2024/25 capital expenditure :
- Review existing 2023/24 and 2024/25 budgets in the Capital Strategy for completeness and to advise if circumstances have changed, and
  - Only submit new 2024/25 growth bids that are urgent or support the delivery of a top priority.
- 4.1.2. Following that review, Officers have identified £4.2Million of projects where there is a business justification for rephasing the spend profile of the budget from 2023/24 to 2024/25 (£2.6Million) and budget savings of £1.6Million. Forecast spend for 2023/24 is £24Million representing 85% of the overall current strategy.

**Table 2: Revised Capital Programme excluding Growth 2023/24 and future years**

	Current Strategy Q2	Budget Savings	Rephased	Revised 23/24 Strategy	Revised 24/25 Strategy	Revised 25/26 Strategy	Revised 26/27 Strategy	Revised Strategy 27/28 and 28/29
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Stevenage Direct Services	6,539	(147)	(1,628)	4,763	2,428	94	0	0
Housing Development	2,590	(294)	(649)	1,648	5,223	5,754	424	0
Finance and Estates	1,725	0	(32)	1,693	739	0	0	0
Digital & Transformation	602	(130)	(105)	367	99	0	0	0
Regeneration	12,532	0	0	12,532	21,587	7,945	0	0
Communities and Neighbourhoods	2,171	(38)	(205)	1,928	251	10	0	0
Planning and Regulatory	702	0	0	702	421	0	0	0
Deferred Works Reserve	1,279	(1,017)	0	262	230	0	0	0
<b>Total GF Schemes</b>	<b>28,140</b>	<b>(1,626)</b>	<b>(2,619)</b>	<b>23,895</b>	<b>30,978</b>	<b>13,803</b>	<b>424</b>	<b>0</b>

4.1.3. The budget savings of £1.6Million mainly relate to:

- Vehicle replacements – net budgets not required in 2023/24, replaced with new growth for vehicle requirements 2024/25 - £84.6k.
- The Shrub Bed programme budget of £132.5k has been reduced in 2023/24 by £62.5k to £70k based on the estimated cost of this year's programme.
- The capital programme relating to the review of Biodiversity Action Plan has now been commissioned and the costs are less than the budget (saving £5K).
- The remaining budget for the North Road development is now completed, the remaining budget is no longer needed thereby saving - £294k.
- IT General budgets have been reviewed and £130k is not required in 2023/24. These budgets are reviewed annually and further growth bids brought forward to support the future programme.
- SALC ceiling repairs now complete – remaining budget released £20k.
- CCTV mobile camera replacement for mobile safety £7k. This budget and the budget for 2024/25 (£5k) will now be grant funded and are de-minimis.
- Reduction in the Deferred Works reserve budget of £1Million, leaving £262k in the 2023/24 budget as the allocation is no longer required.

4.1.4. The budgets to be re-phased to future years of £2.6Million relate to:

- Play Area Improvement Programme (£555K) and Peartree skate park (£40k) – these have been impacted by recruitment challenges and as a result Project Managers are unable to deliver the remaining capital improvement due in

2023/24. The Council has confirmed its commitment to completing this programme of works.

- Legal issues have delayed the delivery of the Hertford Road Play Area investment (£25k). Officers are working to ensure this project can be delivered.
- Delivery of the Cavendish Transfer Station fire protection works (£350k), Thermal Image Cameras (£80k) and a roof for the residual waste bay (£150k) have been delayed but the Council remains committed to completing these investments.
- The repair to the wall at the closed St Nicholas Church (£30k) has been delayed due to the need for further assessment of the wall to be undertaken. This scheme will now be completed in 2024/25.
- Digital system for streets and ground services (£56k) and for Play area inspections (£16.5k) – a review and assessment of this system is being undertaken in conjunction with the transformation team. The related spend is now likely to take place in 2024/25.
- Vehicle replacement for roll On / Off (£105k) and receptacles for new rounds (£160k) – the procurement process has been paused whilst officers assess the requirement and impact of new government legislation.
- Replacement of Water Bowers (£15k) – the project has been paused whilst officers consider the best replacement option. Expenditure is now expected to fall into 2024/25.
- Maxi Truck (£40k) – officers are trialling the best options within the EV market. Expenditure is now expected to fall into 2024/25.
- Kenilworth Community Centre (£649k) – this scheme has been delayed due to the need to consider the outcome of related public engagement / consultation.
- The Building condition and Insurance valuation Survey is ongoing and it is anticipated that costs of £32k will now fall into 2024/25.
- IT infrastructure - £105k spend relating to current works is likely to fall into 2024/25.
- Stock condition survey £150k – this report is due by summer 2024, the budget has thus been slipped into 2024/25.
- Current Fire Stopping works at the Stevenage Arts & Leisure Centre (SALC) to the value of £20k are now expected to be completed in 2024/25.
- Aqua Park – rubber crumb surface replacement (£35k) – a review of the condition of the surface will take place post the winter in February-March 2024. The associated works to rectify any damage deemed necessary will take place in 2024/25.

4.1.5. A review of the current Capital Programme has been undertaken and the following adjustments made (other than that identified above):

2024/25 – Draft Capital Strategy reduced by £11.178Million

- Phase 2 of the Kenilworth development has been delayed as this was dependent on the completion of Phase I which remains under construction due to pandemic related delays. The total overall spend is also subject to a reduction pending a decision on phase 2 design which has been prompted by changing market conditions. An alternate scheme design is likely to result in lower capital expenditure and improved viability. A complete review of the associated figures will be necessary when the alternate scheme progresses. As a result £5.603Million has been rephased from 2024/25 into 2025/26 (£5.179Million) and 2026/27 (£424k). The remaining £7.022Million has been removed from the 2024/25 budget pending outcome of the scheme review.
- The Shrub Bed programme budget of £133k has been reduced in 2024/25 by £89k to £44k. The programme of works will now be extended beyond the planned 4 years to spread the financial cost. The exact timeframe for completion cannot be confirmed, however, if the budget remains reduced for the remainder of the programme it will be completed in 2030/31.
- The 2024/25 Green Spaces Infrastructure budget has been reduced to £50k. If emergency repairs are needed and the remaining budget is insufficient a virement from the deferred works budget may be required.
- The remaining balance of the SALC Lift Replacement Budget has been removed from 2024/25 (£100k). Future capital requirements for SALC are now included in the growth bids for 2024/25.
- Removal of £355k vehicle replacement budget which has been replaced with growth bids for 2024/25.

4.1.6. The result of this review is summarised in table four below and is set out in full in Appendix A (Growth bids) and Appendix B (General Fund Capital Strategy).

<b>Table 3: Revised Capital Programme including proposed Growth</b>							
	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Current strategy total	28,140	42,292	8,222	5	0	0	78,659
Rephased	(2,619)	(3,558)	5,753	424	0	0	0
Removed	(1,626)	(7,757)	(172)	(5)	0	0	(9,560)
<b>Total Before Growth</b>	<b>23,895</b>	<b>30,977</b>	<b>13,803</b>	<b>424</b>	<b>0</b>	<b>0</b>	<b>69,099</b>
Growth Bids (see 4.2)	0	2,483	0	0	0	0	2,483
Community Climate Change Fund	0	98	0	0	0	0	98
<b>Adjusted total</b>	<b>23,895</b>	<b>33,558</b>	<b>13,803</b>	<b>424</b>	<b>0</b>	<b>0</b>	<b>71,680</b>

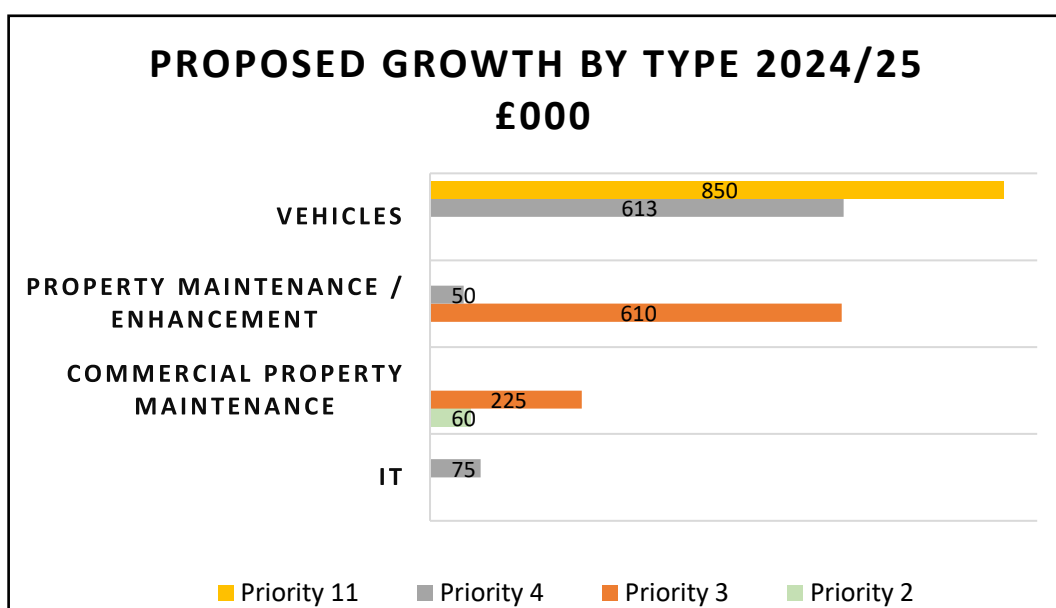
## 4.2. Proposed Capital Bids

4.2.1. The capital growth bids received and recommended for inclusion in the Capital Strategy (subject to review and funding) by Council's Financial Security Group

(CFSG) and the Council's Senior Leadership (SLT) have been prioritised, as set out in the table and are detailed in Appendix A. These bids total £2.5Million for 2024/25. Bids for future years will be considered as part of the 2025/26 budget setting process.

<b>Table 4 Proposed General Fund Growth 2024/25</b>		
		<b>£'000</b>
Priority 1	Return on investments	0
Priority 2	Income generating	60
Priority 3	Mandatory requirements (including Health & Safety)	835
Priority 4	Schemes to maintain operational efficiency	738
Priority 11	New Burden (dependent on external funding to proceed)	850
<b>Total General Fund Capital Growth Bids</b>		<b>2,483</b>
<b>Funding Proposal</b>		
General Capital Receipts		199
Locality Review Receipts		1,078
New Burdens Grant Funding		850
Revenue Reserves		340
Capital Reserve		16
<b>Total Funding Proposed</b>		<b>2,483</b>

4.2.2. The proposed growth can be split into four types as illustrated in the graph below and the detail of the individual bids are summarised in Appendix A.



4.2.3. The Community Climate Change Fund budget for 2024/25 of £97.5k has been included in the Capital Strategy and is fully funded by local CIL as agreed by Executive 12 October 2022.

### 4.3. Revised Summary Capital Programme 2023/24 – 2028/29 including Proposed Growth.

4.3.1. The revised Capital Strategy for 2023/24-2028/29 totals £71.7Million which includes the growth bids totalling £2.5Million. This is summarised by service in the table below, and in detail in Appendix B.

<b>Table 5: Revised Capital Programme including proposed growth by Service.</b>							
	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Stevenage Direct Services	4,763	3,862	94	0	0	0	8,720
Housing Development	1,648	5,223	5,754	424	0	0	13,050
Finance and Estates	1,693	1,262	0	0	0	0	2,955
Digital & Transformation	368	174	0	0	0	0	541
Regeneration	12,532	21,587	7,945	0	0	0	42,063
Communities and Neighbourhoods	1,928	651	10	0	0	0	2,589
Planning and Regulatory	701	569	0	0	0	0	1,270
Deferred Works Reserve	262	230	0	0	0	0	492
<b>Total GF Schemes</b>	<b>23,895</b>	<b>33,558</b>	<b>13,803</b>	<b>424</b>	<b>0</b>	<b>0</b>	<b>71,680</b>

4.3.2. The current programme includes a contingency of £492k for the two financial years (2023/24 and 2024/25) in total. This would be used to cover any health & safety emergency works. An assessment of the level of contingency required and the level of unused Capital Resources will be assessed and included in the February 2024 Capital Strategy.

### 4.4. Capital Resources for the Revised General Fund Capital Strategy, including proposed Growth

4.4.1. The projected resources used to fund the Capital Strategy are summarised in the table below. Due to the actions recommended in the October Capital strategy the programme from 2026/27 needs to be further developed.

**Table 6: Revised Capital Programme Resourcing including Proposed Growth**

	23/24 £000	24/25 £000	25/26 £000	26/27 £000	27/28 £000	28/29 £000	Total £000	Total %
Capital Receipts including Locality Review Receipts	6,673	5,044	546	424	0	0	12,688	17.8
Grants and other contributions	8,237	16,250	7,400	0	0	0	31,887	44.5
Revenue Reserves	434	340	0	0	0	0	774	<1
Capital Reserve	715	412	104	0	0	0	1,231	<1
LEP		500					500	<1
New Homes Bonus CNM	0	243	0	0	0	0	243	<1
Borrowing	7,835	10,769	5,753	0	0	0	24,357	33.9
<b>TOTAL</b>	<b>23,895</b>	<b>33,558</b>	<b>13,803</b>	<b>424</b>	<b>0</b>	<b>0</b>	<b>71,680</b>	<b>100</b>

4.4.2. The total borrowing recommended of £24Million includes £18.3Million of short term borrowing which is scheduled to be repaid in 2026/27 using capital receipts profiled to be received in that year. The remaining balance is prudential borrowing for Garage improvements, housing development schemes through the Wholly Owned Company (WOC) and leisure capital works. The borrowing is repaid through a minimum revenue contribution (MRP) from the General Fund (see also section 4.7).

4.4.3. The use of capital receipts is dependent on delivery of the disposal sites to the market. Assuming that all the General Fund Growth Bids in Appendix A are approved, the revised capital strategy includes the following forecast capital receipts. The table below includes both General Capital Receipts and Locality Review Receipts as they are available for use in the Capital Programme. Ring-fenced Town Centre Transformation and SG1 receipts are restricted.

**Table 7: Combined GF Capital Receipts Forecast**

	23/24 £000	24/25 £000	25/26 £000	26/27 £000	27/28 £000	28/29 £000	Total £000
Opening Balance	6,543	4,564	1,696	1,390	2,481	4,221	6,543
General Capital Receipts	4,776	1,488	240	19,844	1,740	0	28,088
Locality Review Site Disposal	335	744	0	0	0	0	1,079
Receipts used in year for Capital Expenditure	(6,673)	(5,100)	(546)	(424)	0	0	(12,743)
Receipts used in year for Short Term Debt Repayment	(417)	0	0	(18,329)	0	0	(18,746)
<b>Closing Balance</b>	<b>4,564</b>	<b>1,696</b>	<b>1,390</b>	<b>2,481</b>	<b>4,221</b>	<b>4,221</b>	<b>4,221</b>
Ringfenced and SG1 Receipts Balance	700	1,365	820	(374)	1,365	1,365	1,365
General Capital Receipts	3,864	331	570	2,855	2,856	2,856	2,856

## 4.5. Locality Review Update

4.5.1. A key recommendation from the June 2020 MTFs COVID recovery report was that a pipeline of land disposals be identified from Locality Reviews to help maintain the resilience of General Fund balances, by removing the revenue contribution to



capital. There was also a need to generate additional capital receipts to help fund any shortfalls from the reduction or cessation of New Homes Bonus (NHB).

- 4.5.2. The current position is detailed below and shows a reduction in forecast receipts for 2023/24 of £905k, although £744k of this is expected to materialise in 2024/25. The overall reduction in expected receipts is £1.3Million. This has in part been mitigated by the reduction of the Deferred Works reserve budget paragraph 4.1.3. Potential disposal sites originally forecast for 2025/26 for which Pre-advice is negative or the site is constrained by geography or covenant, have now been removed from the forecast. The current economic climate has also had an impact on asset sales where the impact of inflation has reduced the attractiveness of sites to potential investors.

<b>Table 8: Locality Receipts £000</b>	<b>Previous Forecast</b>	<b>Revised Forecast</b>	<b>Variance</b>
Year 2023/24	(1,240)	(335)	905
Year 2024/25	0	(744)	(744)
Year 2025/26	(1,150)	0	1,150
<b>TOTAL</b>	<b>(2,390)</b>	<b>(1,079)</b>	<b>1,311</b>

#### **4.6. Community Infrastructure and S106 Update**

- 4.6.1. The Community Infrastructure Levy (CIL) is a planning charge introduced by the Planning Act 2008. The Council started charging CIL in April 2020 and the current unallocated balance is £759k including £38k for local projects and £721k for strategic council priorities. Local CIL of £97.5k per annum for three years from 2023/24 is being used to fund the Community Climate Change budget. This is a member led strategy and wards can use £7.5k per ward per annum to fund relevant projects.
- 4.6.2. Strategic CIL can be used to fund town centre infrastructure projects including those identified above. Allocation of funds to relevant capital projects may be brought forward for approval later in the year- and require Executive approval above £75k.
- 4.6.3. Section 106 (S106) monies that have yet to be allocated to any current or future capital schemes are shown in the table below along with the categories they can be used for:

<b>Table 9: S106 contribution Available</b>	<b>Amount £'000</b>
Biodiversity	69
Parks, Play and outdoor sport	113
Regeneration	36
<b>Total</b>	<b>218</b>

## **4.7. Minimum Revenue Provision (MRP)**

4.7.1. MRP is applied where the council has to set aside a revenue allocation for provision of debt repayments (borrowing in the capital programme). MRP replaces other capital charges (e.g., depreciation) in the statement of accounts and has an impact on the council's bottom line. MRP will increase and decrease throughout the programme and is sensitive to both expenditure and funding changes. The council will continue to balance the use of capital receipts, internal borrowing and external borrowing to ensure the most efficient use of resources, including the need to fund MRP.

4.7.2. The other main risks to the capital programme are:

- Potential for scheme overspends.
- Potential for delay in realising capital receipts noting that £6Million of land/asset sales are forecast to be achieved in 2023/24 and 2024/25.
- The deferred works budget may not be sufficient to fund any schemes not currently funded in the Strategy due to the ongoing and aforementioned fix-on-fail policy approach.
- Potential for money spent as capital on Towns Fund projects to revert to a future revenue liability if projects do not progress to physical completion, e.g., only feasibility and early design are completed.
- Cost volatility and increased client risk in construction projects due to the impact of cost of living, which has resulted in supply chain pressures and significant price increases across the construction sector.

## **4.8. Other capital investments and Finance Lease**

4.8.1. The Council purchased several properties in the town centre to enable it to meet its regeneration aims. These properties were purchased in part using LEP funding. These properties have been purchased for regeneration purposes and therefore do not fall under the Property Investment Strategy. Prior to making these strategic acquisitions full risk assessments were undertaken to ensure the cost of carrying these assets in the short to medium term could be met by the Council. The Regeneration Asset allocated reserve has been setup specifically to cover these costs.

4.8.2. The Council undertook a long-term finance lease for a circa £50Million mixed development scheme on Queensway in the town centre. This is a lease arrangement and falls outside the scope of capital investment. Prior to the decision to proceed being made a risk assessment was undertaken and presented to Members. Key Officers were given training on their roles and responsibilities for the new governance arrangements associated with the Limited Liability Partnership.

4.8.3. External legal, financial, and commercial advice is procured to ensure the validity and viability of business cases presented to Members.

#### 4.9. Capital Programme - Housing Revenue Account (2023/24-2028/29)

- 4.9.1. The majority of the HRA capital expenditure as set out as part of this strategy will be spent on the development of new homes and the maintenance, repairs and upkeep of existing stock.
- 4.9.2. The HRA BP, approved at Executive in November 2023 included a thorough review of the capital programme required to achieve the aims and objectives of the plan. The strategy adjustments identified below are the result of this review and are included for the period 2023/24 to 2028/29.
- 4.9.3. Since the BP was approved, rephasing of £1.5Million has been identified in Housing Development. This is principally attached to the Brent Court Garages scheme where start on site has been delayed whilst pre-commencement Planning requirements are met. Work has been ongoing with the contractor to identify opportunities to make up slippage later in the programme of works.
- 4.9.4. The HRA element of proposed IT growth - £21k relates to the councils overarching IT programme of renewals and upgrades. This has been added to the strategy pending the result of member consultation (Jan 24).
- 4.9.5. The result of this exercise is summarised in table below. and is set out in full in Appendix C (HRA Capital Strategy).

**Table 10: Update following 2023/24 HRA BP Refresh**

	<b>23/24 £000</b>	<b>24/25 £000</b>	<b>25/26 £000</b>	<b>26/27 £000</b>	<b>27/28 £000</b>	<b>28/29 £000</b>	<b>Total £000</b>
Current strategy total	45,556	63,711	34,874	19,204	3,060	0	<b>166,405</b>
HRA BP Revisions	(1,138)	(10,350)	21,584	16,735	33,977	34,268	<b>96,076</b>
<b>HRA BP</b>	<b>44,418</b>	<b>53,361</b>	<b>56,458</b>	<b>35,939</b>	<b>37,037</b>	<b>34,268</b>	<b>261,481</b>
Rephase	(1,450)	1,450	0	0	0	0	<b>0</b>
IT	49	0	0	0	0	0	<b>49</b>
Growth Bids (IT)	0	20	0	0	0	0	<b>20</b>
<b>TOTAL</b>	<b>43,017</b>	<b>54,831</b>	<b>56,458</b>	<b>35,939</b>	<b>37,037</b>	<b>34,268</b>	<b>261,550</b>

- 4.9.6. The revised summary draft capital strategy budget for 2023/24 – 2028/29 totals £261.6Million and is set out in full in Appendix C (HRA Capital Strategy).

**Table 11: Revised Summary HRA Capital Strategy**

	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Capital Programme Excluding New Build (Housing Investment)	24,565	24,329	25,091	22,939	24,253	25,868	147,046
Special Projects & Equipment	77	0	0	0	0	0	77
New Build (Housing Development)	18,055	30,449	31,367	13,000	12,784	8,400	114,054
Digital & Transformation	320	53	0	0	0	0	373
<b>Total HRA Schemes</b>	<b>43,017</b>	<b>54,831</b>	<b>56,458</b>	<b>35,939</b>	<b>37,037</b>	<b>34,268</b>	<b>261,550</b>

#### 4.10. Capital Programme – HRA Resources (2023/24-2028/29)

4.10.1. The resourcing of the draft HRA capital strategy is summarised in the table below. The largest percentage is funded by the Major Repairs Reserve (MRR) via depreciation charges (40%) followed by borrowing (25%). Capital receipts from right to buy sales of council houses (New Build 1-4-1 receipts) form 10% of total funding. This aligns to the HRA BP plus £391k (IT budget funding).

**Table 12: Revised HRA Capital Programme**

	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
MRR (Self Financing Depreciation)	21,013	18,896	15,494	16,233	16,877	17,282	105,795
MRR – Rephase / IT	(1,130)	1,521	0	0	0	0	391
New Build Land Receipts	3,065	0	2,100	4,373			9,538
(RTB) new Build provision	2,293	2,901	8,297	4,682	4,524	4,051	26,748
Debt Provision Receipts	789	1,058	1,102	1,147	535	0	4,631
Section 20 Contribution	2,998	4,876	2,963	3,262	1,173	805	16,077
Borrowing	11,336	7,506	22,667	2,926	9,713	12,130	66,278
Revenue Contribution to Capital	0	6,715	3,835	3,316	4,215	0	18,081
Grant	2,653	11,358	0	0	0	0	14,011
<b>TOTAL</b>	<b>43,017</b>	<b>54,831</b>	<b>56,458</b>	<b>35,939</b>	<b>37,037</b>	<b>34,268</b>	<b>261,550</b>

4.10.2. The Government has amended the rules regarding the use of capital receipts arising from the sale of Right to Buy (RTB) properties and the Council has entered into a new retention agreement that reflects these changes. This has reduced pressure on the use of RTB receipts, particularly as the Council is currently delivering major developments that can use these restricted funds.

#### **4.11. De Minimis Level for Capital Expenditure 2024/25**

- 4.11.1. Accounting best practice recommends that the Council approves a de minimis level for capital expenditure, or a value below which the expenditure would not be treated as capital. This would mean that the expenditure would not be recorded on the asset register nor be funded from capital resources.
- 4.11.2. It is recommended at 2.12 that the 2024/25 de-minimis expenditure limit be increased from £7,500 to £9,999 per scheme.

#### **4.12. Contingency Allowance for 2024/25**

- 4.12.1. The contingency allowance for 2024/25 is £250,000. The contingency proposed for 2023/24 remains at £250,000, for schemes requiring funding from existing capital resources. A limit of £250,000 is also set for schemes for each Fund that have new resources or match funded resources identified in addition to those contained within this report. This limit applies individually to both the General Fund and the HRA. This contingency sum constitutes an upper limit on both funds within which the Executive can approve supplementary estimates, rather than forming part of the Council's Budget Requirement for the year.
- 4.12.2. The contingency allowance for 2023/24 is £500,000 in relation to spend of restricted use or 1.4.1 receipts for registered providers to ensure that the Council achieves nominal rights and does not have to return 1.4.1 receipts to the government. This contingency allowance is recommended to remain at £500,000 for 2024/25.
- 4.12.3. Separate to the contingency allowance, is the delegation to Executive or Portfolio Lead/Leader of the Council to approve increases to the capital programme for grant funded projects, when external funding sources have been secured. Officers propose that this contingency allowance remains at £5,000,000 where a scheme is fully funded from third party contribution/grant.

#### **4.13. Consultation**

##### **Council Financial Security Group (CFSG) 4 January 2024**

- 4.13.1. Following a review of all growth bids by Senior Leadership Team (SLT), a priority list was presented to CFSG with 19 new Growth Bids for 2024/25 and 10 previous schemes that had not been started or committed and was therefore considered as part of the review of spend bids by CFSG (these are shown in Appendix A). The scoring rationale applied to these budgets was “do not support” 0 point, “support but low priority” 1 point and support with high priority” 3 points.
- 4.13.2. There were five members who was asked to score, with a number of schemes receiving a mixed score between 8 and (the maximum) 15. Six of the schemes received one individual score of ‘do not support’ or 0 point (these are shown in Appendix A with an overall score of 8 and 12 points). The table below shows the summary of scores received.

<b>Scheme receiving:</b>	<b>Number of schemes</b>
15 points (or 100% majority)	5
13 points (or 87% majority)	11
12 points (or 80% majority)	5
11 points (or 73% majority)	3
9 points (or 60% majority)	4
8 points (or 53% majority)	1

4.13.3. As can be seen from the table above, the lowest score received was 53% majority and therefore recommend for Executive to consider the views of CFSG and agree to approve all 29 schemes (which SLT had supported). These have all been included within the proposed capital programme for 2024/25 (in Appendix B) and are fully funded.

## **5 IMPLICATIONS**

### **5.1 Financial Implications**

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

### **5.2 Legal Implications**

5.2.1 The legal implications for each individual scheme within the capital programme will be considered when approval is sought for that scheme. Each scheme within the capital programme will be approved in accordance with the council's constitution.

### **5.3 Equality and Diversity Implications**

5.3.1 None specifically in relation to this report.

### **5.4 Risk Implications**

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

5.4.2 There is a risk that the value of land sales is not realised due to the impact of the cost-of-living crisis reducing demand and prices lower than anticipated as a result. In order to mitigate the impact of this, revenue underspends of up to £500k may be made available to support capital resource in the short term.

5.4.4 The Council manages this risk by reviewing and updating the Strategy quarterly, including resources where a sale is likely to complete. This will enable action to be taken where a receipt looks doubtful.

- 5.4.5 A significant risk exists that works deferred due to lack of resources and materials. A reasonable assessment has been made in the prioritisation process to try to keep this risk to a minimum.

## **5.5 Climate Change Implications**

- 5.5.1 In their current form the Council's buildings do not currently support the climate change ambitions in terms of energy efficiency or divestment of use of fossil fuels.
- 5.5.2 However, there is an opportunity through the local asset review programme to build in design principles to improved / future assets in terms of energy efficiency and sustainable energy sources. This should be a core principle of any future designs arising from the local asset reviews. There would be a further benefit of reduced energy costs.
- 5.5.3 The climate change agenda is far wider than the buildings the Council uses. For example, the Council is also examining the vehicle fleet and consideration will be given to reducing its carbon impact and the HRA strategy includes £24Million investment in decarbonisation for the period to 2028/29 – ensuring all homes meet the minimum EPC rating of C.
- 5.5.4 In addition to existing assts, new buildings being planned as part of the regeneration of Stevenage – e.g., the Hub and new Leisure Centre will be designed and equipped to meet modern standards.

## **BACKGROUND DOCUMENTS**

- BD1 Quarter 1 and 2 monitoring report (Executive, October 2023)
- BD 2 Draft Housing Revenue Account Rent Setting & Budget report 2024/25 (January 2024 Executive) – elsewhere on this agenda.
- BD 3 HRA Business Plan 2023 update (November 2023 Executive)
- BD4 General Fund Capital Strategy Overview – Priorities Versus Funding Requirement 2023/24-2029/30 (November 2023 Executive)

## **Appendices**

- A - General Fund Capital Bids for consideration
- B - General Fund Capital Strategy
- C - HRA Capital Strategy

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STEVENAGE BOROUGH COUNCIL  
GF CAPITAL - PRIORITY BASED BUDGETING 2024/25 CAPITAL GROWTH BIDS

Ref No	Head of Service	Service	Priority	Name of Growth Proposal	Capital in 2024/25 (£)	CFSG Score out of 15	Description
1	Zayd Al-Jawad	Planning and Regulatory	4	St Georges MSCP - conversion of store room and boiler room to office space	50,000	11	for use by the parking enforcement officers - £50k, this will free up space in the town Square Chambers in readiness for development of plot B by Mace and will increase the number of hours enforcement officers can spend on the street in Stevenage.
		<b>Total Planning</b>			<b>50,000</b>		
2	Matt Canterford	Digital & Transformation	4	Telephony Hardware Refresh **	22,500	12	Ongoing IT replacement and renewal programme
3	Matt Canterford	Digital & Transformation	4	VDI hosting Hardware Refresh	11,250	13	Ongoing IT replacement and renewal programme
4	Matt Canterford	Digital & Transformation	4	Hardware Replacement Program	78,660	13	Ongoing IT replacement and renewal programme
		<b>Total Digital &amp; Transformation</b>			<b>74,940</b>		<b>Ongoing IT replacement and renewal programme</b>
5	Mark Sullivan	Finance & Estates	2&3	Burwell Road shops - Reroofing **	60,000	12	water ingress from the flat roof is causing leaks and damage in shop units below. This could lead to structural damage and loss of income through tenant compensation or termination of tenancy.
6	Mark Sullivan	Finance & Estates	3	MSCP fire door replacement	35,000	15	existing timber fire exit doors to top floor are exposed to the elements and regular vandalism. Although repairs have been conducted on a regular basis, these now require replacement with new metal or similar frames and doors that are more robust to ensure fire integrity and accessibility.
7	Mark Sullivan	Finance & Estates	3&6	Commercial - shop units roof works	125,000	9	various roof works identified during the Stock condition survey require urgent attention.
8	Mark Sullivan	Finance & Estates	3&6	Commercial properties - General repairs	100,000	9	various works to external envelope (brick, concrete, render, windows etc) the estimate is based on completed surveys.
9	Mark Sullivan	Finance & Estates	3	cavendish - IT server room works	65,000	15	this bid is for essential works to seal room. This is required for effective operation of the fire suppression system and to conduct servicing of equipment. Air Conditioning units also require replacement to ensure the correct temperature is maintained for IT equipment operation.
10	Mark Sullivan	Finance & Estates	3	King George V Pavilion - Works to existing Fascia boards	20,000	9	existing lath and plaster ceiling is showing signs of cracking and bowing and requires replacement.
11	Mark Sullivan	Finance & Estates	4	Replace 1 FM Team vehicle	28,000	13	the current leased fleet are at end of life, this bid is to purchase one new vehicle.
12	Mark Sullivan	Finance & Estates	3&4	Cavendish - generator	90,000	13	due to the age of the generator and risk of future accessibility of spare and repairs, a replacement is now recommended.
		<b>Total Finance &amp; Estates</b>			<b>523,000</b>		

STEVENAGE BOROUGH COUNCIL  
GF CAPITAL - PRIORITY BASED BUDGETING 2024/25 CAPITAL GROWTH BIDS

Ref No	Head of Service	Service	Priority	Name of Growth Proposal	Capital in 2024/25 (£)	CFSG Score out of 15	Description
13	Steve Dupoy	Communities & N'hoods	3	Fire stopping at SALC	220,000	15	new fire regulations require all the existing fire doors to be relaced with ones that contain fire and smoke for 60 minutes rather than the current 30 minutes.
14	Steve Dupoy	Communities & N'hoods	3	Lift procurement at SALC **	160,000	12	there is only one lift at SALC, failure of the lift will stop access for people with mobility problems in particular theatre users.
15	Steve Dupoy	Communities & N'hoods	3	Sailing Centre	10,000	13	works are required to ensure compliance with H&S and usability of the centre.
16	Steve Dupoy	Communities & N'hoods	3	Ridlins Stadium	10,000	13	work to repair surface of track, pending full resurfacing to be TrackMark compliance
		<b>Total Communities &amp; N'hoods</b>			<b>400,000</b>		
17	Steve Dupoy	SDS	11	Food collection vehicles (x5)	850,000	DNS	this bid is to support separate food waste collections under guidance from the government and the resource and waste strategy. Separate food waste for residents has been pushed back to March 2026, however separate food waste for schools and business with 10 or more employees is still March 2025
18	Steve Dupoy	SDS	4	Replace 4 refuse vehicles	305,000	DNS	for use in refuse and recycling operations. This is a total budget of £1Million of which £705k is already in the capital programme.
19	Steve Dupoy	SDS	4	Replace Sweeper - LK20 EJO	65,000	13	replacement required to ensure services continue to be delivered effectively.
20	Steve Dupoy	SDS	4	Shovel Loader to replace - FN69 XSU	200,000	13	replacement required to ensure services continue to be delivered effectively.
21	Steve Dupoy	SDS	4	Stand on Mowers to replace AN100520 & AN100559	15,000	9	replacement required to ensure services continue to be delivered effectively.
		<b>Total SDS</b>			<b>1,435,000</b>		
		<b>Total New Capital Projects Under Review</b>			<b>2,482,940</b>		

**Previous schemes that had not been started or committed**

1	Zayd Al-Jawad	Planning and Regulatory		Off Street Car Parks (Multi Storey Car Parks) **	175,000	12	
2	Zayd Al-Jawad	Planning and Regulatory		Hard standings	25,000	13	
3	Zayd Al-Jawad	Planning and Regulatory		Parking Restrictions **	15,000	12	
4	Mark Sullivan	Finance & Estates		Commercial Properties Refurbishment (MRC Programme)	330,220	13	
5	Mark Sullivan	Finance & Estates		Works to improve vacant premises prior to re-letting	15,000	15	
6	Mark Sullivan	Finance & Estates		EPC Surveys	87,620	11	
7	Mark Sullivan	Finance & Estates		EPC remedials	199,240	11	
8	Steve Dupoy	Communities & N'hoods		Replacement Camera programme	40,000	13	
9	Steve Dupoy	Communities & N'hoods		Stock condition survey Leisure sites **	150,000	8	
10	Steve Dupoy	SDS		Shrub Bed Programme	44,000	15	

## APPENDIX B - GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2023/2024				2024/2025			2025/2026			2026/2027	2027/2028	2028/2029
		Actuals 23/24 Pd1 - Pd7 £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Draft Capital Strategy £	Draft Capital Strategy £	Draft Capital Strategy £
	<b>General Fund - Schemes</b>													
	Stevenage Direct Services	1,069,917	6,539,060	4,763,431	(1,775,630)	1,321,000	3,862,440	2,541,440	261,000	94,000	(167,000)	0	0	
	Housing Development	125,190	2,590,220	1,648,040	(942,180)	17,775,430	5,223,250	(12,552,180)	0	5,753,900	5,753,900	424,498	0	
	Finance and Estates	185,964	1,725,000	1,693,103	(31,898)	707,080	1,261,978	554,898	0	0	0	0	0	
	Digital & Transformation	28,722	602,330	367,510	(234,820)	104,220	173,944	69,724	0	0	0	0	0	
	Regeneration	1,031,562	12,531,560	12,531,560	0	21,586,450	21,586,450	0	7,945,500	7,945,500	0	0	0	
	Communities and Neighbourhoods	1,324,145	2,171,220	1,928,021	(243,199)	145,840	650,500	504,660	15,000	10,000	(5,000)	0	0	
	Planning and Regulatory	18,423	701,520	701,520	0	421,310	568,810	147,500	0	0	0	0	0	
	Deferred Works Reserve	0	1,279,440	262,178	(1,017,262)	230,332	230,332	0	0	0	0	0	0	
	<b>Total Schemes</b>	<b>3,783,923</b>	<b>28,140,350</b>	<b>23,895,362</b>	<b>(4,244,988)</b>	<b>42,291,662</b>	<b>33,557,704</b>	<b>(8,733,958)</b>	<b>8,221,500</b>	<b>13,803,400</b>	<b>5,581,900</b>	<b>424,498</b>	<b>0</b>	<b>0</b>
	<b>General Fund -Resources</b>													
BG902	Capital Receipts		7,337,841	4,659,060	(2,678,781)	2,994,338	3,386,904	392,566	0	0	0	424,498	0	0
BG905	Ringfenced regeneration receipts		1,836,260	1,836,260	0	500,000	500,000	0			0	0	0	0
	SG1 Receipts		3,262,170	177,940	(3,084,230)	5,510,270	135,000	(5,375,270)	545,500	545,500	0	0	0	0
BG911	Locality Review receipts		1,239,600	0	(1,239,600)	0	1,028,550	1,028,550	276,000	0	(276,000)	0	0	0
BG461	Towns Fund		7,458,490	7,838,240	379,750	15,076,180	15,076,180	0	7,400,000	7,400,000	0	0	0	0
BG461	Other Grants and other contributions		1,446,088	255,340	(1,190,748)	8,690,665	986,910	(7,703,755)			0	0	0	0
BG862	S106's		46,090	46,090	0	0	0	0			0	0	0	0
BG936	Priorities – Strategic CIL				0			0			0	0	0	0
BG937	Local – Neighbourhood CIL		97,500	97,500	0		187,500	187,500			0	0	0	0
BG904	LEP		0	0	0	500,000	500,000	0			0	0	0	0
	RCCO		180,879	180,879	0	0	0	0			0	0	0	0
	Revenue Reserves		253,200	253,200	0	0	340,000	340,000			0	0	0	0
BG903	Capital Reserve (Housing Receipts)		727,361	695,464	(31,898)	379,034	394,931	15,897		104,000	104,000	0	0	0
BG916	Capital Reserve (Revenue Savings)		20,000	20,000	0	0	16,000	16,000			0	0	0	0
BG920	New Homes Bonus CNM		242,541	0	(242,541)	0	242,541	242,541			0	0	0	0
	Prudential Borrowing Approved		3,690,320	3,690,320	0	2,450,250	2,450,250	0	0	0	0	0	0	0
	Short Term borrowing and funded from private sale		302,010	4,145,070	3,843,060	6,190,925	8,312,937	2,122,012	0	5,753,900	5,753,900	0	0	0
	Funding Gap		0	0	0	0	0	0	0	0	0	0	0	0
	<b>Total Resources (General Fund)</b>		<b>28,140,350</b>	<b>23,895,362</b>	<b>(4,244,988)</b>	<b>42,291,662</b>	<b>33,557,704</b>	<b>(8,733,958)</b>	<b>8,221,500</b>	<b>13,803,400</b>	<b>5,581,900</b>	<b>424,498</b>	<b>0</b>	<b>0</b>
			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## APPENDIX B - GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2023/2024				2024/2025			2025/2026			2026/2027	2027/2028	2028/2029
		Actuals 23/24 Pd1 - Pd7 £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Draft Capital Strategy £	Draft Capital Strategy £	Draft Capital Strategy £
	<b>Stevenage Direct Services</b>													
	<b>Parks &amp; Open Spaces</b>													
KC218	Hertford Road Play Area (\$106 Funded)		25,000	0	(25,000)	0	25,000	25,000	0	0	0	0	0	0
KE911	Play Area Improvement Programme		555,330	0	(555,330)	0	555,330	555,330	0	0	0	0	0	0
KE097	Litter bins		0	0	0	0	0	0	0	0	0	0	0	0
KE329	Play Areas Fixed Play		9,470	9,470	0	0	0	0	0	0	0	0	0	0
KE494	Green Space Access Infrastructure	73,131	202,140	202,140	0	128,000	50,000	(78,000)	128,000	50,000	(78,000)	0	0	0
KE916	Peartree skate park		40,000	0	(40,000)	0	40,000	40,000	0	0	0	0	0	0
	<b>Other</b>													
KG002	Garages	882,172	3,492,570	3,492,570	0	0	0	0	0	0	0	0	0	0
KS263	Waste and Recycling System	5,614	24,160	24,160	0	0	0	0	0	0	0	0	0	0
KE520	Welfare improvements at out based hubs		10,000	10,000	0	0	0	0	0	0	0	0	0	0
KE542	Flat block waste management infrastructure	10,310	29,040	29,040	0	0	0	0	0	0	0	0	0	0
KE543	Shrub bed programme		132,480	70,000	(62,480)	133,000	44,000	(89,000)	133,000	44,000	(89,000)	0	0	0
KE544	Review of Biodiversity Action Plan	4,905	12,000	7,000	(5,000)	0	0	0	0	0	0	0	0	0
KE545	Cemeteries System		12,120	12,120	0	0	0	0	0	0	0	0	0	0
KE946	BNG Chells Park/Canterbury Way PF (19/00485/FPM)	1,108	46,090	46,090	0	0	0	0	0	0	0	0	0	0
	<b>Vehicles, Plant, Equipment</b>													
KE497	Trade Waste Containers		20,000	20,000	0	0	0	0	0	0	0	0	0	0
Various	Vehicle/Plant replacement Programme - see Appendix 'A1 Vehicles'	58,262	1,108,910	698,750	(410,160)	1,060,000	1,030,610	(29,390)	0	0	0	0	0	0
KE920	Memorial Tree for Weston Road Cemetery		23,200	23,200	0	0	0	0	0	0	0	0	0	0
KE921	Improvement works to Hampson Park depot	1,331	40,000	40,000	0	0	0	0	0	0	0	0	0	0
KE922	Additional Headstone Plinths - Weston Road Cemetery	12,989	10,300	12,990	2,690	0	0	0	0	0	0	0	0	0
KE923	Pothole repairs Weston Road Cemetery	4,662	3,800	5,950	2,150	0	0	0	0	0	0	0	0	0
KE924	Improvements to Welfare facilities Weston Road Cemetery	12,976	10,000	10,000	0	0	0	0	0	0	0	0	0	0
KE925	Repair closed church wall St Nicholas church		30,000	0	(30,000)	0	30,000	30,000	0	0	0	0	0	0
KE926	roof residual waste bay Cavendish Transfer Station	299	150,000	0	(150,000)	0	150,000	150,000	0	0	0	0	0	0
KE927	Thermal Image Cameras	647	80,000	0	(80,000)	0	80,000	80,000	0	0	0	0	0	0
KE928	Ph2 fire protection works Cavendish	1,512	350,000	0	(350,000)	0	350,000	350,000	0	0	0	0	0	0
KE929	Digital system fleet and workshop operation		20,000	20,000	0	0	0	0	0	0	0	0	0	0
KE930	Digital system streets and grounds services		56,000	0	(56,000)	0	56,000	56,000	0	0	0	0	0	0
KE931	Digital system play area inspections/managment		16,500	0	(16,500)	0	16,500	16,500	0	0	0	0	0	0
KE932	Digital book of remembrance		2,000	2,000	0	0	0	0	0	0	0	0	0	0
KE933	Asset Management system		10,000	10,000	0	0	0	0	0	0	0	0	0	0
KE491	Weighbridge Improvement works		17,950	17,950	0	0	0	0	0	0	0	0	0	0
New Growth	Food collection vehicles (x5)						850,000	850,000	0	0	0	0	0	0
New Growth	Replace four refuse vehicles - VU66 NPY, VU66 NPZ, VU66						305,000	305,000	0	0	0	0	0	0
New Growth	Replace Sweeper - LK20 EJO						65,000	65,000	0	0	0	0	0	0
New Growth	Shovel Loader to replace - FN69 XSU						200,000	200,000	0	0	0	0	0	0
New Growth	Stand on Mowers to replace AN100520 & AN100559						15,000	15,000	0	0	0	0	0	0
	<b>Total Stevenage Direct Services</b>	<b>1,069,917</b>	<b>6,539,060</b>	<b>4,763,431</b>	<b>(1,775,630)</b>	<b>1,321,000</b>	<b>3,862,440</b>	<b>2,541,440</b>	<b>261,000</b>	<b>94,000</b>	<b>(167,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Housing Development Scheme (Joint GF/HRA)</b>													
KG032	Building Conversion New Homes				0									
KG034	Kenilworth - Retail				0									
KG035	Kenilworth - Community Centre		648,680	0	(648,680)	574,900	648,680	73,780	0	574,900	574,900	0	0	0
KG036	Kenilworth - private sale (Malvern Close & Blocks A3&A6)	125,190	1,037,040	1,037,040	0	14,750,280	2,124,320	(12,625,960)	0	5,179,000	5,179,000	424,498	0	0
KG037	North Road		293,500	0	(293,500)	0	0	0	0	0	0	0	0	0
Various	<b>Housing Development Schemes (Joint GF/HRA)</b>	<b>125,190</b>	<b>1,979,220</b>	<b>1,037,040</b>	<b>(942,180)</b>	<b>15,325,180</b>	<b>2,773,000</b>	<b>(12,552,180)</b>	<b>0</b>	<b>5,753,900</b>	<b>5,753,900</b>	<b>424,498</b>	<b>0</b>	<b>0</b>
KG038	Marshgate Wholly Owned Housing Development Company (WOC)		611,000	611,000	0	2,450,250	2,450,250	0	0	0	0	0	0	0
	<b>Total Housing Development (including grants to Register)</b>	<b>125,190</b>	<b>2,590,220</b>	<b>1,648,040</b>	<b>(942,180)</b>	<b>17,775,430</b>	<b>5,223,250</b>	<b>(12,552,180)</b>	<b>0</b>	<b>5,753,900</b>	<b>5,753,900</b>	<b>424,498</b>	<b>0</b>	<b>0</b>

APPENDIX B - GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2023/2024				2024/2025			2025/2026			2026/2027	2027/2028	2028/2029
		Actuals 23/24 Pd1 - Pd7 £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Draft Capital Strategy £	Draft Capital Strategy £	Draft Capital Strategy £
	<b>Finance &amp; Estates</b>													
	<b>Estates</b>													
KS278	New Management Software	9,555	66,080	66,080	0	0	0	0	0	0	0	0	0	0
KR916	Commercial Properties Refurbishment (MRC Programme)	19	29,470	29,470	0	330,220	330,220	0	0	0	0	0	0	0
KR150	Works to improve vacant premises prior to re-letting	11,210	41,140	41,140	0	15,000	15,000	0	0	0	0	0	0	0
KR155	EPC Surveys	930	2,000	2,000	0	87,620	87,620	0	0	0	0	0	0	0
KR156	EPC remedials	9,530	20,000	20,000	0	199,240	199,240	0	0	0	0	0	0	0
KR157	Building condition and Insurance valuation Survey	49,576	127,590	95,693	(31,898)	0	31,898	31,898	0	0	0	0	0	0
KS279	Upgrade Integra	11,279	66,000	66,000	0	0	0	0	0	0	0	0	0	0
	<b>Play Centres</b>													
KC904	Play Centres General				0									
	<b>Community Centres</b>													
KE529	Community Centres Urgent and H&S Works	22,522	29,700	29,700	0	0	0	0	0	0	0	0	0	0
KR159	St Nicholas POD removal		0	0	0	0	0	0	0	0	0	0	0	0
KE553	Bedwell CC - Replace extract fans and electric heaters	43	40	40	0	0	0	0	0	0	0	0	0	0
KR163	Chells manor - lightning upgrade		10,000	10,000	0	0	0	0	0	0	0	0	0	0
KR164	Timebridge Community Centre flooring		20,000	20,000	0	0	0	0	0	0	0	0	0	0
	<b>Neighbourhood Centres</b>													
KE554	Bedwell Neighbourhood centre canopy repairs	229	12,040	12,040	0	0	0	0	0	0	0	0	0	0
KE555	8-10 The glebe roof replacement	26,642	29,350	29,350	0	0	0	0	0	0	0	0	0	0
	<b>Park Pavilions</b>													
	<b>Estates cont.</b>													
	<b>Depots</b>													
KE526	Cavendish Fire Protection works formerly know as Depots: Urgent and H&S Works	1,145		0	0		0	0	0	0	0	0	0	0
KE540	Cavendish Road Fire protection works			0	0		0	0	0	0	0	0	0	0
KE527	Depots: Planned Preventative Works (reroof)	18,174	279,280	279,280	0	0	0	0	0	0	0	0	0	0
KR160	Cavendish depot - IT server room - gas suppression air permeability prevention works		0	0	0	0	0	0	0	0	0	0	0	0
KR161	Cavendish Depot IT/CCTV gas suppression works	56	60	60	0	0	0	0	0	0	0	0	0	0
KR165	Cavendish Road reception access enhancement	10,360	10,360	10,360	0	0	0	0	0	0	0	0	0	0
KR166	Cavendish Road manhole covers	9	50,000	50,000	0	0	0	0	0	0	0	0	0	0
KR167	Cavendish Road penstock valve	114	50,000	50,000	0	0	0	0	0	0	0	0	0	0
	<b>Other</b>													
KE556	MSCP: Urgent and H&S Works				0									
KE558	MSCP resurface worn stairwell floor	64	79,920	79,920	0	0	0	0	0	0	0	0	0	0
KE536	Multi Storey Car Park - Installation of emergency lighting		183,730	183,730	0	75,000	75,000	0	0	0	0	0	0	0
KE557	MSCP lighting upgrade - LED (phased)		0	0	0	0	0	0	0	0	0	0	0	0
KR158	Town Plaza		0	0	0	0	0	0	0	0	0	0	0	0
KR162	Fairlands valley farmhouse roofing works	364	0	0	0	0	0	0	0	0	0	0	0	0
KE559	MSCP / Indoor Market guttering		30,000	30,000	0	0	0	0	0	0	0	0	0	0
KR168	Indoor Market roller shutter	4	9,000	9,000	0	0	0	0	0	0	0	0	0	0
KR169	MSCP replacement fuse boards		8,000	8,000	0	0	0	0	0	0	0	0	0	0
	<b>Estates cont.</b>													
	<b>Council Offices</b>													
KR141	Corporate Buildings - H&S				0									
KR151	Daneshill: Urgent and H&S Works	13,170	92,250	92,250	0	0	0	0	0	0	0	0	0	0

APPENDIX B - GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2023/2024				2024/2025			2025/2026			2026/2027	2027/2028	2028/2029
		Actuals 23/24 Pd1 - Pd7 £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Draft Capital Strategy £	Draft Capital Strategy £	Draft Capital Strategy £
	<b>Operational Buildings</b>													
KR152	BTC 2019/20 Backlog H&S Works		27,930	27,930	0	0	0	0	0	0	0	0	0	0
KR153	BTC Urgent and H&S Works		65,780	65,780	0	0	0	0	0	0	0	0	0	0
KR154	BTC Planned Preventative Works	970	190,280	190,280	0	0	0	0	0	0	0	0	0	0
KR170	BTC Essential works - Replace / upgrade doors, Lighting		195,000	195,000	0	0	0	0	0	0	0	0	0	0
New Growth	Burwell Road shops - Reroofing,			0	0	0	60,000	60,000	0	0	0	0	0	0
New Growth	MSCP fire door replacement			0	0	0	35,000	35,000	0	0	0	0	0	0
New Growth	Commercial - shop units roof works			0	0	0	125,000	125,000	0	0	0	0	0	0
New Growth	Commercial properties - General repairs			0	0	0	100,000	100,000	0	0	0	0	0	0
New Growth	cavendish - IT server room works			0	0	0	65,000	65,000	0	0	0	0	0	0
New Growth	King George V Pavilion - Works to existing Fascia boards			0	0	0	20,000	20,000	0	0	0	0	0	0
New Growth	Replace 1 FM Team vehicle			0	0	0	28,000	28,000	0	0	0	0	0	0
New Growth	Cavendish - generator			0	0	0	90,000	90,000	0	0	0	0	0	0
	<b>Total Finance &amp; Estates</b>	<b>185,964</b>	<b>1,725,000</b>	<b>1,693,103</b>	<b>(31,898)</b>	<b>707,080</b>	<b>1,261,978</b>	<b>554,898</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Corporate Projects, Customer Services &amp; Technology</b>													
	<b>IT General</b>													
KS268	Infrastructure Investment	28,674	462,000	337,190	(124,810)	104,220	99,000	(5,220)	0	0	0	0	0	0
KS318	Core ICT Equipment for Additional Staff		90,010	0	(90,010)	0	0	0	0	0	0	0	0	0
New Growth	Telephony Hardware Refresh						22,500	22,500	0	0	0	0	0	0
New Growth	VDI hosting Hardware Refresh						11,250	11,250	0	0	0	0	0	0
New Growth	Hardware Replacment Program						78,660	78,660	0	0	0	0	0	0
New Growth	Hardware Replacment Program (HRA Element)						(37,466)	(37,466)	0	0	0	0	0	0
KS319	2012 Migration Servers		20,000	0	(20,000)	0	0	0	0	0	0	0	0	0
	<b>Total IT General</b>		<b>572,010</b>	<b>337,190</b>	<b>(234,820)</b>	<b>104,220</b>	<b>173,944</b>	<b>69,724</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Connected to Our Customer (CTOC)</b>													
KS271	Corporate Website - Redesign				0		0	0		0	0	0	0	0
KS274	New CRM Technology	47	30,320	30,320	0	0	0	0	0	0	0	0	0	0
	<b>Total CTOC</b>	<b>47</b>	<b>30,320</b>	<b>30,320</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Corporate Projects, Customer Services &amp; Technology</b>	<b>28,722</b>	<b>602,330</b>	<b>367,510</b>	<b>(234,820)</b>	<b>104,220</b>	<b>173,944</b>	<b>69,724</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Regeneration</b>													
KE505	Demolition of Towers Garages and other sites (GD1)		92,580	92,580	0	0	0	0	0	0	0	0	0	0
KE439	Town Square Improvements (GD1)		0	0	0	0	0	0	0	0	0	0	0	0
KE451	SQ1 Regeneration		0	0	0	0	0	0	0	0	0	0	0	0
KE466	Bus Interchange (GD3)	(31,912)	0	0	0	0	0	0	0	0	0	0	0	0
KE533	Multi Storey Car Park (GD3) 'Sustainable Transport'	2,963	0	0	0	0	0	0	0	0	0	0	0	0
KE506	Public Sector Hub	151,307	1,836,260	1,836,260	0	0	0	0	0	0	0	0	0	0
KE541	Railway Station Multi-Storey Car Park	(406,576)	0	0	0	0	0	0	0	0	0	0	0	0
	Repay LEP Loan			0	0	1,000,000	1,000,000	0	0	0	0	0	0	0
	SG1 Joint Venture		3,144,230	3,144,230	0	5,510,270	5,510,270	0	545,500	545,500	0	0	0	0
	Towns Fund:													
KE538	Towns Fund	68,988	0	0	0	0	0	0	0	0	0	0	0	0
KE560	Stevenage Enterprise Centre		0	0	0	4,000,000	4,000,000	0	0	0	0	0	0	0
KE561	Gunnels Wood Road Infrastructure		985,430	985,430	0	0	0	0	0	0	0	0	0	0
KE562	Station Gateway	10,286	0	0	0	456,930	456,930	0	0	0	0	0	0	0
KE563	Marshgate Biotech	1,124,733	1,399,000	1,399,000	0	0	0	0	0	0	0	0	0	0
KE564	Stevenage Innovation & Technology Centre		0	0	0	3,969,250	3,969,250	0	1,000,000	1,000,000	0	0	0	0
KE565	New Towns Heritage Centre	49,834	979,820	979,820	0	1,000,000	1,000,000	0	0	0	0	0	0	0
KE566	Stevenage Sports & Leisure Club	26,112	2,426,930	2,426,930	0	2,000,000	2,000,000	0	5,500,000	5,500,000	0	0	0	0
KE567	Cycling & Pedestrian Connectivity	9,745	1,113,320	1,113,320	0	1,200,000	1,200,000	0	900,000	900,000	0	0	0	0
KE568	Diversification of Retail & Garden Square	26,081	553,990	553,990	0	2,450,000	2,450,000	0	0	0	0	0	0	0
Various	<b>Towns Fund</b>	<b>1,315,780</b>	<b>7,458,490</b>	<b>7,458,490</b>	<b>0</b>	<b>15,076,180</b>	<b>15,076,180</b>	<b>0</b>	<b>7,400,000</b>	<b>7,400,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Regeneration</b>	<b>1,031,562</b>	<b>12,531,560</b>	<b>12,531,560</b>	<b>0</b>	<b>21,586,450</b>	<b>21,586,450</b>	<b>0</b>	<b>7,945,500</b>	<b>7,945,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## APPENDIX B - GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2023/2024				2024/2025			2025/2026			2026/2027	2027/2028	2028/2029
		Actuals 23/24 Pd1 - Pd7 £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Q2 Working Budget £	Draft Capital Strategy £	Variance Q2 v draft cap strat £	Draft Capital Strategy £	Draft Capital Strategy £	Draft Capital Strategy £
	<b>Community &amp; Neighbourhoods</b>													
KC202	Fairlands Valley Park - Aqua		5,820	4,000	(1,820)	0	0	0	0	0	0	0	0	0
KC235	Boat house as essential H&S works for dry rot	135	140	140	0	0	0	0	0	0	0	0	0	0
KE224	CCTV - Replacement Cameras (Community mobile cameras)		0	0	0	0	0	0	0	0	0	0	0	0
KE507	Cycleways Installations (subject to £100k Arts Council		10,000	0	(10,000)	0	0	0	0	0	0	0	0	0
KC232	SALC and the Swim Centre Urgent and H&S Works	25,768	132,530	132,530	0	0	0	0	0	0	0	0	0	0
KC231	SALC, Swim Centre, and Fairlands Valley Sailing Centre 2019/20 Backlog H&S Works	784	19,860	19,860	0	0	0	0	0	0	0	0	0	0
KC233	Stevenage Arts & Leisure Water leak - Reroofing	59	18,920	59	(18,861)	0	0	0	0	0	0	0	0	0
	<b>C&amp;N cont.</b>			0	0		0		0	0	0	0	0	0
KC242	SLL Leisure management - end of contract capital	11,265	150,000	150,000	0	0	0	0	0	0	0	0	0	0
KC237	Fire stopping works at SALC	20,981	99,900	80,000	(19,900)	0	19,900	19,900	0	0	0	0	0	0
KC238	Lift replacement at SALC	3,401	30,000	45,000	15,000	100,840		(100,840)	0	0	0	0	0	0
KC239	Replacement bridge at Golf Centre & other bridge works	21,823	80,000	71,382	(8,618)	0	0	0	0	0	0	0	0	0
KC240	Replacement Camera programme	31,357	33,920	33,920	0	40,000	40,000	0	10,000	10,000	0	0	0	0
KC052	Shephalbury Park	14,532	14,530	14,530	0	0	5,600	5,600	0	0	0	0	0	0
KC236	Ridlins Athletics	1,863	85,000	78,000	(7,000)	0	0	0	0	0	0	0	0	0
KE917	Ridlins Athletics Facility		10,000	10,000	0	0	0	0	0	0	0	0	0	0
KC243	New Leisure Contract	1,188,596	1,188,600	1,188,600	0	0	0	0	0	0	0	0	0	0
KC245	Equipment replacement at Fairlands Valley Sailing Centre	3,113	35,000	35,000	0	0	0	0	0	0	0	0	0	0
KC246	Aqua Park - Rubber crumb surface replacement	429	35,000	0	(35,000)	0	35,000	35,000	0	0	0	0	0	0
KC247	Lighting of clock tower - permanent install		65,000	65,000	0	0	0	0	0	0	0	0	0	0
KC248	Stock condition survey Leisure sites	37	150,000	0	(150,000)	0	150,000	150,000	0	0	0	0	0	0
KC249	CCTV Mobile camera replacement for Community Safety		7,000		(7,000)	5,000		(5,000)	5,000		(5,000)	0	0	0
New Growth	Fire stopping at SALC				0	0	220,000	220,000	0	0	0	0	0	0
New Growth	Lift procurement at SALC				0	0	160,000	160,000	0	0	0	0	0	0
New Growth	Sailing Centre				0	0	10,000	10,000	0	0	0	0	0	0
New Growth	Ridlins Stadium				0	0	10,000	10,000	0	0	0	0	0	0
	<b>Total Community &amp; Neighbourhoods</b>	<b>1,324,145</b>	<b>2,171,220</b>	<b>1,928,021</b>	<b>(243,199)</b>	<b>145,840</b>	<b>650,500</b>	<b>504,660</b>	<b>15,000</b>	<b>10,000</b>	<b>(5,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Planning &amp; Regulatory</b>													
KE119	Off Street Car Parks (Multi Storey Car Parks)	1,113	199,950	199,950	0	175,000	175,000	0	0	0	0	0	0	0
KE470	Electric Car Charging Points		134,600	134,600	0	0	0	0	0	0	0	0	0	0
KE530	Car Park Equipment - Digitalisation		20,000	20,000	0	0	0	0	0	0	0	0	0	0
KE201	Hard standings	3,665	45,380	45,380	0	25,000	25,000	0	0	0	0	0	0	0
KE100	Residential Parking		300	300	0	0	0	0	0	0	0	0	0	0
KE217	Parking Restrictions	8,814	16,270	16,270	0	15,000	15,000	0	0	0	0	0	0	0
KE444	Coreys Mill Lane - Additional Parking Capacity	166	20,550	20,550	0	0	0	0	0	0	0	0	0	0
KE486	CCTV St George's MSCP		25,360	25,360	0	0	0	0	0	0	0	0	0	0
KE531	Workplace Travel Plan	4,666	40,400	40,400	0	15,000	15,000	0	0	0	0	0	0	0
KE569	Cashless on street parking transition		60,000	60,000	0	60,000	60,000	0	0	0	0	0	0	0
KC916	Street Scene UKSPF		41,210	41,210	0	131,310	131,310	0	0	0	0	0	0	0
KC244	Community Climate Change Fund		97,500	97,500	0	0	97,500	97,500	0	0	0	0	0	0
New Growth	St Georges MSCP - conversion of store room and boiler room to office space				0		50,000	50,000	0	0	0	0	0	0
	<b>Total Planning &amp; Regulatory</b>	<b>18,423</b>	<b>701,520</b>	<b>701,520</b>	<b>0</b>	<b>421,310</b>	<b>568,810</b>	<b>147,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
KR911	Deferred Works Reserve	0	1,279,440	262,178	(1,017,262)	230,332	230,332	0	0	0	0	0	0	0

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## APPENDIX C - HOUSING CAPITAL STRATEGY

Cost Centre	Scheme	2023/2024					2024/2025			2025/2026	2026/2027	2027/2028	2028/2029
		Actuals 23/24 Pd1 - Pd8	Commitments	Q2 Revised Budget	Draft Capital Strategy Revised Budget	Variance Q2 v Draft Cap Strat	Q2 Revised Budget	Draft Capital Strategy Revised Budget	Variance Q2 v Draft Cap Strat	Draft Capital Strategy Revised Budget	Draft Capital Strategy Revised Budget	Draft Capital Strategy Revised Budget	Draft Capital Strategy Revised Budget
		£	£	£	£	£	£	£	£	£	£	£	£
	<b>SUMMARY</b>												
	Capital Programme Excl New Build (Housing Investment)	10,936,330	220,601	24,641,340	24,565,246	(76,094)	20,070,410	24,329,000	4,258,590	25,092,000	22,939,000	24,254,000	25,868,000
	Special Projects & Equipment	77,094	(49,950)	47,450	77,094	29,644	25,000		(25,000)				
	New Build (Housing Development)	8,380,862	5,149,400	20,420,310	18,055,230	(2,365,080)	43,564,700	30,449,150	(13,115,550)	31,366,520	13,000,000	12,783,580	8,400,000
	Digital & Transformation	38,739	(44,380)	446,830	319,723	(127,107)	51,330	52,997	1,667				
	<b>TOTAL HRA CAPITAL PROGRAMME</b>	<b>19,433,025</b>	<b>5,275,672</b>	<b>45,555,930</b>	<b>43,017,293</b>	<b>(2,538,637)</b>	<b>63,711,440</b>	<b>54,831,147</b>	<b>(8,880,293)</b>	<b>56,458,520</b>	<b>35,939,000</b>	<b>37,037,580</b>	<b>34,268,000</b>

APPENDIX C - HOUSING CAPITAL STRATEGY

Cost Centre	Scheme	2023/2024					2024/2025			2025/2026	2026/2027	2027/2028	2028/2029
		Actuals 23/24 Pd1 - Pd8	Commitments	Q2 Revised Budget	Draft Capital Strategy Revised Budget	Variance Q2 v Draft Cap Strat	Q2 Revised Budget	Draft Capital Strategy Revised Budget	Variance Q2 v Draft Cap Strat	Draft Capital Strategy Revised Budget	Draft Capital Strategy Revised Budget	Draft Capital Strategy Revised Budget	Draft Capital Strategy Revised Budget
		£	£	£	£	£	£	£	£	£	£	£	£
	<b>CAPITAL PROGRAMME EXCL. NEW BUILD</b>												
	<b>Planned Investment including Decent Homes</b>												
	Decent Homes - Redecs	670											
Various	<b>Decent Homes - Internal/External Works</b>	<b>1,440,026</b>		<b>3,567,500</b>	<b>3,567,500</b>	<b>6,750,000</b>	<b>5,187,000</b>	<b>(3,175,000)</b>	<b>8,650,000</b>	<b>9,800,000</b>	<b>10,700,000</b>	<b>10,700,000</b>	
KH308	Decent Homes Internal/External Works Contractor 1	766,401		2,300,000	2,300,000	3,250,000	1,125,000	(2,125,000)					
KH309	Decent Homes Internal/External Works Contractor 2					3,250,000		(3,250,000)					
KH310	Decent Homes Internal/External Works Voids	264,958		717,500	717,500	250,000	450,000		450,000	450,000	450,000	450,000	
KH143	Decent Homes Internal/One off Heating Works						2,000,000	2,000,000	3,500,000	3,500,000	3,500,000	3,500,000	
KH141	Decent Homes Electrical	408,668		550,000	550,000		42,000		150,000	150,000	500,000	500,000	
KH142	Decent Homes Kitchens								1,900,000	3,000,000	3,000,000	3,000,000	
Various	Decent Homes External Works								500,000	550,000	550,000	550,000	
KH284	Door Replacement												
KH285	Window Replacement						1,500,000		2,000,000	2,000,000	2,500,000	2,500,000	
KH298	Roofing						70,000		100,000	100,000	150,000	150,000	
KH299	Insulation Measures								50,000	50,000	50,000	50,000	
Various	<b>Decent Homes - Flat Blocks</b>	<b>5,243,229</b>	<b>103,076</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>2,000,000</b>	<b>9,700,000</b>	<b>7,700,000</b>	<b>5,400,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	
KH311	MRC Flat Blocks - Wates	3,375,662		5,300,000	5,300,000		4,500,000	4,500,000	500,000				
KH312	MRC Flat Blocks - Mulalley	1,774,044		4,500,000	4,500,000		5,000,000	5,000,000	4,700,000				
KH313	MRC Flat Blocks - Misc	88,153	103,076	200,000	200,000	2,000,000	200,000	(1,800,000)	200,000	250,000	250,000	250,000	
KH300	MRC	5,370											
KH205	Communal Heating	18,910	(12,700)	80,000	80,000				100,000	100,000	100,000	100,000	
KH092	Lift Installation - Inspection & Remedial Works		(184)										
KH294	High Rises - Preliminary Works		(15,000)	1,130	1,130								
KH321	High Rises - Improvement Works	36,325	25,400	835,000	835,000	1,750,000	1,750,000		1,750,000	1,750,000			
Future Year	New Schemes to be created					215,260		(215,260)	947,000	2,993,000	5,158,000	6,772,000	
	<b>Health &amp; Safety</b>												
KH085	Fire Safety	522,895	5,233	2,604,670	2,604,670	500,000		(500,000)					
KH317	Additional fire stopping works					959,620		(959,620)					
KH112	Asbestos Management	142,090	1,637	281,190	281,190	300,000	300,000		300,000	300,000	300,000	300,000	
KH114	Subsidence	48,584		100,000	100,000	100,000	120,000	20,000	120,000	120,000	120,000	120,000	
KH144	Contingent Major Repairs	222,855	(7,300)	350,000	350,000	500,000	500,000		500,000	500,000	500,000	500,000	
KH327	Building safety					980,000	1,000,000	20,000	1,000,000	1,000,000	1,000,000	1,000,000	
	<b>Estate &amp; Communal Area</b>												
KH223	Asset Review - Challenging Assets	265,135	88,439	790,970	790,970	857,770	600,000	(257,770)	600,000	600,000	600,000	600,000	
KH224	Asset Review - Sheltered (non RED)	112,856											
	<b>Other HRA Schemes</b>												
KH318	Stock condition Surveys	88,285	(2,525)	125,000	125,000	80,000	120,000	40,000	125,000	125,000	125,000	125,000	
KH174	Energy Efficiency Pilot Projects	2,028,741				420,000	200,000	(220,000)	200,000	200,000	200,000	200,000	
KH319	Decarbonisation	345,342	6,600	4,888,190	4,888,190	2,300,000	3,800,000	1,500,000	3,800,000	3,800,000	3,800,000	3,800,000	
KH329	Decarbonisation - Grant					1,310,940		(1,310,940)					
KH094	Disabled Adaptations	420,387	27,925	872,690	872,690	650,000	1,084,000	434,000	1,100,000	1,100,000	1,100,000	1,100,000	
KH328	Increased Aids & Adaptations budget					350,000		(350,000)					
KH330	CCTV			145,000	145,000								

## APPENDIX C - HOUSING CAPITAL STRATEGY

Cost Centre	Scheme	2023/2024					2024/2025			2025/2026	2026/2027	2027/2028	2028/2029
		Actuals 23/24 Pd1 - Pd8	Commitments	Q2 Revised Budget	Draft Capital Strategy Revised Budget	Variance Q2 v Draft Cap Strat	Q2 Revised Budget	Draft Capital Strategy Revised Budget	Variance Q2 v Draft Cap Strat	Draft Capital Strategy Revised Budget	Draft Capital Strategy Revised Budget	Draft Capital Strategy Revised Budget	Draft Capital Strategy Revised Budget
		£	£	£	£	£	£	£	£	£	£	£	£
KH331	Digitalisation New Business Plan expenditure <b>TOTAL CAPITAL PROGRAMME EXCL. NEW BUILD</b>				(76,094)	(76,094)	46,820	(32,000)	(46,820)	500,000	301,000	301,000	301,000
		10,936,330	220,601	24,641,340	24,565,246	(76,094)	20,070,410	24,329,000	2,646,590	25,092,000	22,939,000	24,254,000	25,868,000
	<b>SPECIAL PROJECTS &amp; EQUIPMENT</b>												
	<b>HRA Equipment</b>												
KH015	Capital Equipment (including Supported Housing Equip)	54,194	(49,950)	25,550	54,194	28,644	25,000		(25,000)				
KH278	Vans for RVS	22,900		21,900	22,900	1,000							
	<b>Sub Total Special Projects &amp; Equipment</b>	<b>77,094</b>	<b>(49,950)</b>	<b>47,450</b>	<b>77,094</b>	<b>29,644</b>	<b>25,000</b>		<b>(25,000)</b>				
	<b>CAPITAL PROGRAMME NEW BUILD</b>												
	<b>New Build Programme - eligible for 1-4-1</b>	<b>4,353,198</b>	<b>(173,886)</b>	<b>8,834,270</b>	<b>4,134,190</b>	<b>(3,385,080)</b>	<b>43,131,340</b>	<b>8,515,790</b>	<b>(34,615,550)</b>	<b>21,666,520</b>	<b>13,000,000</b>	<b>12,783,580</b>	<b>8,400,000</b>
	<b>New Build Programme - ineligible</b>	<b>4,027,664</b>	<b>5,323,286</b>	<b>11,586,040</b>	<b>13,921,040</b>	<b>2,335,000</b>	<b>433,360</b>	<b>21,933,360</b>	<b>21,500,000</b>	<b>9,700,000</b>			
KH233	Open Market Acquisitions (Social Rent)	2,833,952	(167,343)	930,790		(930,790)						891,790	
KH233	Open Market Acquisitions (Afford. Rent)											891,790	
KH233	Open Market Acquisitions (Ineligible 141)			4,150,000	4,150,000								
KH244	Twin Foxes	390	390										
KH245	March Hare in Burwell Road (15 Units)	98,822			400,000	400,000		1,963,480	1,963,480	500,000			
KH247	Kenilworth Close (105 units) (Ineligible 141)	4,000,324	5,319,347	7,436,040	7,436,040	0	433,360	433,360					
KH247	Kenilworth Close 1 for 1 Expenditure (61.8%)			469,190	469,190	(0)							
KH280	Symonds Green	(30,480)	(43,650)	200,000	200,000								
KH279	Shephall Way	(430)											
KH282	North Road (Ineligible 141)	15,484	3,939										
KH303	Dunn Close (27 units, 21 in main block, supported accommodation)	401,411	(573)	1,750,000	1,750,000		752,310	752,310					
NEED CODE	Brent Court Social Rent				2,335,000	2,335,000		21,500,000	21,500,000	9,700,000			
	Schemes Under Development			5,484,290	1,315,000	(4,169,290)	42,379,030	5,800,000	(36,579,030)	21,166,520	13,000,000	11,000,000	8,400,000
KH307	The Oval (70 Units)	822,832	700		1,000,000	1,000,000		5,000,000		12,000,000	6,000,000		
KH301	Redcar Drive aka Cartref (Social Rent)	85,997	1,931		150,000	150,000		225,000		3,721,820			
KH301	Redcar Drive aka Cartref (Affordable Rent)							375,000		3,721,820			
KH314	Ellis Avenue (Social Rent)	15,154	(1,250)					100,000		861,440			
KH314	Ellis Avenue (Affordable Rent)							100,000		861,440			
NEED CODE	Neighbourhood Centre Social Rent										3,500,000	5,500,000	
NEED CODE	Neighbourhood Centre Afford.Rent										3,500,000	5,500,000	
KH304	Shephall Social	125,550	35,908		165,000	165,000							
KH072	L.S.S.O. Buy Back	11,856											
	<b>TOTAL CAPITAL PROGRAMME NEW BUILD</b>	<b>8,380,862</b>	<b>5,149,400</b>	<b>20,420,310</b>	<b>18,055,230</b>	<b>(1,050,080)</b>	<b>43,564,700</b>	<b>30,449,150</b>	<b>(13,115,550)</b>	<b>31,366,520</b>	<b>13,000,000</b>	<b>12,783,580</b>	<b>8,400,000</b>
	<b>INFORMATION TECHNOLOGY</b>												
	<b>IT General (IT)</b>												
KH268	Infrastructure Investment	12,468		185,510	111,273	(74,237)	51,330	32,997	(18,333)				
KH315	Core ICT Equipment for Additional Staff			40,000		(40,000)							

APPENDIX C - HOUSING CAPITAL STRATEGY

Cost Centre	Scheme	2023/2024					2024/2025			2025/2026	2026/2027	2027/2028	2028/2029
		Actuals 23/24 Pd1 - Pd8	Commitments	Q2 Revised Budget	Draft Capital Strategy Revised Budget	Variance Q2 v Draft Cap Strat	Q2 Revised Budget	Draft Capital Strategy Revised Budget	Variance Q2 v Draft Cap Strat	Draft Capital Strategy Revised Budget	Draft Capital Strategy Revised Budget	Draft Capital Strategy Revised Budget	Draft Capital Strategy Revised Budget
		£	£	£	£	£	£	£	£	£	£	£	£
KH316 Growth	2012 Migration Servers 2024/25			12,870		(12,870)							
	<b>Total General IT</b>	<b>12,468</b>		<b>238,380</b>	<b>111,273</b>	<b>(127,107)</b>	<b>51,330</b>	<b>52,997</b>	<b>1,667</b>				
	<b>Connected To Our Customers (CTOC)</b>												
KH288	New CRM Technology (Digital Platform)	18,870		82,380	82,380								
	<b>Total CTOC</b>	<b>18,870</b>		<b>82,380</b>	<b>82,380</b>								
KH283	<b>Housing All Under One Roof programme (HAUOR)</b>												
	Housing Improvements - Northgate online	7,400	(4,280)	126,070	126,070								
	<b>Total HAUOR</b>	<b>7,400</b>	<b>(4,280)</b>	<b>126,070</b>	<b>126,070</b>								
KH218	<b>Other HRA</b>												
	ICT Programme (Business Plan)		(40,100)										
	<b>Total Other HRA</b>		<b>(40,100)</b>										
	<b>TOTAL ICT INCLUDING DIGITAL AGENDA</b>	<b>38,739</b>	<b>(44,380)</b>	<b>446,830</b>	<b>319,723</b>	<b>(127,107)</b>	<b>51,330</b>	<b>52,997</b>	<b>1,667</b>				

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

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

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