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Daneshill House
Danestrete
Stevenage
Hertfordshire

13 February 2024

Dear Sir/Madam

Notice is hereby given that a meeting of the Stevenage Borough Council will be held in the Council Chamber, Daneshill House, Danestrete, Stevenage on Wednesday, 21 February 2024 at 7.00pm and you are summoned to attend to transact the following business.

Yours faithfully



Matthew Partridge
Chief Executive

AGENDA

1. **APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**
2. **MINUTES - 24 JANUARY 2024**

To approve as a correct record the Minutes of the meeting of the Council held on 24 January 2024.

Page Nos. 3 - 12

3. **GENERAL FUND AND COUNCIL TAX SETTING 2024/25 AND CAPITAL STRATEGY 2023/24 - 2028/29**

To approve the Council's Final General Fund Budget 2024/25 and Capital Strategy for 2023/24 to 2028/29, and final proposals for the 2024/25 Council Tax and Council Tax Support Scheme.

[Note: Approval of the Council Tax Resolution set out in Appendix F to the General Fund report is subject to confirmation of the precept figures for Hertfordshire County Council, which will not be confirmed until after the County Council has met to determine this on 13 February 2024.]

Page Nos. 13 – 126

4. ANNUAL TREASURY MANAGEMENT STRATEGY INCLUDING PRUDENTIAL INDICATORS 2024/25

To approve the Treasury Management Strategy 2024/25, including the Prudential Code indicators.

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5. RESOLUTION TO EXTEND 6 MONTH ATTENDANCE RULE - SECTION 85, LOCAL GOVERNMENT ACT 1972

To consider a resolution to extend the 6 month attendance rule for Councillor Mrs Joan Lloyd, in accordance with Section 85 of the Local Government Act 1972.

Page Nos. 163 - 164

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

To consider and approve the Stevenage Borough Council Corporate Plan – Making Stevenage Even Better (2024 – 2027).

Page Nos. 165 - 224

7. ELECTORAL SERVICES - SCALE OF FEES

To consider and approve the scale of fees for electoral events from 1 April 2024.

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STEVENAGE BOROUGH COUNCIL

COUNCIL MINUTES

Date: Wednesday, 24 January 2024

Time: 7.00pm

Place: Council Chamber, Daneshill House, Danestrete, Stevenage

Present: Councillors: Myla Arceno (Mayor), Jim Brown (Deputy Mayor), Sandra Barr, Philip Bibby CC, Stephen Booth, Lloyd Briscoe, Rob Broom, Forhad Chowdhury, Nazmin Chowdhury, Michael Downing, Bret Facey, Alex Farquharson, Richard Henry, Jackie Hollywell, Mason Humberstone, Wendy Kerby, Graham Lawrence CC, Lin Martin-Haugh, Conor McGrath, Maureen McKay, Sarah Mead, Adam Mitchell CC, Margaret Notley, Robin Parker CC, Claire Parris, Ellie Plater, Loraine Rossati, Graham Snell, Simon Speller, Jeannette Thomas, Carolina Veres and Anne Wells.

Start / End Time: Start Time: 7.00pm
End Time: 8.56pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were submitted on behalf of Councillors Julie Ashley-Wren, Chris Howells, Mrs Joan Lloyd, Andy McGuinness, Baroness Taylor of Stevenage and Tom Wren.

There were no declarations of interest.

2 MINUTES - 20 DECEMBER 2023

It was **RESOLVED** that the Minutes of the Council Meeting held on 20 December 2023 be approved as a correct record and signed by the Mayor.

3 MAYOR'S COMMUNICATIONS

The Mayor announced that the Stevenage Motto, "The Heart of a Town Lies in its People", truly reflected the Borough's community. She paid tribute to the author of the Motto, Richard John Ingle, who had passed away aged 81 in December 2023. Richard compiled the words when he was a pupil at Barclays School. The Mayor was privileged to have attended Richard's funeral, which was a celebration of his life. He deserved great praise and recognition for compiling the town's motto.

The Mayor commented that she had attended 238 Mayoral Engagements since May 2023. Engagements such as those with Stevenage Community Trust, Stevenage Works Community Chest funds and The Betty Game Opportunities Trust were great examples of how local people were working together to help and support others by giving grants and funds to those in need. These Trusts were groups of people and

businesses in the town who had the generosity at their core. She thanked them all.

The Mayor announced that, during January 2024, she had attended a tree planting in memory of former Councillor John Gardner, the launch of Hertfordshire Covenant from all Faiths, Holocaust Memorial Day exhibition at the Stevenage Library, and visited the Covid Cobra first pillar in Grace Way, with thanks to Junction 7 Creatives and Community Development Team. She would shortly be visiting the Business Technology Centre (BTC), and thanked WENTA (based at the BTC) for their generous donation to the Mayor's charity funds.

The Mayor congratulated Sarah Pateman (Head of Community Advice and Support) for receiving the Most Excellent Order of the British Empire (OBE) for her work and services to the Victims of Domestic Abuse in Hertfordshire.

The Mayor reminded Members that Stevenage had been recognised as a Dementia Friendly Community, and a dementia badge for Councillors and staff to wear had been produced. She hoped that wearers would support the initiative with a donation to the charity.

The Mayor announced that Don Hills had also passed away recently. Don had worked as a journalist for 50 years. He was the Press Officer with Stevenage Development Corporation from 1960 to 1980 and Public Relations and Information Officer for Stevenage Borough Council from 1976 to 1992. He had the unique role of working for both authorities for few years. He and the late Margaret Ashby had also written a very interesting book on the history of Stevenage.

At the Mayor's invitation, a number of Members paid personal tributes to Don Hills.

4 COMMUNITY PRESENTATIONS

There were no community presentations.

5 PETITIONS AND DEPUTATIONS

There were no petitions or deputations.

6 QUESTIONS FROM THE YOUTH COUNCIL

There were no questions from the Youth Council.

7 QUESTIONS FROM THE PUBLIC

Question from Mr Jim Borchers

The Council noted that a response to the question submitted by Mr Borchers regarding the principles the Council had in place for new and existing external lighting on buildings and structures in the town with respect to wildlife and dark skies had been published in the supplementary agenda for the meeting.

Mr Borchers was present at the meeting and he asked the following supplementary question:

“In view of the amount of unnecessary lighting both in the Stevenage Bus Interchange and the new Railway Station Multi-Storey Car Park (MSCP), can SBC urgently produce a Strategy document on lighting across the town so that the correct lighting can be installed in the right places, cutting light pollution whilst at the same time enabling people to move about safely?”

The Portfolio Holder for Environment & Performance (Councillor Simon Speller) replied that he would ask officers to look at the lighting levels at the Bus Interchange and new Railway Station MSCP. He commented that lighting standards should be applied on all planning applications, with the strategy document overseeing such matters being the Stevenage Local Plan. He offered to invite Mr Borchers to a meeting with him, the Assistant Director (Planning & Regulation) and the Engineering Services Manager to discuss the matter in more detail.

8 LEADER OF THE COUNCIL'S UPDATE

The Leader of the Opposition, Councillor Phil Bibby CC, advised that he had received comments from Indoor Market stallholders about reduced footfall following the siting of the Bus Interchange, in particular less mobile people. He therefore asked the following question:

“What can the Council do with stallholders to improve their businesses to increase footfall and cater for those that had difficulty in walking from the Bus Interchange to the Indoor Market?”

The Leader of the Council replied that he was not aware of any evidence to support the matter raised in the question, but he and the Deputy Leader would investigate further with officers.

The Council then received updates from the relevant Executive Portfolio Holders on the following matters:

- Coronation Living Heritage Fund;
- Flat Block Recycling Pilot;
- Co-operative Neighbourhoods: Walkways Cleansing Programme;
- SBC Business Support Programme;
- Wenta; and
- Stevenage Works.

The Leader of the Opposition advised that Members had recently received an e-mail regarding the maintenance of Play Areas. The Programme had been delayed due to the Covid-19 pandemic and the consultation was being re-run. He was not sure why as Members had previously been told that 50 Play areas were to be maintained in good working order. He asked if the £1.5Million budget was sufficient to cover the

costs of the works.

The Leader of the Council replied that he would ask the Portfolio Holders for Environment & Performance and Culture, Leisure & Information Technology to investigate the matter.

9 UPDATE FROM SCRUTINY CHAIRS

The Chair of the Overview & Scrutiny Committee advised that the Committee had only met once since the previous Council meeting. The Committee had primarily discussed the various Budget reports, including the final Housing Revenue Account and Rent Setting report for 2024/25. The Committee also debated “Making Stevenage Even Better”, the Council’s proposed new Corporate Plan.

The Chair of the Community Select Committee advised that the Committee had met on 8 January 2024 at which it had concluded its work on the scrutiny of the Housing Repairs Service. In that regard, the Committee had agreed 9 constructive recommendations for improvements to the Service, which had been supported by officers.

The Chair of the Environment & Economy Select Committee advised that the Committee had finalised its scrutiny reviews of Bus Services and the Cost of Living crisis. Looking forward, the Committee would be carrying out some work in February on its plans for the 2024/25 Civic Year, followed by a session on bio-diversity and the Climate Change Strategy, and in March would be carrying out some work relating to the Decarbonisation of the Council’s Housing stock.

10 NOTICE OF MOTIONS

Impact of the Government’s Autumn Statement on Local Government Finance

Councillor Richard Henry moved and Councillor Jeannette Thomas seconded the motion set out in the agenda papers.

During the debate, Councillor Henry agreed to accept a suggested re-wording of the second paragraph of the motion from “Conservative-Liberal Democrat Alliance government” to “Conservative-Liberal Democrat Coalition government”.

Following further debate, and upon the re-wording motion being put to the vote, it was **RESOLVED** that:

1. This Council notes with deep concern the significant impact of de-funding local government by Conservative-led governments since 2010.
2. This Council recognises that local government in England has been actively stripped of funding under successive Conservative-led governments, including the Conservative-Liberal Democrat Alliance government. All English local authorities have been forced to cut spending on nearly every aspect of their services since 2010. Poorer areas have been hit disproportionately, leading to councils having to make harsh cuts, including to services such as parks,

libraries, refuse collection, and children's centres. Following the Chancellor's Autumn Statement, the Chair and leaders of the four main parties in the Local Government Association (LGA) wrote an open letter to the Chancellor warning of "low financial resilience across the sector following a 27.0 per cent real-terms reduction in core spending power¹ since 2010/11. The Local Government Association estimates that there is a "funding gap" of almost £3bn over the next two years.

3. This Council notes that since 2010, several councils have issued Section 114 notices (under the Local Government Finance Act 1988) and more look likely to follow. Both the Local Government Association (LGA) and the County Councils Network (CCN) undertook surveys of their member councils immediately after the Autumn Statement. The Local Government Association reported findings of a "growing financial crisis", with almost one in five of its members at risk of running out of funds either this year or next.
4. A report by The National Audit Office (NAO) have published data that shows Stevenage's Core Spending Power **has reduced by 64.5% in real terms** when comparing 2010/11 to 2020/21. The Council's own government funding reduced by £5.3Million to 2019/20 and the need to fund inflationary pressures has meant the Council has had to find over £14Million of savings to stay financially resilient. This Council has had to make some very hard decisions – and those decisions get harder and harder each year as we are cut to the bone. It has to stop.
5. This Council:
 - a. Condemns the reduction of funding to local government since 2010 by successive Conservative-led governments and calls for immediate action by the current Government to provide a sustainable funding model for the sector, thereby stopping this assault on local democracy.
 - b. Calls on the Chancellor to listen to the voices of the leaders of the Local Government Association (of which Stevenage Borough Council is a member) in their letter of 13 October, 2023 and, in particular:
 - Address funding sufficiency and certainty issues faced by councils.
 - Take steps to strengthen the local government workforce.
 - Strengthen councils' role in key national policy areas such as housing and net zero.

11 QUESTIONS FROM MEMBERS TO COMMITTEE CHAIRS / PORTFOLIO HOLDERS

The Council received five questions from Members to Committee Chairs/Portfolio Holders. The responses to the five questions had been published in the supplementary agenda for the meeting.

- (A) Question from Councillor Margaret Notley re: the Council's telephone enquiry system.

Supplementary question: "Please could the Executive Member remind the Customer Services Centre Team to be mindful of those residents whose experience in contacting the Council had not been good, and challenge the Team to get telephone waiting times down even further?"

The Executive Portfolio Holder for Culture, Leisure & Information Technology replied that the Council was always looking to improve the service. If the questioner had the names of specific members of the public who had experienced difficulties she would be happy to discuss those cases with the Transformation and Customer Services Teams.

- (B) Question from Councillor Andy McGuinness re: the Councillors' locality budget scheme.

In the absence of Councillor McGuinness, Councillor Robin Parker CC asked the following supplementary question – "Please could the split in spending between Revenue and Capital items in the SBC Councillors' Locality Budget as a whole be provided, and will there be guidelines given to councillors as to how they would be able to spend their locality budgets?"

The Executive Portfolio Holder for Co-operative Council & Neighbourhood Communities replied that she would consult officers and provide a written answer to this question.

- (C) Question from Councillor Bret Facey re: the payroll systems for staff and councillors.

Supplementary question: "Can the Leader of the Council guarantee that there were no other questionable use of resources (like the previous councillor payroll system) causing a small, but unnecessary, cost to the Council?"

The Leader of the Council replied that there were quirky accounting processes in most local authorities across the UK. He was pleased that the Council had taken steps to integrate councillors' payroll into the existing staff system. However, he was aware that Hertfordshire County Council had separate staff and councillor payroll systems and had no plans to change to a single system.

- (D) Question from Councillor Robin Parker CC re: the effect of changes in the local media on the Council's Communications Team.

Supplementary question: "Does the Council provide all help to the Local Radio, and is the SBC studio at the rear of the Council Chamber still used and, if not, why not?"

The Leader of the Council reminded the questioner that the Labour Group had supported a Council motion submitted by his Group stressing the importance of radio as a means of communication. He was unaware of the studio mentioned in the question, but would liaise with officers to find out. He was aware that the SBC Communications Team were in regular contact with all forms of media, and did what they could to work with Local radio in publicising the Council's

work.

- (E) Question from Councillor Adam Mitchell CC re: the impact of Right to Buy sales of the Council's housing stock on the town and residents.

Supplementary question: "Given the discounts available to tenants for Right to Buy, how are these opportunities communicated to them and how often?"

The Executive Portfolio Holder for Housing & Housing Development replied that all of the details on how tenants could apply for Right to Buy were available on the Council's website.

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

The Council considered a report seeking approval to the Housing Revenue Account (HRA) Budget and Rent Setting for 2024/25.

In moving the motion, the Executive Member for Housing & Housing Development (Councillor Jeannette Thomas) advised that the HRA budget had been set in line with the assumptions used in the revised 30-year Business Plan that was approved by the Executive in November 2023. The aim of the budget was to balance the needs of the existing housing stock, while allowing investment in new replacement homes for those lost under the Right to Buy system. The budget included funding for £37Million on revenue and capital works to existing homes and £29Million of investment in new housing stock for residents. These investments were part of the Council's ten-year plan to improve the maintenance of its homes and ensure that tenants had good quality, safe and sustainable homes to live-in, particularly in response to the climate crisis.

The Executive Member for Housing & Housing Development stated a key priority would be to maintain full compliance with all statutory and regulatory requirements to ensure that tenants' homes remained safe. The Council would further progress its low to medium rise flat block refurbishment programmes and would undertake further building safety and refurbishment works to the Council's five high rise flat blocks. Over the next three years of the Council's decent homes programme, 995 new kitchens or bathrooms would be installed, there would be 1,875 heating upgrades, 1,500 window or door upgrades and 1,400 properties would receive works to improve their energy efficiency with the aim for all properties to be at an energy performance rating of C by 2030.

The Executive Member for Housing & Housing Development commented that in the next 5 years the budget would contribute towards the delivery of 447 new homes in line with the Council's 5 Star promise. This was on top of the over 500 homes that the Council had delivered to date.

The Executive Member for Housing & Housing Development explained that the revenue growth included within the 2024/25 budget totalling £2.4Million would enable the Council to meet additional costs relating to void properties and support the work in clearing the current backlog of fencing repairs and replacements. Work

would continue to implement improvements to the Council's Repairs and Voids service, to ensure it offered choices to tenants and delivered cost-effective repairs and improvements. Further proposals in this regard would be presented to the Executive in due course.

The Portfolio Holder for Housing & Housing Development advised that additional resources had also been allocated in response to new and ongoing operational challenges, including higher levels of arrears, and the introduction of new and revised social housing standards and regulations. This would be alongside growth of £419,000 that would enable transformation projects, which would deliver service improvements and help offset pay awards and IT related pressures. As part of the Council's climate change commitment, the vehicle fleet would be switching (where possible) to *Hydrotreated Vegetable Oil* fuel from October 2024.

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

The Portfolio Holder for Housing & Housing Development explained that new loans totalling £37.6Million and £18.8Million were expected to be taken in the current and next financial year. However, the timing of this borrowing would be reviewed weighing up the cost and the Public Works Loan Board interest 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 stated that, since the draft budget was presented to Members in December 2023, recharges between the HRA and the General Fund had been finalised. Overall, this had increased costs to the HRA by £179,000 and the HRA deficit for the year by £261,000. This would be funded from balances and adjusted in future revisions of the Medium Term Financial Strategy.

The motion was seconded by the Executive Member for Culture, Leisure & Information Technology (Councillor Loraine Rossati).

In response to various questions raised during the debate on the motion, the Portfolio Holder for Housing & Housing Development stated:

- in relation to the decarbonisation of the Council's housing stock, the Council had to bid each time for Government funding for these works. SBC had been successful in two such bids, and work was ongoing in some of the Council's older housing stock;
- the Council did not currently benchmark its services against Housing Associations nor other local authorities with their own housing stock, although this could be

looked at in the future; and

- the corporate and democratic costs allocated to the HRA was its proportion re-charged to the General Fund.

Upon the motion being put to the vote, it was **RESOLVED:**

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

13 MEMBERS' ALLOWANCES SCHEME 2024-2025 - REPORT OF THE INDEPENDENT REMUNERATION PANEL

The Council considered a report in respect of the proposed Members' Allowances Scheme for 2024/25, as recommended by the Independent Remuneration Panel (IRP).

It was moved by Councillor Richard Henry and seconded by Councillor Jeannette Thomas that the recommendations of the Independent Remuneration Panel set out in the report be agreed. In moving the motion, Councillor Henry asked that the next IRP Review should include benchmarking information with comparator authorities which, like SBC, still possessed their own Housing stock.

Following debate, and upon the motion being out to the vote, it was **RESOLVED:**

1. That the report of the Independent Remuneration Panel be noted and, subject to Members' consideration, that the findings of the report form the basis of the formal Members' Allowances Scheme for 2024/25, including:
 - with the exception of the proposal for the Majority Opposition and Minority Opposition Group Leaders set out below, the Basic Allowance and Special Responsibility Allowances remained unchanged from 2023/24, and
 - the Special Responsibility Allowances payable to the Majority Opposition and Minority Opposition Group Leaders be combined, and be re-distributed pro rata to the number of Members in their respective Groups.
2. That, in accordance with the recommendations of the Panel regarding payment of Dependant Carers' allowances, the hourly rates remain unchanged from 2023/24, but that the scheme be changed from a monthly maximum of 20 hours to a maximum of 360 hours over the year (with the Leader having discretion to increase this maximum allowance where demonstrably necessary).
3. That, in the light of Resolutions 1. and 2. above, the draft formal Members' Allowances Scheme, as shown at Appendix B to this report, be approved for 2024/2025.
4. That an Independent Remuneration Panel be reconvened in the Autumn of 2024 to consider the Members' Allowances Scheme for 2025/2026 onwards.

14 PAY POLICY STATEMENT 2024/25

The Council considered a report in respect of a proposed Pay Policy Statement for 2024/25.

It was moved by Councillor Richard Henry, and seconded by Councillor Sandra Barr, that the recommendations set out in the report be approved.

Upon the motion being put to the vote, it was **RESOLVED:**

1. That the Pay Policy Statement 2024/25 set out in accordance with the Localism Act 2011 and the Local Government Transparency Code 2015, as attached at Appendix 1 to the report, be approved.
2. That the Pay Policy Statement be placed on the Council's website.

MAYOR

EXECUTIVE/COUNCIL

Meeting

Portfolio Area RESOURCES AND TRANSFORMATION

Date 21 February 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

That the following proposals be recommended to Council on 21 February 2024

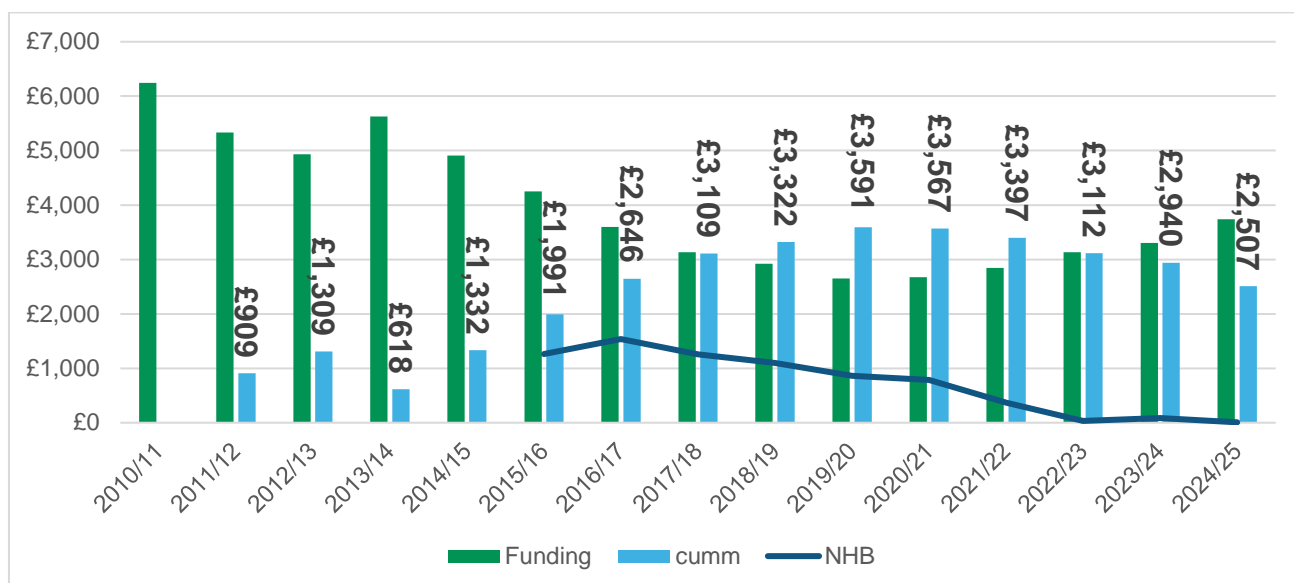
- 2.1 The 2023/24 revised net expenditure on the General Fund of **£13,571,480** is approved as set out in paragraph 4.10.1.
- 2.2 The draft General Fund Budget for 2024/25 of **£12,788,410** with no contribution from balances and a Band D Council Tax of £239.26, (assuming a 2.99% Council Tax increase) and as summarised in Appendix G.
- 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 approved.
- 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 Approval is granted to use of £200K of Business Rates in the base budget and that any gains secured above that sum are only used once realised and are ring fenced to maintain the Council's financial resilience.
- 2.11 Members note the use of the 'pooling gains' of **£220,000** as set out in paragraph 4.4.9.
- 2.12 That the comments from Overview and Scrutiny Committee set out in section 4.16 are noted.
- 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

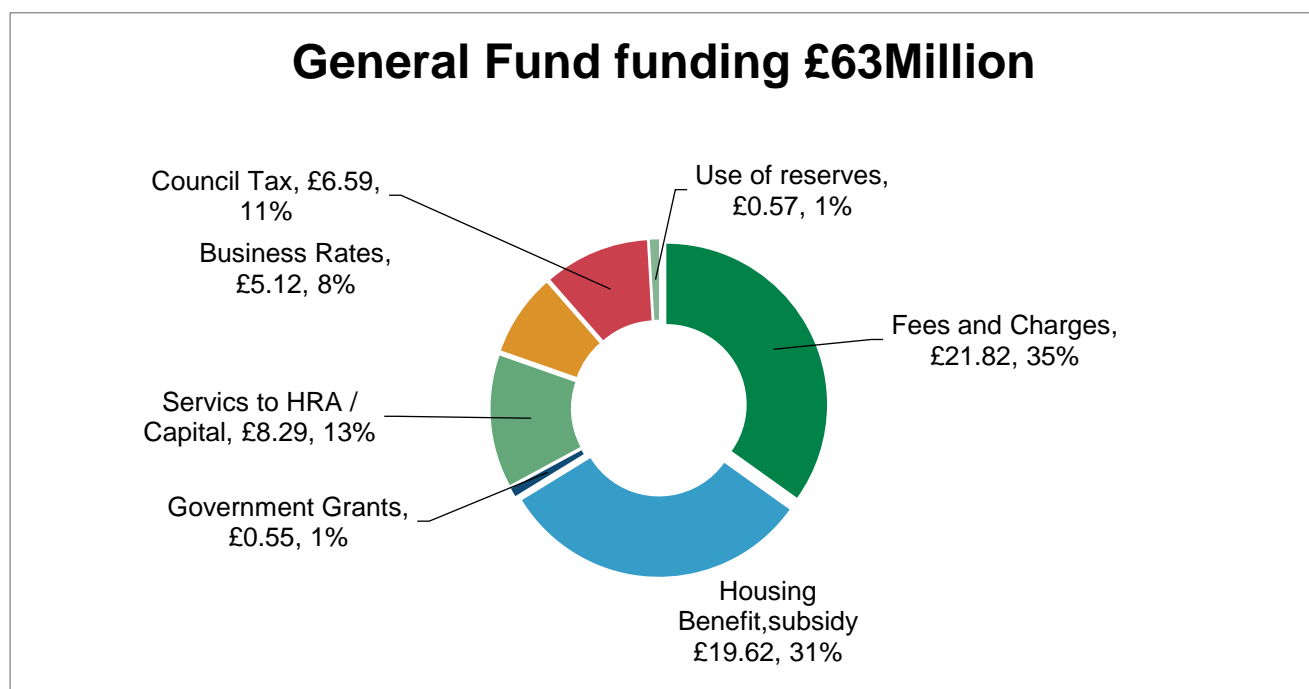
- 3.1 This report is an update on the Council's Draft General Fund and Council Tax setting report 2024/25 which was presented to the January 2024 Executive. This report sets out the 2024/25 draft General Fund Budget including Balancing the Budget (BTB) options, growth bids and pressures. The General 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 previous budget reports, the 2024/25 budget setting process is set in the context against the backdrop of Government grant cuts which total £5.3Million since 2010 which have required the Council to find cumulative savings of £14Million 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 £1.7Million inflationary pressures for 2023/24). The chart below shows that the Council's funding is still £2.5Million lower than it was in 2020/11. The CFO does

not recommend using grant stream such as New Homes Bonus (NHB) or for that matter business rate gains in their entirety to support core spending. The chart below shows how NHB have reduced from over £1Million to £7K in 2024/25.



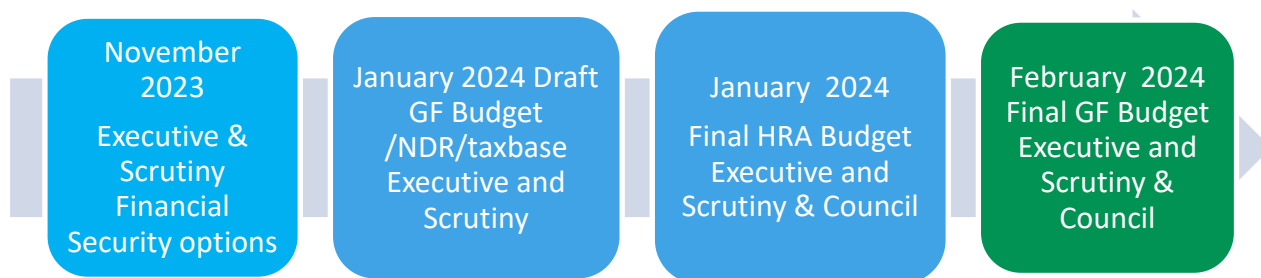
- 3.3 Members will have seen a number of local government journal and national press articles which highlight concerns concerning the local government funding model. The Government has commenced an inquiry on financial distress in local authorities. This follows a number of Councils issuing a section 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.
- 3.4 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."
- 3.5 The January 2024 Executive budget report set out the provisional finance funding settlement which totalled £3.746Million and was £149K more than the amount assumed in the MTFS. At the time of writing the Executive report the final settlement was not published and it was finally announced on the 5 February 2024.

- 3.6 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 savings view. Whilst the Council does not currently have a three year savings plan identified, the Medium Term Financial Strategy gives 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 and beyond 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 (for the 6th year running) 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. On the 24 January 2024 the government announced an increase in funding including uprating the 3% income guarantee to 4%, £500m additional Social care funding and a further £15m for the Rural Delivery Grant. A summary of the final and provisional settlement figures are shown below.

National Provisional Funding Settlement	2023-24 £Million	2024-25 Prov. £Million	Var. £Million	% change of total incr.	2024-25 Final £Million	Var £Million	% change of total incr.
Settlement Funding Assessment	£15,671	£16,563	£892		£16,563	£892	
Under-indexing the business rates multiplier	£2,205	£2,581	£376		£2,581	£376	
Council Tax Requirement exc. parish precepts	£33,984	£36,062	£2,078	3.5%	£36,062	£2,078	3.5%
New Homes Bonus	£291	£291	£0		£291	£0	
Services Grant	£483	£77	(£406)		£77	(£406)	
Funding Guarantee	£133	£197	£64		£262	£129	
Drainage Boards	£0	£0	£0		£3	£3	
Rural Services Delivery Grant	£95	£95	£0		£110	£15	
Improved Better Care Fund	£2,140	£2,140	(£0)		£2,640	£500	
Social Care Grant	£3,852	£4,544	£692		£4,544	£692	
ASC Mkt Sustainability and Improvement Fund	£562	£1,050	£488		£1,050	£488	
Adult Social Care Discharge Fund	£300	£500	£200		£500	£200	
Grants rolled in	£480	£0	(£480)		£0	(£480)	
Core Spending Power	£60,196	£64,100	£3,904	6.5%	£64,683	£4,487	7.5%

- 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

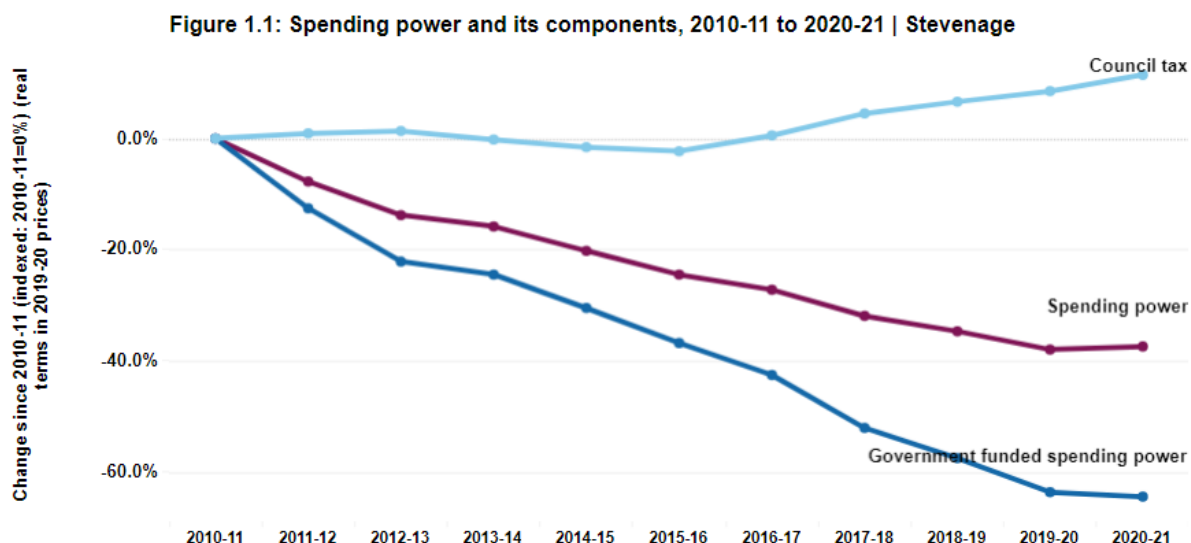
limits for a few Councils with Woking at 10% and Slough / Thurrock 8%. This remains unchanged from the Provisional settlement.

- 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, unchanged from the provisional settlement.
- 4.1.4 The Stevenage New Homes Bonus (NHB) allowance for 2024/25 is £7,290 (2023/24 £86,736), unchanged from the provisional settlement.
- 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 final 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 indicative final 2024/25 settlement versus the September MTFS assumptions is shown in the table below which includes an additional £100K over and above the £147K reported in January. The final settlement increased the funding guarantee by 1% increase. The provisional settlement was better than originally modelled partly because the government used 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. The February Executive report settlement figure was in line with the final published however there was a difference of £1,590 (up/down) between the service grant and guarantee income.

	September MTFS	Provisional Settlement	Final Settlement
Business Rates	(£2,847,507)	(£2,812,960)	(£2,812,960)
Under indexing	(£482,000)	(£509,446)	(£509,446)
Total Business Rates	(£3,329,507)	(£3,322,406)	(£3,322,406)
Revenue Support Grant	(£108,120)	(£108,811)	(£108,811)
New Homes Bonus (NHB)	(£10,000)	(£7,290)	(£7,290)
Services Grant	(£100,000)	(£16,371)	(£17,960)
3%/4%guarantee	(£51,728)	(£291,982)	(£390,740)
Total	(£3,599,355)	(£3,746,860)	(£3,847,207)
Increase to MTFS		(£147,505)	(£247,852)

- 4.1.7 While the 2024/25 CSP increase is now 7.5%, 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).











4.1.8 With the final settlement but not included in the CSP was two further amounts which were:

- 2023/24 Levy surplus, the Government confirmed that £100Million will be released from the safety net and levy account in 2023/24 on a one-off basis, distributed using 2013/14 settlement funding assessment shares. Allocations were not published but estimated at £21,574.
- 2023/24 & 2024/25 government published allocations for funding for the business rate green plant and machinery exemption. The allocations total £21.7M in respect of 2022/23 and 2023/24. The scheme was first announced at the Autumn Budget 2021, to begin in 2023/24. It was included in the Business Rates Review Technical Consultation in December 2021. The amounts are £23,748 and £26,105 for 2023/24 and 2024/25 respectively and the 2024/25 total has been transferred to the business rates reserve.

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

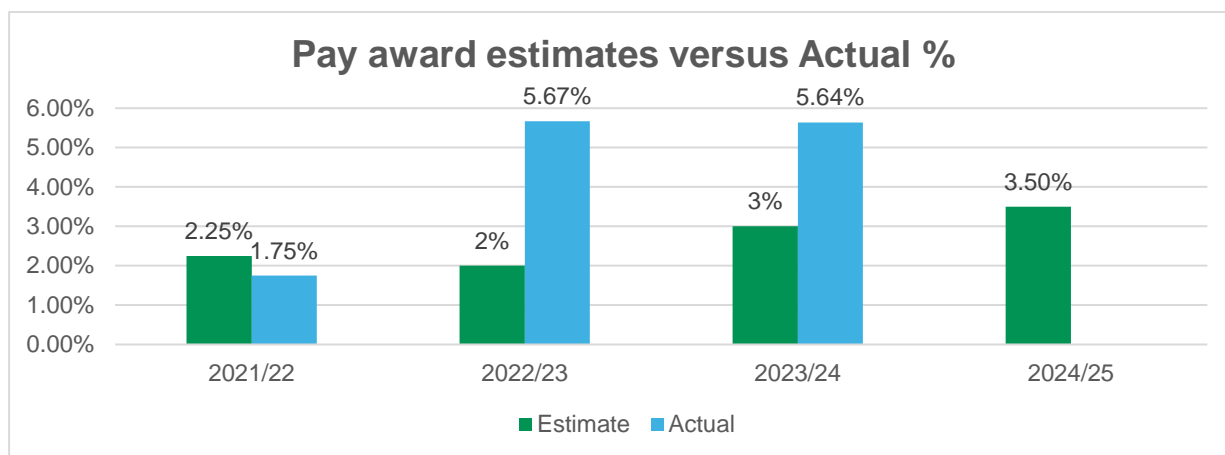
4.2.1 The General Fund budget assumptions for 2024/25 now include growth pressures of £1.97Million (January Draft Budget £2.36Million) as set out below and are included in section 4.9 to this report.

Pressures	2024/25 MTFS	2024/25 Budget	+/-	Comments
ICT review	£104,000	£104,000		Following review by 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).

Pressures	2024/25 MTFS	2024/25 Budget	+/-	Comments
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.
Reduction in rental income from Daneshill house	£0	£65,260		Reduction in rental income (9 months) as tenant serves notice
Car Park income losses	£300,000	£300,000		Although income is improving year on year, it is still not achieving income levels pre-COVID. Latest MTFS shows a projected pressure in 2024/25 of £300K.
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	£1,636,332	£1,425,531		This is based on the latest projections for utilities and a 3.5% pay award. The figure shown is gross 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.
Net cost of Housing Benefit	£10,000	(£12,490)		Although the level of housing subsidy admin grant has reduced the net loss on subsidy versus payments has reduced as more benefit is 100% recoverable
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
Changes to recharges	(£172,332)	(£235,364)		Changes to recharges as reported in the January Draft Budget report to the HRA and Capital
Reduction in ICT reserve trf to General Fund	(£100,000)	(£85,550)		Part of the reserve was required in 2023/24 and the remaining balance has been transferred to the General Fund in 2024/25

Pressures	2024/25 MTFS	2024/25 Budget	+/-	Comments
Minor budget changes		(£34,100)	↓	Minor budget changes reported to in the January Draft Budget report
Total Pressures identified	£2,168,000	£1,976,587	↓	
		(£191,413)		

- 4.2.2 The General Fund BTB savings target accounts for the impact of higher inflationary pressures than experienced in previous years. 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.

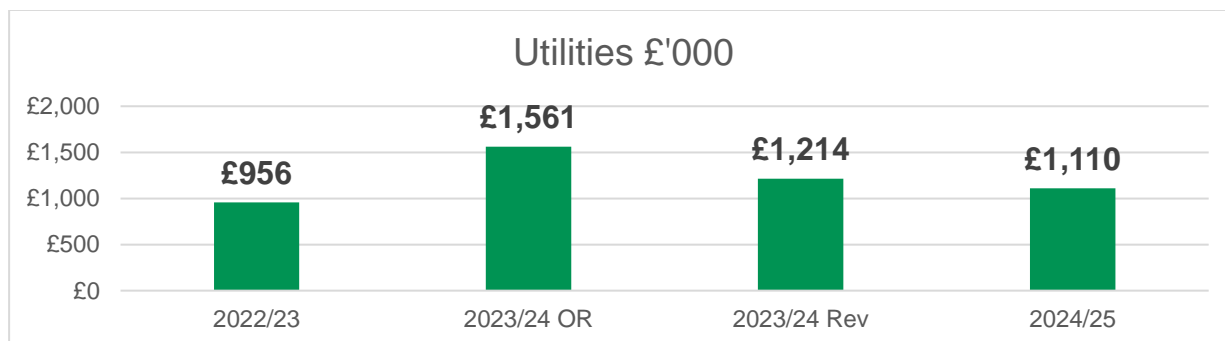


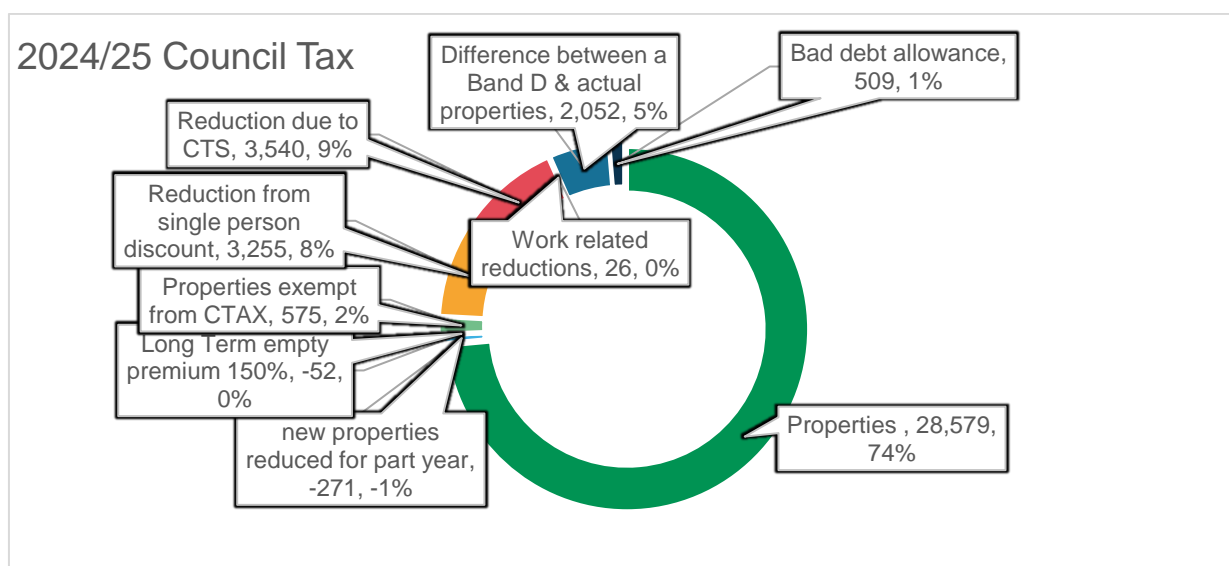
Chart updated since January report for 2023/24 revised estimate

- 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, however the current year projected £600K loss has improve by £80K see para 4.10.2.

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. This remains unchanged from the January report.
- 4.3.4 Members should note that SBC only retains a relatively small part of the overall Council Tax raised each year. A Band C property, (which is the biggest proportion of properties in Stevenage) 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%

Authority	2022/23	2023/24	Cost per week	Increase	Share 2022/23	Share 2023/24
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%
Total	£1,758.11	£1,845.29	£35.49	4.96%	100.00%	100.00%

- 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	£4.64	£159.51	£3.07
B	£180.69	£5.40	£186.09	£3.58
C	£206.50	£6.18	£212.68	£4.09
D	£232.31	£6.95	£239.26	£4.60
E	£283.93	£8.50	£292.43	£5.62
F	£335.56	£10.04	£345.60	£6.65
G	£387.18	£11.59	£398.77	£7.67
H	£464.62	£13.90	£478.52	£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. Both precepting authorities have been written to 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 uprated to reflect benefit changes for 2024/25.

4.4 Business Rates Income

- 4.4.1 The financial information setting out the revision to the 2023/24 forecast business rates and the estimate due for 2024/25 is set out in the NDR1 form which must be agreed by 31 January and was delegated to the CFO to complete.
- 4.4.2 The 2023/24 projections have been revised and show the actual SBC share of business rates has increased by £397K to a total £897K. This is due to a number of factors:
- Although the gross yield of business rates has reduced due to a number of prior year adjustments as the 2017 appeals have been finalised, these are funded from the appeals provision.
 - There has also been a reduction in the level of appeals provision set aside for 2023/24. However, appeals can take a number of years to be concluded and the revised provision is based on the level of appeals which is now outstanding, together with an assumption for the 2023 list which may increase as the 2023 valuation changes are implemented (2023/24). This saw resulted in Stevenage rateable values increasing by £20Million which equates to an 18.9% increase in the gross yield before transitional relief or other mandatory or discretionary reliefs.
 - The provision for bad debt has been reduced based on current arrears. Collection has been helped in part by some of the on-going reliefs that are still in place for business rates.

	NDR 1 2023/24 £	Projection 2023/24 £	Var to NDR 1 £	Var SBC £
Gross Yield	(62,596,456)	(60,742,059)	1,854,397	741,759
Reliefs (mandatory/ discretionary)	5,203,826	4,658,426	(545,400)	(218,160)
S31	2,694,269	2,367,808	(326,461)	(130,584)
Bad Debt	500,000	103,416	(396,584)	(158,634)
Cost of Collection	107,645	107,645	0	0
Appeals	2,672,000	1,092,953	(1,579,047)	(631,619)
Total	(51,418,716)	(52,411,810)	(993,094)	(397,238)

- 4.4.3 The impact of the increase in business rates retained is spread across two financial years, because any changes to the levy and S31 grants are implemented in the year they relate too but amounts due from the Collection Fund are paid based on the original estimate and variations are returned to the

General Fund in the following year. The General Fund estimates have been updated to transfer £172.5K to the NNDR reserve in 2023/24 and the business rate gains of £397K have been transferred to the NNDR reserve in 2024/25. The increase in 2023/24 is because of the one off tariff adjustment for indexing assumed in 2023/24 notified as part of the settlement. The changes to 2023/24 business rates are set out below.

	Compare 2023/24 Original v Projected			Changes required based on projection	
	NNDR 1 2023/24 £	Projection 2023/24 £	Var to NNDR 1 £	2023/24	2024/25
Net yield	(51,418,716)	(52,411,810)	(993,094)		
Stevenage share of yield	(20,567,486)	(20,964,724)	(397,238)	0	(397,238)
Tariff	18,797,044	18,797,044	0		
Tariff adjustment	0	(555,758)	(555,758)	(555,758)	
Share net of tariff	(1,770,443)	(2,723,438)	(952,996)	(555,758)	(397,238)
S31 grant payable*	(2,233,191)	(2,323,817)	(90,626)	(90,626)	
Baseline Funding Level	(2,668,705)	(2,668,705)	0		
Gains before levy applied	(1,334,928)	(2,378,550)			
Gains applicable for levy	(760,893)	(1,708,632)		0	
Levy due 50%	380,447	854,316	473,869	473,869	
			0	0	
Retained Business Rates	(3,623,187)	(4,192,940)	(569,752)	(172,515)	(397,238)
Variance				(172,515)	(397,238)

- 4.4.4 The 2024/25 estimates for business rates have also been calculated at £54.8Million, the yield has increased due to the reduction in transition to the higher business rates from the 2023 revaluation (£3.4Million) and the growth in anticipated new premises (£1.5Million) and the increase in the standard rate of NNDR (6.7%). However due to this projected increase in income both the appeals and bad debt provision have been increased to reflect the likelihood of more appeals as a result of the 2023 rating list and a higher level of arrears.

Business Rates Due	2023/24 Projected	NNDR 1 2024/25 £
Gross Yield*	(60,742,059)	(68,493,940)
Reliefs (mandatory/ discretionary)	4,658,426	6,347,779
transitional Relief given	4,908,354	1,548,927
S31 reliefs	2,367,808	2,789,803
Transitional Relief repaid to Council	(4,908,354)	(1,548,927)
Bad Debt	103,416	750,000
Cost of Collection	107,645	107,499
Renewable Energy	0	1,518

Business Rates Due	2023/24 Projected	NNDR 1 2024/25 £
Appeals provision	1,092,953	3,700,000
Total	(52,411,810)	(54,797,341)

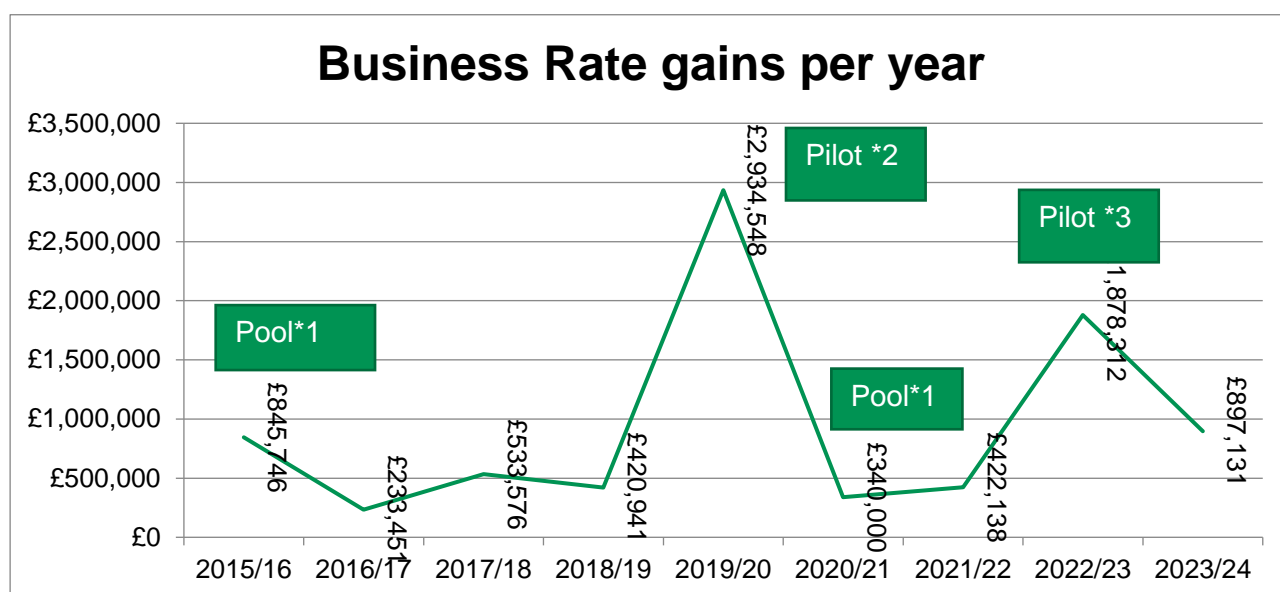
**includes a reduction in transitional relief of £3.4Million and an increase in the standard rate of NDR of 6.7%*

- 4.4.5 The amount due to the General Fund is summarised in the table below versus the draft budget assumptions. This shows an estimated increase in NDR income of £1.08Million, driven by the increase in the 2023 rating list. Members should note that these gains are yet to be realised (as is the increase in 2023/24). Accordingly, they have been transferred to the Business Rates allocated Reserve until they are realised.

Stevenage Share	NNDR 1 2024/25 £
Stevenage share (40%)	(21,918,936)
Tariff	19,227,311
Share net of tariff	(2,691,625)
S31 grant payable	(2,526,046)
Baseline Funding Level	(2,812,960)
Gains before levy applied	(2,404,711)
Gains applicable for levy	(1,622,536)
Levy that would be due	811,268
Retained rates	(4,406,403)
Draft Budget:	
Baseline Funding Level	(2,812,960)
Allowance for under-indexing	(509,446)
Total Draft Budget	(3,322,406)
Increase above the Draft Budget	(1,083,997)

- 4.4.6 The NDR estimates have been incorporated into the February 2024 budget estimates and the additional gains have been transferred to the Business Rates Reserve to support the General Fund's financial resilience as these gains cannot be relied on and fluctuate between years. Crucially:
- There are likely to be further appeals due to the 2023 list increasing the rateable value in Stevenage for example ten of the largest business rated hereditaments received an increase of £1.8Million after transitional. The Council itself is appealing a number of valuations.
 - The gains are only estimated and still have to realised, if the gains are spent in advance of realisation, any reduction in estimated gains would have to be repaid to the Collection Fund in the following years

- When any fair funding review is implemented and any reset of business rates, this will see those gains disappear, (by increasing the tariff payable by SBC).
- Gains fluctuate between years and are identified usually in January of the preceding financial year. Using all gains to support core services could result in large funding gaps from year to year requiring the pursuit of in year savings and the risk of not setting a balanced budget.
- The CFO has identified a number of risks that can be mitigated by holding the balances in a reserve as set out in para. 4.12.3-4.12.4.



**1 Pool- SBC has only been chosen to be in the Hertfordshire pool twice which benefits those in the pool as they pay a lower levy*

**2 Pilot-the government allowed 75% of NNDR to be retained in Hertfordshire this was not continued*

**3 2022/23 was the last year of the 2017 rating list and the appeals provision was reduced increasing gains in that year*

4.4.7 As can be shown above there are significant gain fluctuations between years which can also be impacted by regulation changes. 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.

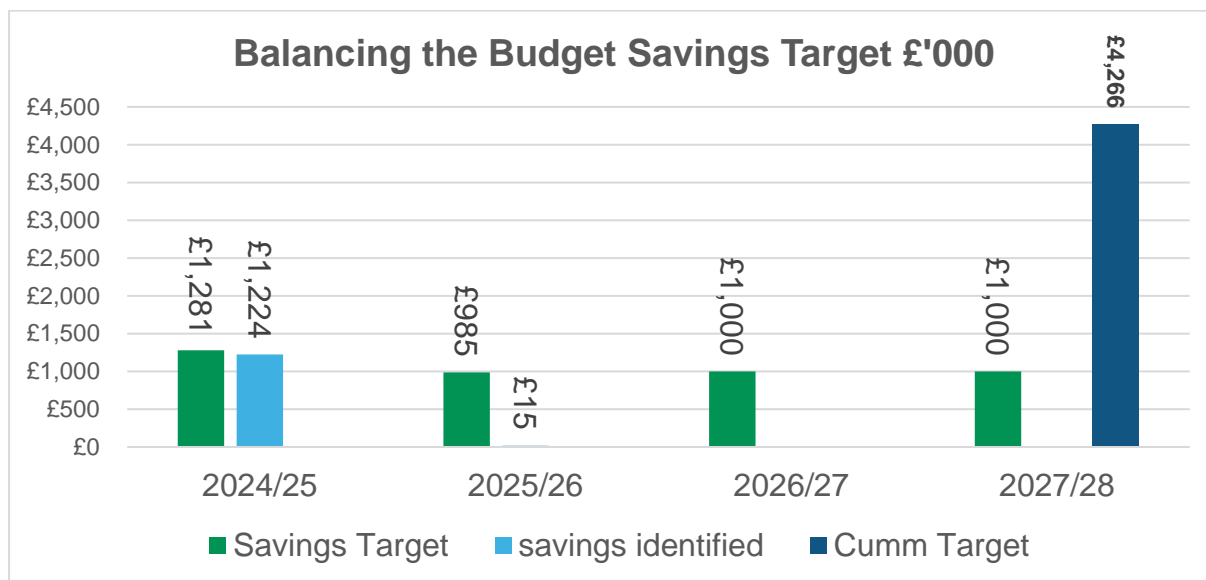
4.4.8 Any NDR gains above the baseline have been used previously to fund time limited growth, implementation costs for invest to save options and regeneration objectives. The rules governing NDR accounting mean any estimated gains are taken in year and any difference between the actual and the estimate 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.

4.4.9 In addition to the business rates income identified above Stevenage is also due to receive £220K in 2023/24 from the Hertfordshire 'pool'. 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. The Executive in January 2024 approved the following bids which are to meet the criteria 'to deliver economic development'

- **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 January 2023 Executive identified BTB savings of £1.223Million for consideration and this remains unchanged from that report.



4.5.2 The level of savings identified is lower than the original targeted amount, however other cost pressures have reduced along with higher than anticipated government funding for 2024/25. The Balancing the Budget savings target will be kept under constant review due to points highlighted in section three of this report.

4.5.3 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)
Inflation	Although price increases around utilities and fuel have fallen, there is still huge volatility in the market with the continual war in Ukraine.	medium
	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%, December 4%)	high
Demand for services	There may be an increase for support services such as homeless and advice and this puts further pressure on the Council's budgets	medium
Fees and Charges	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
Core funding	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 Looking forward beyond 2024/25 the CFO is working on a three year savings strategy, rather than the current one year view to help inform what level of savings can be delivered in a particular year. This will look at the workstreams set out in para. 4.7.1 to determine whether those work programmes meet the level of savings required or whether the Senior Leadership Team in consultation with Members need to take additional measures to ensure the financial resilience of the Council.

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 January 2024 Draft 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. The January 2024 Draft budget report recommended following a review of all events in the Town the following 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 Draft January 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.

Recommended Growth	2024/25 GF	2024/25 HRA	Comments
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
Growth on-going	£131,710	£47,265	
Green Space Development Officer- 2024/25 only	£35,410		Included for one year until review of allotments completed, funded from General Fund balances
Growth 2024/25 only	£35,410	£0	
Total Growth	£167,120	£47,265	

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 £30,675.

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 £12.762Million with no draw on balances), versus the September General Fund projection of £11.373Million (and a draw on balances of £310K), the variances to the MTFS are summarised below and includes the pressure detailed in section 4.2.

Changes to the 2024/25 Budget				
Expenditure and income	January Report	February Report	Total	Comments
September MTFS			£11,373,517	
Inflation:				
Increased pay inflation	£78,101	£6,990		Para 4.9.3 refers
Increased contractual inflation	£80,919	(£32,380)		Para 4.9.3 refers
Reduction in Member allowances		(£8,270)		Para.4.9.3 refers
Reduction in utility inflation	(£339,963)	£0	(£214,603)	Para. 4.2.3 & 4.9.3 refers
Pressures:				
External Audit Fees	£66,670			Para 4.9.4 refers
Bank Charges	£13,330			Para 4.9.4 refers
Reduction in cost of ICT software	(£20,740)			Para 4.9.4 refers
Reduction in net cost of Housing Benefit		(£22,490)		Para.4.9.4 refers
Reduction in rental income		£116,720		Para.4.9.4 refers
Reduction in New Homes Bonus (NHB)	£2,710		£156,200	Para.4.1.6 refers
Charges to Other Funds:				
Recharges to the HRA	(£341,113)	(£31,400)		Para 4.9.5 refers
Recharges to Capital	£202,990	£0	(£169,523)	Para 4.9.6 refers
Growth Options:				
Growth recommended for approval	£87,771	£0	£87,771	This includes one off growth funded for a year (see para. 4.8.1)
Balancing the Budget Savings Options:				
Options recommended for approval	£6,048	£0		The September MTFS target was £1.23M
2023/24 options	£36,000	£0	£42,048	Para 4.9.7 refers
Use of Reserves:				
Income guarantee reserve	£150,000	£0		Para 4.9.8 refers
Transfer of ICT reserve to GF	£14,450	£0		Para 4.9.8 refers
Transfer to NNDR Reserve		£1,382,650	£1,547,100	Para 4.9.8 & Para 4.4.2 refers
Other:	£16,400	(£50,500)	(£34,100)	Small budget variances
	£53,573	£1,361,319	£1,414,893	
Revised General Fund budget			£12,788,410	

- 4.9.2 The difference between the September MTFS and the draft budget is £1.41Million, but this does include an additional transfer of business rate gains to the allocated reserve of £1.382Million, (see also section 4 and para's 4.12.3 -4.12.4) other explanations are given below.
- 4.9.3 Inflationary pressures are estimated to be £214K lower (January report £181K lower) than the September 2023 high level estimate as a result of:
- The total salary cost is now estimated to be £85K 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 final adjustments to shared services for ICT and Procurement.
 - Reduction in utility prices as set out in paragraph 4.2.3.
 - Reduction in Member allowances as a result of the independent pay review reported to Council in January 2024, the net reduction also allows for an increase in the amount of carers allowance that can be claimed.
- 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
 - The overall cost of Housing Benefit has reduced as a result of the projected reduction in the housing benefit caseload and the lower modelled spend on Bed and Breakfast as not all of this benefit given can be reclaimed through the Department of Work and Pensions (New).
 - Reduction in rental income at Daneshill House, one of the Council's tenants has served notice and the costs relate to nine months in 2024/25. The Council will seek to relet the space, however the budget is based on the offices remaining void for next year (New).
- 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 share of Daneshill rental income loss £51K (New)
 - 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.
 - A Contribution of £397K to the NNDR reserve to transfer the 2023/24 additional gains as set out in para 4.4.2 and £959K of yet unrealised 2024/25 business rate gains and the £26K of compensation for green plant and machinery as set out in para. 4.1.8.
- 4.9.9 Excluding the £1.382Million transfer to the business rate reserve the 2024/25 General Fund net expenditure is £32K higher than the September 2023 MTFS, in addition 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), this now includes the anticipated impact of the increase to a 4% guarantee scheme (from 3%), however the final settlement is still to be announced and therefore this is still estimated.
 - The projected surplus for Council tax relating to this and prior years is higher by £132K (January report £128K)
 - The Council tax base increase approved at the December Executive was a 1.51% increase versus a 1% in the September MTFS (£35K)
 - The increase in net budget is driven largely by the increase in transfer to the business rates allocated reserve for unrealised gains from 2023/24 and 2024/25.

Comparison of September and Draft Budget			
	September MTFS	Draft Budget	Variance
Net Budget	£11,374	£12,788	£1,414
Core Resources:			
Government funding *1	(£3,589)	(£3,866)	(£277)
Business gains assumed *2	(£200)	(£1,084)	(£884)
Council Tax	(£6,803)	(£6,838)	(£35)
Council tax surplus	(£30)	(£162)	(£132)
Business Rate (surplus/deficit)	(£441)	(£838)	(£397)
Total Core Resources	(£11,063)	(£12,788)	(£1,699)
Draw on balances	£310	£0	(£310)

*1-NHB shown in net expenditure and also includes compensation for green plant & equipment *2-additional gains transferred to allocated reserve in net expenditure

- 4.9.10 There could be a further reduction in the Council's contract costs when the utility prices for the Leisure contract are purchased prior to the commencement of the 2024/25 financial year. The Council benefits/bears the cost of price fluctuations less/in excess of the contract price after the first 5% variation. If utility prices reduce this can be used to help support the 2025/26 BTB savings target.

4.10 2023/24 Budget changes

- 4.10.1 The 2023/24 General Fund budget is projected to increase by £298,520 the explanations are set out below.

Changes to the 2023/24 Budget		
Expenditure and income	2023/24	Comments
General Fund working budget	£13,272,960	Approved January Executive 2024
Hertfordshire Pooling gains	£220,000	The income reported in January is now shown in core resources.
Reduction in car park income losses	(£80,000)	Para 4.10.2
Reduction in income from the Business Technology Centre (BTC)	£38,880	Para 4.10.2
Further reduction in utility costs	(£45,550)	Para 4.10.3
HRA share of utility savings	£26,980	Para 4.10.3
Transfer to NNDR reserve	£172,510	See para. 4.4.3
Reduction of planned spend from reserves	(£277,310)	See para 4.10.4
Reduction in draw down of reserves	£243,010	See para 4.10.4

Changes to the 2023/24 Budget		
Expenditure and income	2023/24	Comments
Total Changes	£298,520	
Revised General Fund budget	£13,571,480	

- 4.10.2 A review of the current year's budget has a net increase in projected income for 2023/24 which relates to:
- The 2023/24 budget had a £600K loss of parking income compared to pre-covid levels, in year commuter income has been impacted by train strikes however the current projection is a net £520K loss in income. The 2024/25 budget reduces these losses further to £300K for next year.
 - The BTC has a number of voids combined with increased costs, the Council is current in dialogue with Wenta that run the BTC on the Council's behalf about future budget projections.
- 4.10.3 A review of utility costs for 2023/24 project a further reduction of £45.5K in 2023/24 based on current usage and pricing, (no impact expected in 2024/25). However, part of the saving relates to the HRA as their share of office space.
- 4.10.4 There has been a reduction in the spend and use of reserves of £ 243K as set out below (see also para. 4.12.5).
- Additional homeless grant funding in year has reduced the need to use the allocated reserve £236K
 - Additional projected Town Square income has reduced the need to use the allocated reserve, offset by higher utility costs £65.4K
 - Projected spend on Transformation requires an additional £58.9K from the allocated reserve.

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 and show a £0 contribution from balances for 2024/25.

General Fund Budget	2023/24 Estimate	2023/24 Projected	2024/25 Estimate
Net Expenditure	£12,463,780	£13,571,480	£12,788,410
(Use of)/ Contribution to Balances	(£572,268)	(£1,191,104)	£0
Budget Requirement	£11,891,512	£12,380,376	£12,788,410
Revenue Support Grant	(£102,052)	(£102,052)	(£108,811)
Service Grant	(£104,041)	(£104,041)	(£17,960)
3%/4% guarantee grant	(£78,399)	(£78,399)	(£390,740)

General Fund Budget	2023/24 Estimate	2023/24 Projected	2024/25 Estimate
Total grant support	(£284,492)	(£284,492)	(£517,511)
Business Rates net of tariff and levy	(£1,338,970)	(£1,471,885)	(£1,880,358)
S31 grants NNDR	(£2,233,191)	(£2,323,817)	(£2,526,046)
Total in year business rates	(£3,572,161)	(£3,795,702)	(£4,406,404)
Hertfordshire Pooling gains	£0	(£220,000)	£0
Compensation for green plant & machinery		(£23,748)	(£26,105)
Levy surplus distribution		(£21,574)	£0
(Return) /Contribution to Collection Fund (NDR) re 2020/21, 2021/22, 2022/23 & 2023/24	(£1,448,201)	(£1,448,201)	(£838,057)
Collection Fund Surplus (ctax)	(£46,290)	(£46,290)	(£162,404)
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	£212.68

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)	(£4,763)	(£4,763)	(£4,124)	(£3,831)
In Year	£1,191	(£0)	£638	£293	(£93)
Closing Balance	(£4,763)	(£4,763)	(£4,124)	(£3,831)	(£3,924)
Minimum balances	(£3,547)	(£3,537)	(£3,500)	(£3,500)	(£3,500)
Closing Balance versus minimum level	(£1,216)	(£1,226)	(£624)	(£331)	(£424)

()=more balances than the minimum level

4.12.2 The financial year 2025/26 shows a significant increase in the draw on balances compared to 2024/25, however Members should be aware that the 2025/26 projections:

- Makes no assumption about the 3% income guarantee grant or service grant which if continued into 2025/26 would be circa £300K reducing the draw on balances to £366K
- Does not include any council tax collection Fund surplus which has averaged £86K over the period 2022/23-2024/25, however no assumptions have been included until a gain is realised.
- A similar level of net inflationary pressures to that in 2024/25 (£1.024Million versus £1.015Million), however for 2026/27 this is modelled to reduce to £776K, which is reflected in the reduction in the draw on balances for that and future years.
- An amount from the business rate gains reserve could be returned to the General Fund to reduce the draw on balances in year to allow balances maintained as savings are realised in the MTFS.

4.12.3 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 capital spend has been on a 'fix on fail' strategy with spend in 2024/25 rationalised and there is a risk that revenue contributions from the General Fund may be required for unforeseen spend.
- Pay and contractual inflation are projected to fall in the medium term, should this not happen the level of savings required for the General Fund will be significant, a 5% increase rather than the 3.5% budgeted could result in an additional £319K inflation pressure and a £1Million draw on balances in 2025/26.
- Parking Income projected to reach pre-pandemic levels by 2025/26 may not recover (2023/24 gap £520K, 2024/25 gap £300K), increasing the draw on balances and need for increased savings.
- The Council's regeneration ambitions may require additional resources to supplement costs of the on-going work programme together with the need to ensure the Town Square reserve has sufficient funding to meet the borrowing obligations and the holding costs in the next few years to allow SG1 to progress
- Business rate gains will be lost in the medium term as Council funding is reviewed (fair funding review).

4.12.4 Taking into account the risks identified above and in addition to the risk assessment of balances to support the General Fund's financial resilience, there are two 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. This means that:

- The Business rates gain reserve can support the General Fund in increasing balances for instance in 2025/26 where there is an estimated £638K draw on balances despite a £1Million Balancing The Budget target. The CFO recommends that gains above the £200K are transferred to the reserve to allow the risks identified in para. 4.12.3 to be mitigated and protect the General Fund from unachievable savings targets.

- They can be used to supplement the General Fund balance where there is a time delay in the delivery of Transformation options avoiding the need to make cuts to services.
- If inflation remains high or government funding reduces or remains static the reserves can be used to ensure General Fund balances remain at the risk assessed levels

Reserves £'000	2023/24	Use	Closing 2023/24	Use	Closing 2024/25	Use	Closing 2025/26
General Fund	(£5,954)	£1,191	(£4,763)	(£0)	(£4,763)	£638	(£4,124)
Income equalisation Reserve	(£458)	(£300)	(£758)	£0	(£758)	£0	(£758)
Gains (NNDR)	(£656)	(£1,722)	(£2,378)	(£1,552)	(£3,930)	£185	(£3,746)
Total Available to support the GF	(£7,067)	(£831)	(£7,899)	(£1,552)	(£9,451)	£823	(£8,628)
% of net original budget	57%		63%		74%		76%

4.12.5 The General Fund reserves allocated for specific purposes are summarised below.

Reserves £'000	Opening 2023/24	Use	Closing 2023/24	Use	Closing 2024/25
NHB reserve	(£253)	£0	(£253)	£243	(£10)
Transformation Reserve	(£714)	£113	(£601)	£449	(£152)
Homeless reserve	(£429)	£98	(£330)	£150	(£180)
Planning Delivery	(£165)	£90	(£75)	£60	(£15)
Queensway Car Park monies	(£79)	(£43)	(£122)	(£43)	(£165)
Town square reserve	(£1,059)	(£2)	(£1,061)	(£145)	(£1,206)
Regeneration Reserve	(£264)	(£35)	(£299)	£100	(£199)
Insurance reserve	(£78)	£16	(£62)	£0	(£62)
ICT reserve	(£327)	£241	(£86)	£86	(£0)
Town centre	(£12)	£12	(£0)	£0	(£0)
Leisure	(£150)	£10	(£140)	£140	£0
Future Councils reserve	(£750)	£375	(£375)	£375	£0
Stevenage works	(£53)	£0	(£53)	£0	(£53)
Asylum seekers reserve	(£50)	£0	(£50)	£50	£0
Commercial Property repair reserve	(£41)	£0	(£41)	£0	(£41)
Revenue Reserves for specific purpose	(£4,423)	£876	(£3,547)	£1,464	(£2,083)

4.12.6 There is a planned use of £876K and £1.46Million 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 profiled spend has been updated since the January draft 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 March 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.
- 4.12.7 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 2025 projected to be £3.9Million
- 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.

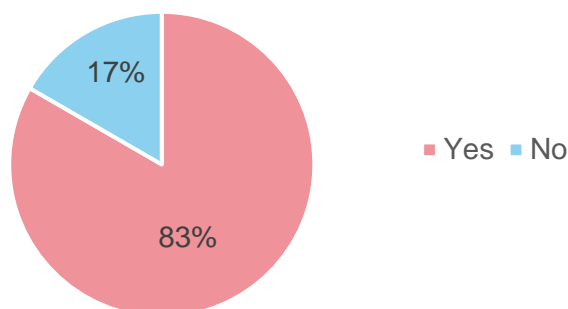
Growth bids received for 2024/25	Score	Recommended as per paragraph 4.6
Payroll Apprentice*	12	Yes
Graduate Planner*	12	Yes
Change remit of Planning Manager posts x 2	6	No
Improvement to finance ledger system	10	No – looking to fund through alternative sources
2nd Green Spaces Development Officer**	7	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

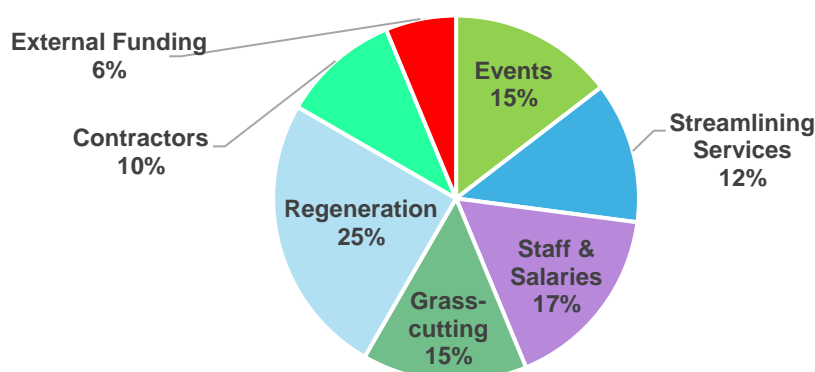
4.15.2 The Councils final draft Corporate Plan is also on the agenda for today's Executive meeting. As part of the process to co-produce the Corporate Plan consultation was undertaken to include ascertaining if respondents:

- 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 st
Reduce time and money spent on paperwork by interacting with more residents and customers online	1	1	41%

Please tell us your order of preference for each of the following options by ordering them 1 to 5	2021 rank	2017 rank	1st
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.

	Responses	2021	2017	2015	2013	2011
To what extent do you agree or disagree that the Council Tax paid to Stevenage Borough Council provides good value for money?	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%				
	Summary: Agree	52%	46%	46%	45%	46%
	Summary: Disagree	26%	24%	24%	22%	21%

4.16 Overview and Scrutiny Comments

4.16.1 Overview and Scrutiny Committee met on the 23 January 2024 to consider the draft budget proposals and the following comments were made:

- A Member thanked the finance team for a comprehensive report.
- A Member asked about the saving for booking celebrities and was advised it was a few thousand pounds, it was included as a savings option but it had bought footfall into the town. The Member suggested the Mayor would be a good local celebrity
- A Member asked about the consultation option around increasing council tax- said this was illustrative about the increase in the residents survey (51P to 55P), the CFO replied this was illustrative but pointed the Committee to the increase for a Band C in the report which is proposed at £6.17 per year and that the Council was received the smallest share of the council tax raised and that increase for SBC was capped at 2.99% for 2024/25
- A Member congratulated the growth bid for HVO fuel and also said important to keep the supply chain under review.

- A Member asked whether all the bids discussed at CFSG were in the report and the Member was advised this was shown at para. 4.15.1 of the report.

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 Balancing the Budget 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

BD3 Draft General Fund and Council Tax setting report January Executive 2024

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

Appendix F Council Tax resolution

Appendix G Draft General Fund Budget

Appendix H Robustness of Estimates

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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	
Savings Identified in Quarterly Monitoring Reports:								
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
	Total	£549,082	£542,782	£6,300	0			
Transformation Options:								
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 alleviating 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
	Total	£424,315	£331,482	£88,763	1	£40,000		
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)	(£ 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
	Total	£334,974	£334,974	£0	0	£0		
Other:								
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 Annex 1 cash in 1 hour	£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
	Grand Total	£1,322,985	£1,223,852	£95,063	1	£40,000		

Appendix B Balancing the Budget Growth 2024/25

Option	Description	Growth	GF	HRA	Approved Y/N date	
Growth Bids approved						
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
	Total	£148,295	£131,705	£16,590		
Growth Bids approved for one year:						
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
	Total	£35,414	£35,414	£0	Y	
Growth Bids approved in Part:						
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
	Total	£92,025	£0	£30,675		
Not Approved:						
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
	Total	£36,433	£34,783	£1,650		
	Grand Total	£312,167	£201,902	£48,915		

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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.		
		Calculated Risk	
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
Total			£1,057,249

* 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.		
		Calculated Risk	
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		£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
Total			£872,447

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.		
		Calculated Risk	
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
Total			£611,857

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.		
		Calculated Risk	
Specific Areas	Estimated Exposure	Likelihood Percentage	Balances Required
Savings Options	£1,223,851	10.00%	£122,385
Total			£122,385

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		
		Calculated Risk	
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
Total			£873,856

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 EqlA.
7. Where a new change in policy, procedure, function, service or withdrawal of service is proposed, Assistant Directors and other appropriate managers have drafted EqlAs.
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 EqlA'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, EqlAs 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	<p>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%).</p> <p>Stevenage hosts a slightly younger resident population</p>	<p>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</p>	<p>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.</p>	<p>1. Assistant Director – Transformation</p>

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) data¹ 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 & 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 & 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&6. See socio-economic impacts section below.</p>

¹ <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.		
Disability	<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 & 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 & 6. See socio-economic impacts section below.</p>	<p>2. Assistant Director – Stevenage Direct Services</p> <p>4. Assistant Director – Planning & Regulation</p> <p>5&6. See socio-economic impacts section below.</p>

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
	total PIP claimants in Stevenage.	fees and charges. Refer to “Socio-economic” below.		
Gender reassignment	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.		
Marital status	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.		
Pregnancy and maternity	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).			
Race	<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.			
Religion or belief	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.		
Sex	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	<p>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.</p> <p>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).</p>	<p>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.</p> <p>5&6. See socio-economic impacts section below.</p>	<p>3. Assistant Director – Stevenage Direct Services</p> <p>5&6. See socio-economic impacts section below.</p>

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)	Responsible officer
	<p>17.78 million women in 2020 (www.statista.com).</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>			
Sexual Orientation	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.		
Socio-economic	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 & 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 & 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>	6. Assistant Director - Finance

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"> • low income or claiming benefits (including Universal Credit) • have dependent children • ill or disabled • caring for someone • State Pension age • bereaved • pregnant or have recently had a baby • less than £16,000 in savings • 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. <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
Other		<p>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).</p> <p>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.</p> <p>Mitigating actions:</p> <ul style="list-style-type: none"> - 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
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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_{2e} 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_{2e}, therefore the fleet produced 834.39 tCO_{2e} 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_{2e} 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_x, 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_{2e} per year. This means that the abatement cost of carbon through this alternative is 207.89 £/tCO_{2e}.

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 1st 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 1st 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_{2e} 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_x, 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_x 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_x 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

B7	Diesel type blended with 7% of renewable biodiesel.
BEV	Battery Electric Vehicle.
CO	Carbon Monoxide.
CO₂	Carbon Dioxide.
CO_{2e}	Carbon Dioxide Equivalent.
EN15940	A paraffinic diesel fuel specification that governs a new generation of cleaner transport fuel for use in road vehicles.
EU	European Union.
Euro 6	An engine emission standard introduced by the EU in September 2015.
EV	Electric Vehicle.
FAME	Fatty Acid Methyl Ester.
FCEV	Fuel Cell Electric Vehicles.
FQD	Fuel Quality Directive.
GF	General Fund.
GHG	Greenhouse Gases.
HC	Hydrocarbon, an organic compound consisting of hydrogen and carbon.
HRA	Housing Revenue Account.
Hydrocracking	The process that breaks big molecules into smaller ones using hydrogen.
Hydrogenation	The process of adding hydrogen to molecules.
HGV	Heavy Good Vehicle.
HVO	Hydrotreated Vegetable Oil.
ISCC	International Sustainability & Carbon Certification.
Net Zero	The net total of your GHG emissions is zero.
NO₂	Nitrogen Dioxide, a type of NO _x .
NO_x	Nitrogen Oxides.
OEM	Original Equipment Manufacturer.
Palm Oil	Vegetable oil that is widely used but linked to deforestation.
Particulates	Soot and particles as a result of combustion.
PM	Particulate Matter.
Scope 1	Direct emissions caused by operating the assets the Council owns or control, e.g., burning gas and fuels.
Scope 2	Indirect emissions caused by the production of energy that the Council buy, e.g., electricity generation.
Shelf Life	The length of time that the product can be stored before degrading.
White Diesel	Taxed diesel for road going vehicles.
ZEV	Zero Emissions Vehicle.

STEVENAGE BOROUGH COUNCIL

Wednesday 7 February 2024

COUNCIL TAX RESOLUTION

SETTING THE AMOUNT OF COUNCIL TAX FOR THE COUNCIL'S AREA

1. That the following be approved:
 - a. the revised working revenue estimates for the year 2023/24 amounting to £13,571,480 and the revenue estimates for 2024/25 amounting to £12,788,410;
 - b. the contribution to balances totalling £1,191,105 in 2023/24;
 - c. the contribution from balances totalling nil in 2024/25.
2. That it be noted that at its meeting on 13 December 2023 the Executive calculated the amount of 28,579.4 Band D equivalent properties as its council tax base for the year 2024/25 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 31B of the Local Government Finance Act 1992 as amended by Section 74 of the Localism Act 2011.
3. That the following amounts be calculated by the Council for the year 2024/25 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by Section 74 of the Localism Act 2011:
 - a. £87,862,489 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2)(a) to (f) of the Act, less the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3)(a) to (d)
 - b. £81,024,560 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3)(a) to (d) of the Act.
 - c. £6,837,929 Being the amount by which the aggregate at 3a above exceeds the aggregate at 3b above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year.
 - d. £239.26 Being the amount at 3c divided by the amount at 2 above, calculated by the Council, in accordance with Section 31B (1) of the Act, as the basic amount of its council tax for the year
 - e. Valuation Bands

A	£ 159.51
B	£ 186.09

C	£ 212.68
D	£ 239.26
E	£ 292.43
F	£ 345.60
G	£ 398.77
H	£ 478.52

Being the amounts given by multiplying the amount at 3d. above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

4. a. That it be noted that for the year 2024/25 Hertfordshire County Council have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

Valuation Bands

	Basic Amount of Council Tax	Adult Social Care Charge	2024/25 Council Tax
A	£961.58	£162.25	£1,123.83
B	£1,121.84	£189.30	£1,311.14
C	£1,282.11	£216.34	£1,498.45
D	£1,442.37	£243.38	£1,685.75
E	£1,762.90	£297.46	£2,060.36
F	£2,083.42	£351.55	£2,434.97
G	£2,403.95	£405.63	£2,809.58
H	£2,884.74	£486.76	£3,371.50

- b. That it be noted that for the year 2024/25 Hertfordshire Police Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 and amended by Section 27 of the Police and Magistrates' Court Act 1994, for each of the categories of the dwellings shown below:

Valuation Bands

A	£ 167.33
B	£ 195.22
C	£ 223.11
D	£ 251.00
E	£ 306.78
F	£ 362.56
G	£ 418.33
H	£ 502.00

5. That, having calculated the aggregate in each case of the amounts at 3e. and 4a. and b. above, the Council in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts for council tax for the year 2024/25 for each of the categories of dwellings shown below:

Valuation Bands

A	£1,450.67
B	£1,692.45
C	£1,934.24
D	£2,176.01
E	£2,659.57
F	£3,143.13
G	£3,626.68
H	£4,352.02

6. To determine in accordance with Section 52ZB Local Government Finance Act 1992 that the Council's basic amount of Council Tax for 2024/25 is not excessive in accordance with principles approved by the Secretary of State under Section 52ZC having calculated the aggregate in each case of the amounts at 3e.

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General Fund Summary

Figures are inclusive of internal recharges	Working Budget 2023/24 £	Gross Expenditure 2024/25 £	Gross Income* 2024/25 £	Net Original Budget 2024/25 £
Summary of Expenditure				
Portfolio:				
Community Services	3,639,410	5,012,220	(1,316,200)	3,696,020
Housing Services	2,929,910	26,252,460	(23,414,880)	2,837,580
Environmental Services	9,743,050	23,124,110	(13,693,310)	9,430,800
Local Community Budgets	60,500	60,500	0	60,500
Resources	(3,221,850)	13,292,120	(16,764,090)	(3,445,870)
Resources - Support	203,110	23,336,770	(23,176,410)	160,360
Trading Accounts - Direct Services Organisation (DSO)	217,350	3,859,190	(3,810,170)	49,020
Net General Fund Expenditure	13,571,480	94,937,370	(82,175,060)	12,788,410
Government Support - Retained Business Rates (NDR) Levy Surplus	(1,471,885) (21,574)	20,038,579	(22,027,748)	(1,880,358)
S31 Grants	(2,323,817)		(2,526,046)	(2,526,046)
Compensation grant for business rates exemption for green plant and machinery	(23,748)		(26,105)	(26,105)
Transfer to/from Collection Fund reserve	(1,448,201)		(838,057)	(838,057)
Hertfordshire Pooling Gains	(220,000)			
Transfer to/from Collection Fund (Council Tax)	(46,290)		(162,404)	(162,404)
Revenue Support Grant	(102,052)		(108,811)	(108,811)
Service Grant	(104,041)		(17,960)	(17,960)
3%/4% guarantee increase in core spending	(78,399)		(390,740)	(390,740)
District Precept	(6,540,369)		(6,837,929)	(6,837,929)
Use of General Fund Balances	1,191,104	114,975,949	(115,110,860)	0
General Fund Balance:				
Balance 1 April	(5,953,648)			(4,762,544)
Use of Balances in Year	1,191,104			0
General Fund Balance 31 March	(4,762,544)	0	0	(4,762,544)
Allocated Revenue Reserves:				
Balance 1 April	(5,536,446)			(6,682,988)
Use of Balances in Year	(1,146,542)	1,652,307	(1,740,363)	(88,056)
Allocated Revenue Reserves Balance 31 March	(6,682,988)	1,652,307	(1,740,363)	(6,771,044)
Total Revenue Reserves	(11,445,532)	1,652,307	(1,740,363)	(11,533,588)
Council Tax Bands for 2024/25	2023/24			2024/25
2.99% Increase on Band D Property:				
BAND A	154.87			159.51
BAND B	180.69			186.09
BAND C	206.50			212.68
BAND D	232.31			239.26
BAND E	283.93			292.43
BAND F	335.56			345.60
BAND G	387.18			398.77
BAND H	464.62			478.52

Community Services

Figures are inclusive of internal recharges	Working Budget 2023/24 £	Gross Expenditure 2024/25 £	Gross Income* 2024/25 £	Net Original Budget 2024/25 £
Summary of Expenditure				
7 Children's Services	(13,850)	91,820	(85,170)	6,650
8 Play	67,190	0	0	0
10 Sports & Recreational Facilities	1,099,040	1,162,760	0	1,162,760
11 Sports Development	106,700	122,920	(11,540)	111,380
12 Leisure Promotions	278,270	979,370	(704,750)	274,620
13 Golf Course	(27,520)	16,810	0	16,810
14 Community Services General	699,520	897,890	(185,100)	712,790
15 Community Associations	322,320	342,680	0	342,680
16 Community Safety	369,030	674,110	(322,960)	351,150
17 Museums	346,890	368,580	(6,680)	361,900
18 Community Funding	391,820	355,280	0	355,280
Total Cost of Portfolio	3,639,410	5,012,220	(1,316,200)	3,696,020

Housing Services

Figures are inclusive of internal recharges	Working Budget 2023/24 £	Gross Expenditure 2024/25 £	Gross Income* 2024/25 £	Net Original Budget 2024/25 £
Summary of Expenditure				
20 Homelessness	1,101,750	2,233,840	(950,520)	1,283,320
21 Housing Advice	260,770	487,290	(212,040)	275,250
23 Wholly Owned Company	34,510	124,830	(306,520)	(181,690)
24 Private Houses Rent Allowance	776,400	9,637,640	(9,265,980)	371,660
25 Rent Rebates Administration	109,550	13,110,120	(12,642,020)	468,100
26 Environmental Health - Health and Safety and Food Safety	646,930	658,740	(37,800)	620,940
Total Cost of Portfolio	2,929,910	26,252,460	(23,414,880)	2,837,580

Environmental Services

Figures are inclusive of internal recharges	Working Budget 2023/24 £	Gross Expenditure 2024/25 £	Gross Income* 2024/25 £	Net Original Budget 2024/25 £
Summary of Expenditure				
28 Abandoned Vehicles	11,740	13,870	(1,000)	12,870
29 Allotments	3,700	81,090	(83,800)	(2,710)
30 Cemeteries	341,465	631,160	(281,130)	350,030
31 Parks, Playing Fields & Open Spaces	2,772,560	4,240,990	(1,590,440)	2,650,550
32 Drainage	7,940	8,160	0	8,160
33 Environmental Maintenance	1,683,995	2,771,860	(1,164,620)	1,607,240
35 Local Highway Services	553,140	532,570	(12,850)	519,720
36 Christmas Illuminations	28,230	27,060	0	27,060
37 Recycled Waste	1,235,660	2,107,790	(749,960)	1,357,830
38 Refuse Services	1,606,690	1,548,070	(48,750)	1,499,320
39 Animal Control & Environmental Health Management	208,480	238,140	(54,890)	183,250
40 Green Travel Plan	12,700	12,890	0	12,890
41 Parking Facilities - Off Street	(1,890,640)	2,051,270	(4,276,130)	(2,224,860)
42 On Street Parking Enforcement	(97,040)	806,600	(1,008,960)	(202,360)
43 CCTV	248,050	262,670	0	262,670
44 Planning Policy	1,591,310	1,645,180	(126,960)	1,518,220
46 Regeneration	1,569,560	1,986,540	(299,410)	1,687,130
47 Development Control	16,820	490,570	(557,050)	(66,480)
48 Building Control	38,480	43,800	(4,280)	39,520
49 Engineers	(125,160)	509,240	(511,370)	(2,130)
50 Property & Design	30,460	748,130	(545,100)	203,030
51 Environmental Health	82,900	988,620	(997,700)	(9,080)
52 DSO Admin & Management	(187,990)	1,377,840	(1,378,910)	(1,070)
Total Cost of Portfolio	9,743,050	23,124,110	(13,693,310)	9,430,800

Local Community Budgets

Figures are inclusive of internal recharges	Working Budget 2023/24 £	Gross Expenditure 2024/25 £	Gross Income* 2024/25 £	Net Original Budget 2024/25 £
Summary of Expenditure				
54 Local Community Budgets	60,500	60,500	0	60,500
Total Cost of Portfolio	60,500	60,500	0	60,500

Resources

*Figures are inclusive of internal recharges

	Working Budget 2023/24 £	Gross Expenditure* 2024/25 £	Gross Income* 2024/25 £	Net Original Budget 2024/25 £
Summary of Expenditure				
56 Commercial Properties	(1,433,220)	2,937,010	(4,946,270)	(2,009,260)
57 Garages	(2,237,970)	1,296,020	(3,943,380)	(2,647,360)
58 Council Tax	691,260	962,150	(268,750)	693,400
59 Non Domestic Rate (NDR)	125,890	236,180	(116,230)	119,950
60 Elections	238,510	219,450	0	219,450
61 Electoral Registration	118,630	132,960	(1,500)	131,460
62 Indoor Market	161,110	505,130	(386,600)	118,530
63 Hackney Carriages	0	115,200	(137,290)	(22,090)
64 Local Licensing	(6,250)	118,300	(93,560)	24,740
65 Local Land Charges	5,360	76,340	(77,280)	(940)
66 Miscellaneous Services (including Transformation)	796,430	885,630	(280,000)	605,630
67 Corporate Projects	(120,740)	33,220	0	33,220
68 Investment Income and Expenditure	(1,950,200)	482,980	(1,256,680)	(773,700)
69 Movement on General Fund Balance	(1,833,060)	1,679,820	(3,903,070)	(2,197,150)
70 Corporate & Democratic Core	2,222,400	3,611,730	(1,353,480)	2,258,250
Total Cost of Portfolio	(3,221,850)	13,292,120	(16,764,090)	(3,445,870)

Resources - Support Services

*Figures are inclusive of internal recharges

	Working Budget 2023/24 £	Gross Expenditure* 2024/25 £	Gross Income* 2024/25 £	Net Original Budget 2024/25 £
Summary of Expenditure				
72 Daneshill House	(193,860)	1,545,900	(1,465,230)	80,670
74 Facilities Management	(110,660)	1,095,140	(1,117,440)	(22,300)
75 Corporate Management	910	889,010	(894,070)	(5,060)
76 Democratic Services	54,810	1,396,100	(1,409,330)	(13,230)
77 Legal Services	2,920	505,800	(511,890)	(6,090)
78 Chief Executives Unit, Policy & Communications	(24,850)	983,850	(987,640)	(3,790)
79 ICT	(252,850)	7,219,050	(7,216,610)	2,440
80 Human Resources & Organisational Development	147,910	1,340,220	(1,296,660)	43,560
81 Financial Services	542,080	4,634,720	(4,659,250)	(24,530)
82 Revenues, Benefits & Local Taxation	64,130	2,190,250	(2,067,730)	122,520
83 Customer Services	(27,430)	1,536,730	(1,550,560)	(13,830)
Total Cost of Portfolio	203,110	23,336,770	(23,176,410)	160,360

Figures are inclusive of internal recharges	Working Budget 2023/24 £	Gross Expenditure 2024/25 £	Gross Income* 2024/25 £	Net Original Budget 2024/25 £
Expenditure				
Employee Costs:				
Direct Employee Expenses	921,410	899,320	0	899,320
Indirect Employee Expenses	13,110	7,920	0	7,920
Premises Related:				
Repairs & Maintenance Of Buildings	113,850	86,040	0	86,040
Grounds Maintenance	63,110	63,110	0	63,110
Energy Costs	138,500	134,420	0	134,420
Rents, Rates & Water Services	197,520	221,720	0	221,720
Fixtures & Fittings	2,070	3,410	0	3,410
Cleaning & Domestic Supplies	1,010	1,010	0	1,010
Apportionment Of Operational Buildings	163,740	138,610	0	138,610
Premises Insurance	7,050	5,180	0	5,180
Transport Related:				
Fleet Vehicle Recharges	231,290	208,500	0	208,500
Travelling Expenses	1,760	1,800	0	1,800
Supplies & Services:				
Equipment, Tools & Materials	334,130	347,730	0	347,730
Catering	1,800	1,800	0	1,800
Clothing, Uniforms & Laundry	2,770	2,770	0	2,770
Printing, Stationery & General	1,300	1,300	0	1,300
Communications & Computing	33,070	18,840	0	18,840
Grants & Subscriptions	6,430	6,430	0	6,430
Miscellaneous Expenses	13,960	10,100	0	10,100
Third Party Payments:				
Contract Services	193,430	18,120	0	18,120
Private Contractors	427,610	444,710	0	444,710
Consultancy & Agency Fees	391,260	402,350	0	402,350
Recharges:				
Support Services	316,360	461,500	0	461,500
Contract Services Recharge	402,050	297,980	0	297,980
Capital Charges:				
Capital Charges	85,420	74,520	0	74,520
Transfer to/from Reserves:				
Transfer to/ (from) Allocated Reserves	0	0	0	0
Total Expenditure	4,064,010	3,859,190	0	3,859,190
Income:				
Other Contributions & Donations	(325,370)	0	(328,000)	(328,000)
Fees & Charges	(1,181,820)	0	(1,212,320)	(1,212,320)
Recharge Income	(2,339,470)	0	(2,269,850)	(2,269,850)
Total Income	(3,846,660)	0	(3,810,170)	(3,810,170)
Net Cost of Service	217,350	3,859,190	(3,810,170)	49,020

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Statement of the Chief finance Officer
Robustness of Estimates and Adequacy of Reserves

1 ROBUSTNESS OF ESTIMATES

The Council process for producing the budget estimates involves responsible budget holders and finance officers reviewing and projecting the Base Budget. The Working Budget Estimates are determined against a background of ongoing quarterly budget monitoring for the current financial year and an evaluation of the outturn position and Budgets carried forward from the previous financial year. The 2024/25 Estimates are determined by evaluating and costing all known changes, including pay and price levels, legislative changes, demands for services and policy developments, projecting inflation has become much more difficult with the Cost of Living crisis. The Council has sufficient reserves to allow a contribution from balances in order to set a balanced budget for 2024/25 and the current Budget Process has rigorously reviewed current budgets to secure another year of necessary Balancing the Budget (BTB) Savings, the level of which has been compounded by higher inflationary pressures. As part of the 2024/25 Budget process the Council has had to meet the challenge of historic Government Grant reductions, reducing New Homes Bonus, COVID, as well as absorbing inflationary and latterly higher inflation and legislative changes within its Medium Term Financial Strategy. The overall budget process is co-ordinated by the Accountancy Section in liaison with the various Business Units and the Council's Strategic Leadership Team. The Budget is recommended by the Executive, for approval by Council after it has been through the Scrutiny process required by the Council's Constitution. The process includes consideration of risks and uncertainties associated with projections of future pay, prices, interest rates and projected levels and timing of other potential liabilities. The challenge to the budget process is provided by the Scrutiny and Overview Committee.

Financial monitoring arrangements provide the Executive with a quarterly update on the performance of the budget, with action plans where significant adverse variances have resulted. The Medium Term Financial Strategy is under constant review to ensure that a clear financial position for the Council can be demonstrated for the next five years aided by the Council's BTB priority. This is necessary as the significant cuts in public expenditure and funding from the government have been implemented and there is uncertainty beyond 2025/26 on the level of central support. The CFO has identified that further new BTB savings options are required for 2025/26-2027/28 of £3.085Million to ensure a balanced General Fund budget. This target reflects the impact of COVID on fees and charges and homeless costs plus an increase in inflationary and other pressures as a result of the current cost of Living crisis.

The Council's Financial Regulations require responsible budget holders to ensure that net expenditure does not exceed the total of their Service budgets. Where, despite the assessment of risks that forms part of the budget process, a budget comes under pressure during the course of the financial year, the council's budgetary framework and Financial Regulations lay down appropriate procedures. Where budget variations cannot be contained overall by the use of virements, these have been reported to Members as part of the quarterly budget monitoring process. In addition requests for supplementary estimates have to be submitted to the Executive or Full Council, as appropriate. Supplementary estimates are met from available balances and reserves, subject to the required level of minimum General Fund balances.

The Strategic Director (S151) considers that the Estimates and the processes used to produce them are sound and robust. A further update on the 2023/24 General Fund and HRA budgets will be presented to the March Executive, together with any on-going impacts.

2 ADEQUACY OF RESERVES

The Council's annual budgetary process and the assessment of the adequacy of Reserves are undertaken in the context of robust medium term financial forecasting. Whilst the Council currently has levels of Reserves above the minimum risk assessed level, the Council's Medium Term Financial Strategy acknowledges that the £2.2Million of these will be utilised in the medium term as a result of projected future under funding, inflation and growth pressures. This is based on the assumption that there will not be a fundamental change to the Council's core funding under any Government funding review, however the Council only uses £200K of business rates gains in anyone year as under any 'reset' could see gains disappear and they are recommended for one off spend.

The Council has risk assessed the level of General Fund balances required, based on information from service managers and this was presented to Members as part of the January Draft General Fund Budget report, the level of reserves required for 2024/25 was £3,537,794 and remains unchanged.

It is estimated that the Council will have General Fund £329,962 capital receipts and £761,635 regeneration ring fenced receipts and £nil capital reserves as at 1st April 2025 and the Council has a need to borrow in 2024/25 £18.269M including £7.506M for the HRA.

Total available General Fund balances as at 1st April 2024 are estimated to be £4,762,544 (after 2023/24 contribution from balances from the General Fund of £1,191,104). Total General Fund balances as at 1st April 2025 are estimated to be £4,762,544 (after 2024/25 contribution from balances to the General Fund of nil). These levels of balances meet the minimum level of risk assessed balances that are needed to meet unforeseen expenditure arising in the year and expenses arising before income is received.

In assessing the adequacy of the council's reserves, the robustness of its Budgetary Process and Systems of Internal Control, the assumptions and uncertainties discussed in the Budget report, and the levels of special provision have been considered.

In coming to a view on the adequacy of reserves, risks in the area of litigation, business continuity, civil emergency, failure of information systems, budgetary control and interest rate calculations have been considered in terms of the possible maximum financial impact and their probability of occurrence. Ongoing assessment of the financial risks to the council, its budget and Medium Term Financial Strategy, are embedded as part of the council's overall Corporate Risk Management processes. On this basis, the Strategic Director (S151) considers the level of general balances to be adequate for the 2024/25 financial year.

3 SPECIFIC RESERVES

As part of the budget preparation process, the current and projected levels of the Council's allocated reserves have been considered. Following this review, the Strategic Director (S151) confirms these reserves are £6,682,988 for the General Fund as at 1 April 2024 and £6,771,044 as at 1 April 2025 and continue to be required.

4. STATEMENT OF ACCOUNTS

At the time of publishing this report the Council's last set of published and audited accounts were for the financial year 2019/20 and officers are finalising with the council's auditors EY the 2020/21 accounts.

Supported by the Financial Reporting Council, The Department for Levelling Up Housing and Communities (DLUHC) intend to consult soon on proposals to set a backstop date of 30 September 2024 for Local Authorities to publish their audited financial accounts for all

financial years up to and including 2022/23. This approach is anticipated to enable Local Authorities and auditors to focus on the most recent year of accounts as quickly as possible.

The National Audit Office will also be consulting in tandem on potential changes to the Code of Audit Practice to support this approach. Subject to the outcome of these consultations, we intend to bring forward legislation to implement the backstop proposals.

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Meeting EXECUTIVE/COUNCIL

Portfolio Area Resources, Transformation & ICT

Date 07 FEBRURY 2024/21 FEBRUARY 2024

FINAL 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 Capital Programme for 2024/25.
- 1.2. To provide Members with an update on the Council's 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 following proposals be recommended to Council on 21 February 2024:

- 2.1. Revised General Fund Capital Budget for 2024/25 of £33.6Million, as set out in Appendix B to the report, be approved.
- 2.2. HRA Capital Budget for 2024/25 of £54.9Million, as set out in Appendix C to the report, be approved.

- 2.3. Updated forecast of resources 2024/25 be approved, 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.
- 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.
- 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.
- 2.14. That the comments from Overview and Scrutiny Committee set out in paragraph 4.13.4 are noted.

3. BACKGROUND

3.1 Introduction

- 3.1.1. This report is an update on the Council's Draft Capital Strategy 2023/24-2028/29 presented to the January 2024 Executive meeting and included no changes to the recommendations included in the draft report.
- 3.1.2. 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 reviewed the capital bids for 2024/25 contained within the Capital Strategy in December / January 2024 and the results of that review are included in this report.
- 3.1.3 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:

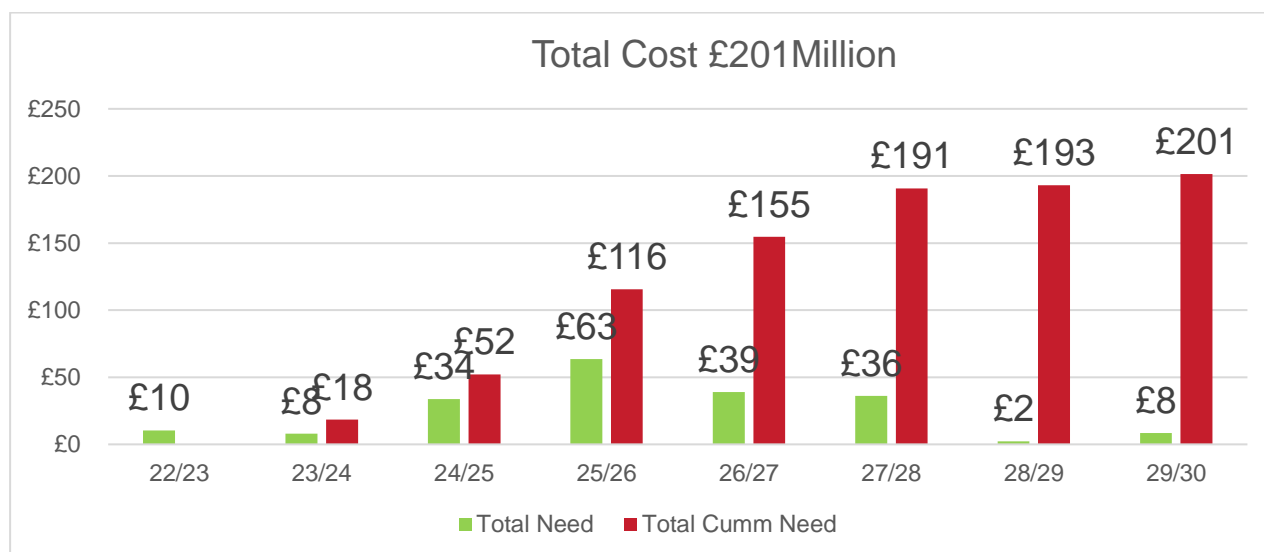
- treasury management decisions are taken in accordance with good professional practice;
 - local strategic planning, asset management planning and proper option appraisal are supported.
- 3.1.4 The Government issued guidance on the disclosures required in the Capital Strategy from 1 April 2018 onwards 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.
- 3.1.5 Some of these disclosures may be outlined in the Treasury Management Strategy instead of the Capital Strategy.

3.2 General Fund Investment Strategy

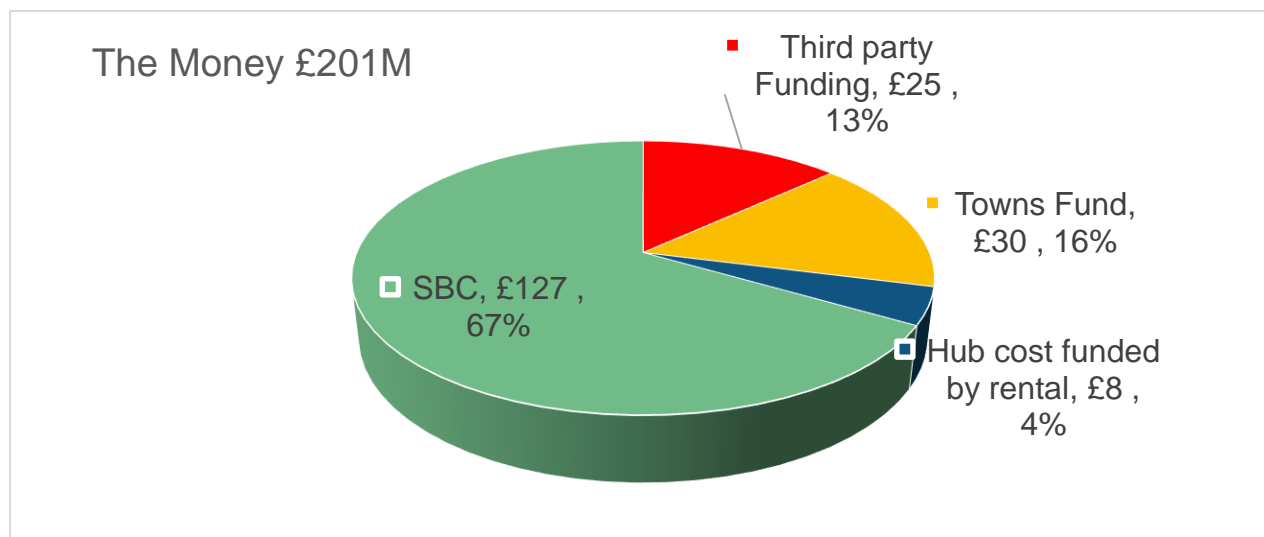
- 3.2.1 For a number of years capital spend has been prioritised due to the limited availability of capital receipts and the Council's ability to afford borrowing costs. Accordingly, the council applied a 'fix on fail' approach to assets with no significant asset improvements being funded, with the exception 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 Council's 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.

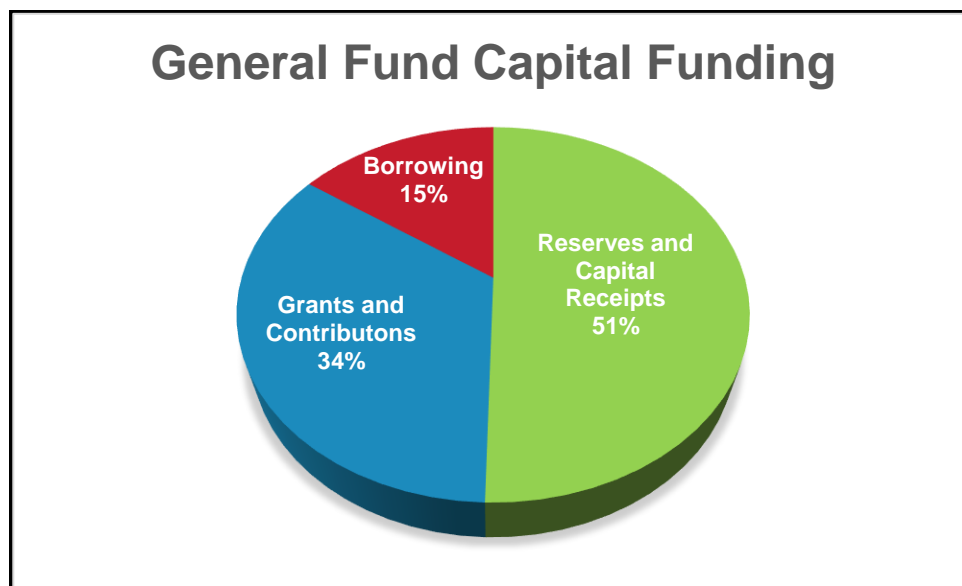


3.2.5 The majority of the funding £127Million (67%) is for Stevenage Borough Council to resource as set out in the chart below. In addition, some of the hub costs funded through rental income will need to be financed upfront (£8Million). This will require a funding strategy and prioritisation to meet 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 ongoing 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
Total GF Schemes	28,140	(1,626)	(2,619)	23,895	30,978	13,803	424	0

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 – 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).

Table 3: Revised Capital Programme including proposed Growth							
	23/24	24/25	25/26	26/27	27/28	28/29	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
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)
Total Before Growth	23,895	30,977	13,803	424	0	0	69,099
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
Adjusted total	23,895	33,558	13,803	424	0	0	71,680

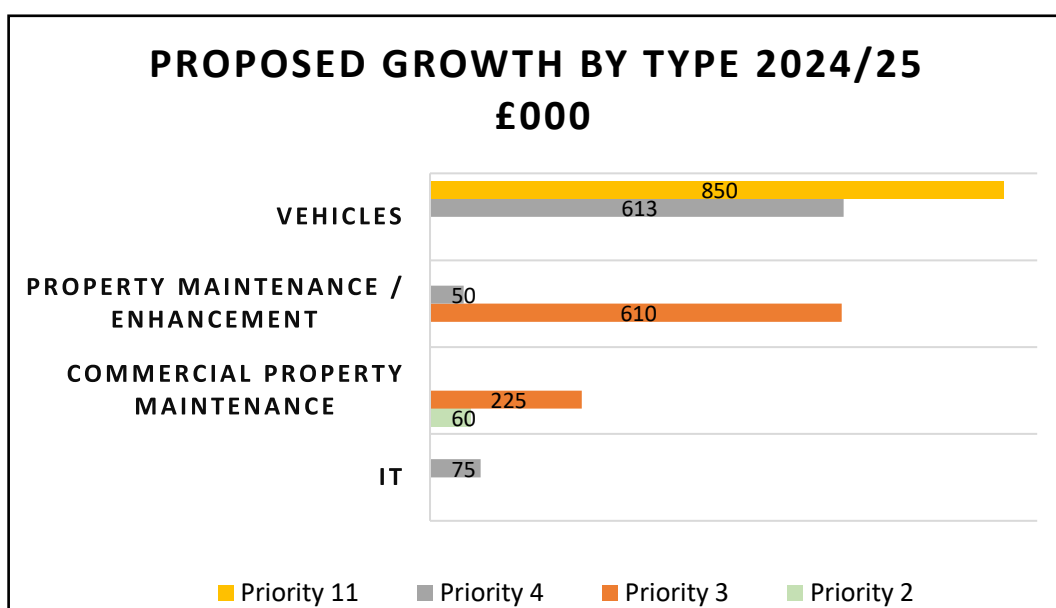
4.2. Proposed Capital Bids

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.

Table 4 Proposed General Fund Growth 2024/25		
		£'000
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
Total General Fund Capital Growth Bids		2,483
Funding Proposal		
General Capital Receipts		199
Locality Review Receipts		1,078
New Burdens Grant Funding		850
Revenue Reserves		340
Capital Reserve		16
Total Funding Proposed		2,483

- 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.

Table 5: Revised Capital Programme including proposed growth by Service.							
	23/24 £000	24/25 £000	25/26 £000	26/27 £000	27/28 £000	28/29 £000	Total £000
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
Total GF Schemes	23,895	33,558	13,803	424	0	0	71,680

- 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.
- 4.3.3. The regeneration programme benefits from significant allocations from the Towns Fund, and relate to a number of large projects. In a complex economic climate in which inflationary pressures are impacting construction costs, the Council and Stevenage Development Board are keeping a focus on each project. The current spend profiles are likely to be reviewed and updated in the early part of 2024/25, following engagement with Stevenage Development Board and the Department for Housing, Levelling Up and Communities.

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
TOTAL	23,895	33,558	13,803	424	0	0	71,680	100

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)
Closing Balance	4,564	1,696	1,390	2,481	4,221	4,221	4,221
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 continuation of this strategy in light of the significant pressures highlighted in section 3.2 is required in order to maximise available capital resources for the future.
- 4.5.3. 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.

Table 8: Locality Receipts £000	Previous Forecast	Revised Forecast	Variance
Year 2023/24	(1,240)	(335)	905
Year 2024/25	0	(744)	(744)
Year 2025/26	(1,150)	0	1,150
TOTAL	(2,390)	(1,079)	1,311

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:

Table 9: S106 contribution Available	Amount £'000
Biodiversity	69
Parks, Play and outdoor sport	113
Regeneration	36
Total	218

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.
- 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

	23/24 £000	24/25 £000	25/26 £000	26/27 £000	27/28 £000	28/29 £000	Total £000
Current strategy total	45,556	63,711	34,874	19,204	3,060	0	166,405
HRA BP Revisions	(1,138)	(10,350)	21,584	16,735	33,977	34,268	96,076
HRA BP	44,418	53,361	56,458	35,939	37,037	34,268	261,481
Rephase	(1,450)	1,450	0	0	0	0	0
IT	49	0	0	0	0	0	49
Growth Bids (IT)	0	20	0	0	0	0	20
TOTAL	43,017	54,831	56,458	35,939	37,037	34,268	261,550

- 4.9.6. The revised summary 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							
	23/24 £000	24/25 £000	25/26 £000	26/27 £000	27/28 £000	28/29 £000	Total £000
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
Total HRA Schemes	43,017	54,831	56,458	35,939	37,037	34,268	261,550

4.10. Capital Programme – HRA Resources (2023/24-2028/29)

4.10.1. The resourcing of the 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							
	23/24 £000	24/25 £000	25/26 £000	26/27 £000	27/28 £000	28/29 £000	Total £000
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
TOTAL	43,017	54,831	56,458	35,939	37,037	34,268	261,550

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 and Scrutiny

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.

Scheme receiving:	Number of schemes
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.

Overview and Scrutiny Committee 23 January 2024

4.13.4. Overview and Scrutiny met to consider the Draft Capital Strategy 2024-25 on the 23 January 2024. A question was asked about the North Road Underspend and the CFO clarified it related to the Housing Development. Clarification was sought about the scoring for Capital from CFSG in the report and the CFO explained the scoring system and confirmed that all bids scored and in the capital programme for 2024/25 had received a score equivalent to more than 50%.

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. The deferred works reserve of £230k in 2024/25 (excluding slippage) has been assessed as being adequate given historical draw downs on this budget and experience in 2023/24.
- 5.5.5 Defra issued indicative capital transitional costs for the introduction of weekly food waste collections on 9 January 2024. The allocation for Stevenage is £592k against a growth proposal of £850k, included in appendix A. Officers are lobbying Defra in order to close the gap (£258k) between the indicative amount and that required to fulfil this strategy at Stevenage. No further information is available at the time this report is written.

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)

BD5 Draft Capital Strategy 2023/24-2028/29 (January 2024 Executive)

Appendices

- A - General Fund Capital Growth Bids 2024-2025
- B - General Fund Capital Strategy
- C - HRA Capital Strategy

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 (£)	Description
1	Zayd Al-Jawad	Planning and Regulatory	4	St Georges MSCP - conversion of store room and boiler room to office space	50,000	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.
		Total Planning			50,000	
2	Matt Canterford	Digital & Transformation	4	Telephony Hardware Refresh	22,500	Ongoing IT replacement and renewal programme
3	Matt Canterford	Digital & Transformation	4	VDI hosting Hardware Refresh	11,250	Ongoing IT replacement and renewal programme
4	Matt Canterford	Digital & Transformation	4	Hardware Replacement Program	78,660	Ongoing IT replacement and renewal programme
4	Matt Canterford	Digital & Transformation	4	HRA Element	- 37,470	Ongoing IT replacement and renewal programme
		Total Digital & Transformation			74,940	
9	Mark Sullivan	Finance & Estates	2&3	Burwell Road shops - Reroofing,	60,000	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.
10	Mark Sullivan	Finance & Estates	3	MSCP fire door replacement	35,000	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.
11	Mark Sullivan	Finance & Estates	3&6	Commercial - shop units roof works	125,000	various roof works identified during the Stock condition survey require urgent attention.
12	Mark Sullivan	Finance & Estates	3&6	Commercial properties - General repairs	100,000	various works to external envelope (brick, concrete, render, windows etc) the estimate is based on completed surveys.
13	Mark Sullivan	Finance & Estates	3	cavendish - IT server room works	65,000	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.
14	Mark Sullivan	Finance & Estates	3	King George V Pavilion - Works to existing Fascia boards	20,000	existing lath and plaster ceiling is showing signs of cracking and bowing and requires replacement.
15	Mark Sullivan	Finance & Estates	4	Replace 1 FM Team vehicle	28,000	the current leased fleet are at end of life, this bid is to purchase one new vehicle.
	Mark Sullivan	Finance & Estates	4	Springfield House - Facsia and window works	-	
16	Mark Sullivan	Finance & Estates	3&4	Cavendish - generator	90,000	due to the age of the generator and risk of future accessibility of spare and repairs, a replacement is now recommended.
		Total Finance & Estates			523,000	

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 (£)	Description
17	Steve Dupoy	Communities & N'hoods	3	Fire stopping at SALC	220,000	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.
18	Steve Dupoy	Communities & N'hoods	3	Lift procurement at SALC	160,000	there is only one lift at SALC, failure of the lift will stop access for people with mobility problems in particular theatre users.
19	Steve Dupoy	Communities & N'hoods	3	Sailing Centre	10,000	works are required to ensure compliance with H&S and usability of the centre.
20	Steve Dupoy	Communities & N'hoods	3	Ridlins Stadium	10,000	work to repair surface of track, pending full resurfacing to be TrackMark compliance
		Total Communities & N'hoods			400,000	
21	Steve Dupoy	SDS	11	Food collection vehicles (x5)	850,000	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
22	Steve Dupoy	SDS	4	Replace 4 refuse vehicles	305,000	for use in refuse and recycling operations. This is a total budget of £1Million of which £705k is already in the capital programme.
23	Steve Dupoy	SDS	4	Replace Sweeper - LK20 EJO	65,000	replacement required to ensure services continue to be delivered effectively.
24	Steve Dupoy	SDS	4	Shovel Loader to replace - FN69 XSU	200,000	replacement required to ensure services continue to be delivered effectively.
25	Steve Dupoy	SDS	4	Stand on Mowers to replace AN100520 & AN100559	15,000	replacement required to ensure services continue to be delivered effectively.
		Total SDS			1,435,000	
		Total New Capital Projects Under Review			2,482,940	

APPENDIX B - GENERAL FUND CAPITAL STRATEGY

		2023/2024				2024/2025			2025/2026			2026/2027	2027/2028	2028/2029
Cost Centre	Scheme	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
		£	£	£	£	£	£	£	£	£	£	£	£	£
BG902 BG905 BG911 BG461 BG461 BG862 BG936 BG937 BG904 BG903 BG916 BG920	General Fund - Schemes													
	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	
	Total Schemes	3,783,923	28,140,350	23,895,362	(4,244,988)	42,291,662	33,557,704	(8,733,958)	8,221,500	13,803,400	5,581,900	424,498	0	0
	General Fund -Resources													
	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
	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
	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
	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
	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
	S106's		46,090	46,090	0	0	0	0			0	0	0	0
	Priorities – Strategic CIL				0			0			0	0	0	0
	Local – Neighbourhood CIL		97,500	97,500	0		187,500	187,500			0	0	0	0
	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
	Capital Reserve (Housing Receipts)		727,361	695,464	(31,898)	379,034	394,931	15,897		104,000	104,000	0	0	0
	Capital Reserve (Revenue Savings)		20,000	20,000	0	0	16,000	16,000			0	0	0	0
	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
	Total Resources (General Fund)		28,140,350	23,895,362	(4,244,988)	42,291,662	33,557,704	(8,733,958)	8,221,500	13,803,400	5,581,900	424,498	0	0
			0	0	0	0	0	0	0	0	0	0	0	0

APPENDIX B - GENERAL FUND CAPITAL STRATEGY

		2023/2024				2024/2025			2025/2026			2026/2027	2027/2028	2028/2029
Cost Centre	Scheme	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
		£	£	£	£	£	£	£	£	£	£	£	£	£
	<u>Stevenage Direct Services</u>													
	<u>Parks & Open Spaces</u>													
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	Pear tree skate park		40,000	0	(40,000)	0	40,000	40,000	0	0	0	0	0	0
	<u>Other</u>													
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
	<u>Vehicles, Plant, Equipment</u>													
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
	Total 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	0
	<u>Housing Development Scheme (Joint GF/HRA)</u>													
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	Housing Development Schemes (Joint GF/HRA)	125,190	1,979,220	1,037,040	(942,180)	15,325,180	2,773,000	(12,552,180)	0	5,753,900	5,753,900	424,498	0	0
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
	Total Housing Development (including grants to Register)	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	0

APPENDIX B - GENERAL FUND CAPITAL STRATEGY

		2023/2024				2024/2025			2025/2026			2026/2027	2027/2028	2028/2029
Cost Centre	Scheme	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
		£	£	£	£	£	£	£	£	£	£	£	£	£
	<u>Finance & Estates</u>													
	<u>Estates</u>													
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
	<u>Play Centres</u>													
KC904	Play Centres General				0									
	<u>Community Centres</u>													
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
	<u>Neighbourhood Centres</u>													
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
	<u>Park Pavilions</u>													
	<u>Estates cont.</u>													
	<u>Depots</u>													
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
KE540	Cavendish Road Fire protection works			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
	<u>Other</u>													
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
KR158	Town Plaza		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
	<u>Estates cont.</u>													
	<u>Council Offices</u>													
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

		2023/2024				2024/2025			2025/2026			2026/2027	2027/2028	2028/2029
Cost Centre	Scheme	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
		£	£	£	£	£	£	£	£	£	£	£	£	£
	Operational Buildings													
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		90,000	90,000	0	0	0	0	0	0
							0	0		0	0	0	0	0
	Total Finance & Estates	185,964	1,725,000	1,693,103	(31,898)	707,080	1,261,978	554,898	0	0	0	0	0	0
	Corporate Projects, Customer Services & Technology													
	IT General													
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
	Total IT General		572,010	337,190	(234,820)	104,220	173,944	69,724	0	0	0	0	0	0
	Connected to Our Customer (CTOC)													
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
	Total CTOC	47	30,320	30,320	0	0	0	0	0	0	0	0	0	0
	Total Corporate Projects, Customer Services & Technology	28,722	602,330	367,510	(234,820)	104,220	173,944	69,724	0	0	0	0	0	0
	Regeneration													
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	Towns Fund	1,315,780	7,458,490	7,458,490	0	15,076,180	15,076,180	0	7,400,000	7,400,000	0	0	0	0
	Total 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	0

APPENDIX B - GENERAL FUND CAPITAL STRATEGY

		2023/2024				2024/2025			2025/2026			2026/2027	2027/2028	2028/2029
Cost Centre	Scheme	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
		£	£	£	£	£	£	£	£	£	£	£	£	£
	Community & Neighbourhoods													
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	784	19,860	19,860	0	0		0	0	0	0	0	0	0
KC233	2019/20 Backlog H&S Works													
	Stevenage Arts & Leisure Water leak - Reroofing	59	18,920	59	(18,861)	0	0	0	0	0	0	0	0	0
	C&N cont.			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
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
New Growth	Lift procurement at SALC				0	0	160,000	160,000	0		0	0	0	0
New Growth	Sailing Centre				0	0	10,000	10,000	0		0	0	0	0
New Growth	Ridlins Stadium				0	0	10,000	10,000	0		0	0	0	0
	Total Community & 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	0
	Planning & Regulatory													
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
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
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						50,000	50,000						
	Total Planning & Regulatory	18,423	701,520	701,520	0	421,310	568,810	147,500	0	0	0	0	0	0
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

		2023/2024					2024/2025			2025/2026	2026/2027	2027/2028	2028/2029
Cost Centre	Scheme	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
		£	£	£	£	£	£	£	£	£	£	£	£
	SUMMARY												
	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				
	TOTAL HRA CAPITAL PROGRAMME	19,433,025	5,275,672	45,555,930	43,017,293	(2,538,637)	63,711,440	54,831,147	(8,880,293)	56,458,520	35,939,000	37,037,580	34,268,000

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
		£	£	£	£	£	£	£	£	£	£	£	£
Page 124 KH157 Various KH308 KH309 KH310 KH143 KH141 KH142 Various KH284 KH285 KH298 KH299 Various KH311 KH312 KH313 KH300 KH205 KH092 KH294 KH321 Future Year KH085 KH317 KH112 KH114 KH144 KH327 KH223 KH224 KH318 KH174 KH319 KH329 KH094 KH328 KH330	CAPITAL PROGRAMME EXCL. NEW BUILD												
	Planned Investment including Decent Homes												
	Decent Homes - Redecs	670											
	Decent Homes - Internal/External Works	1,440,026		3,567,500	3,567,500		6,750,000	5,187,000	(3,175,000)	8,650,000	9,800,000	10,700,000	10,700,000
	Decent Homes Internal/External Works Contractor 1	766,401		2,300,000	2,300,000		3,250,000	1,125,000	(2,125,000)				
	Decent Homes Internal/External Works Contractor 2						3,250,000		(3,250,000)				
	Decent Homes Internal/External Works Voids	264,958		717,500	717,500		250,000	450,000		450,000	450,000	450,000	450,000
	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
	Decent Homes Electrical	408,668		550,000	550,000			42,000		150,000	150,000	500,000	500,000
	Decent Homes Kitchens									1,900,000	3,000,000	3,000,000	3,000,000
	Decent Homes External Works									500,000	550,000	550,000	550,000
	Door Replacement												
	Window Replacement							1,500,000		2,000,000	2,000,000	2,500,000	2,500,000
	Roofing							70,000		100,000	100,000	150,000	150,000
	Insulation Measures									50,000	50,000	50,000	50,000
	Decent Homes - Flat Blocks	5,243,229	103,076	10,000,000	10,000,000		2,000,000	9,700,000	7,700,000	5,400,000	250,000	250,000	250,000
	MRC Flat Blocks - Wates	3,375,662		5,300,000	5,300,000			4,500,000	4,500,000	500,000			
	MRC Flat Blocks - Mulalley	1,774,044		4,500,000	4,500,000			5,000,000	5,000,000	4,700,000			
	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
	MRC	5,370											
	Communal Heating	18,910	(12,700)	80,000	80,000					100,000	100,000	100,000	100,000
	Lift Installation - Inspection & Remedial Works		(184)										
	High Rises - Preliminary Works		(15,000)	1,130	1,130								
	High Rises - Improvement Works	36,325	25,400	835,000	835,000		1,750,000	1,750,000		1,750,000	1,750,000		
	New Schemes to be created						215,260		(215,260)	947,000	2,993,000	5,158,000	6,772,000
	Health & Safety												
	Fire Safety	522,895	5,233	2,604,670	2,604,670		500,000		(500,000)				
	Additional fire stopping works						959,620		(959,620)				
	Asbestos Management	142,090	1,637	281,190	281,190		300,000	300,000		300,000	300,000	300,000	300,000
	Subsidence	48,584		100,000	100,000		100,000	120,000	20,000	120,000	120,000	120,000	120,000
	Contingent Major Repairs	222,855	(7,300)	350,000	350,000		500,000	500,000		500,000	500,000	500,000	500,000
	Building safety						980,000	1,000,000	20,000	1,000,000	1,000,000	1,000,000	1,000,000
	Estate & Communal Area												
	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
	Asset Review - Sheltered (non RED)	112,856											
	Other HRA Schemes												
	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
	Energy Efficiency Pilot Projects	2,028,741					420,000	200,000	(220,000)	200,000	200,000	200,000	200,000
	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
	Decarbonisation - Grant						1,310,940		(1,310,940)				
	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
	Increased Aids & Adaptations budget						350,000		(350,000)				
	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						46,820		(46,820)				
	New Business Plan expenditure				(76,094)	(76,094)		(32,000)	(32,000)	500,000	301,000	301,000	301,000
	TOTAL CAPITAL PROGRAMME EXCL. NEW BUILD	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
KH015 KH278	<u>SPECIAL PROJECTS & EQUIPMENT</u>												
	<u>HRA Equipment</u>												
	Capital Equipment (including Supported Housing Equip)	54,194	(49,950)	25,550	54,194	28,644	25,000		(25,000)				
	Vans for RVS	22,900		21,900	22,900	1,000							
	Sub Total Special Projects & Equipment	77,094	(49,950)	47,450	77,094	29,644	25,000		(25,000)				
	<u>CAPITAL PROGRAMME NEW BUILD</u>												
Page 125 KH233 KH233 KH233 KH244 KH245 KH247 KH247 KH280 KH279 KH282 NEED CODE KH307 KH301 KH301 KH314 KH314 NEED CODE NEED CODE KH304 KH072	New Build Programme - eligible for 1-4-1	4,353,198	(173,886)	8,834,270	4,134,190	(3,385,080)	43,131,340	8,515,790	(34,615,550)	21,666,520	13,000,000	12,783,580	8,400,000
	New Build Programme - ineligible	4,027,664	5,323,286	11,586,040	13,921,040	2,335,000	433,360	21,933,360	21,500,000	9,700,000			
	Open Market Acquisitions (Social Rent)	2,833,952	(167,343)	930,790		(930,790)						891,790	
	Open Market Acquisitions (Afford. Rent)											891,790	
	Open Market Acquisitions (Ineligible 141)			4,150,000	4,150,000								
	Twin Foxes	390	390										
	March Hare in Burwell Road (15 Units)	98,822			400,000	400,000		1,963,480	1,963,480	500,000			
	Kenilworth Close (105 units) (Ineligible 141)	4,000,324	5,319,347	7,436,040	7,436,040	0	433,360	433,360					
	Kenilworth Close 1 for 1 Expenditure (61.8%)			469,190	469,190	(0)							
	Symonds Green	(30,480)	(43,650)	200,000	200,000								
	Shephall Way	(430)											
	North Road (Ineligible 141)	15,484	3,939										
	Dunn Close (27 units, 21 in main block, supported accommodation)	401,411	(573)	1,750,000	1,750,000		752,310	752,310					
	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
	The Oval (70 Units)	822,832	700		1,000,000	1,000,000		5,000,000		12,000,000	6,000,000		
	Redcar Drive aka Cartref (Social Rent)	85,997	1,931		150,000	150,000		225,000		3,721,820			
	Redcar Drive aka Cartref (Affordable Rent)							375,000		3,721,820			
	Ellis Avenue (Social Rent)	15,154	(1,250)					100,000		861,440			
	Ellis Avenue (Affordable Rent)							100,000		861,440			
	Neighbourhood Centre Social Rent										3,500,000	5,500,000	
	Neighbourhood Centre Afford.Rent										3,500,000	5,500,000	
	Shephall Social	125,550	35,908		165,000	165,000							
	L.S.S.O. Buy Back	11,856											
	TOTAL CAPITAL PROGRAMME NEW BUILD	8,380,862	5,149,400	20,420,310	18,055,230	(1,050,080)	43,564,700	30,449,150	(13,115,550)	31,366,520	13,000,000	12,783,580	8,400,000
KH268 KH315	<u>INFORMATION TECHNOLOGY</u>												
	<u>IT General (IT)</u>												
	Infrastructure Investment	12,468		185,510	111,273	(74,237)	51,330	32,997	(18,333)				
	Core ICT Equipment for Additional Staff			40,000		(40,000)							

APPENDIX C - HOUSING CAPITAL STRATEGY

		2023/2024					2024/2025			2025/2026	2026/2027	2027/2028	2028/2029
Cost Centre	Scheme	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	2012 Migration Servers			12,870		(12,870)							
Growth	2024/25							20,000	20,000				
	Total General IT	12,468		238,380	111,273	(127,107)	51,330	52,997	1,667				
	<u>Connected To Our Customers (CTOC)</u>												
KH288	New CRM Technology (Digital Platform)	18,870		82,380	82,380								
	Total CTOC	18,870		82,380	82,380								
	<u>Housing All Under One Roof programme (HAUOR)</u>												
KH283	Housing Improvements - Northgate online	7,400	(4,280)	126,070	126,070								
	Total HAUOR	7,400	(4,280)	126,070	126,070								
	<u>Other HRA</u>												
KH218	ICT Programme (Business Plan)		(40,100)										
	Total Other HRA		(40,100)										
	TOTAL ICT INCLUDING DIGITAL AGENDA	38,739	(44,380)	446,830	319,723	(127,107)	51,330	52,997	1,667				



AUDIT COMMITTEE/ EXECUTIVE / COUNCIL

Portfolio Area: Resources

Date: 6 February 2024 / 7 February 2024
/ 21 February 2024



ANNUAL TREASURY MANAGEMENT STRATEGY INCLUDING PRUDENTIAL INDICATORS 2024/25

NON-KEY DECISION

Author – Rhona Bellis
Contributor – Reenu Keogh
Lead Officer – Brian Moldon
Contact Officer – Brian Moldon

1 PURPOSE

- 1.1 To recommend to Council the approval of the Treasury Management Strategy 2024/25, including its Annual Investment Strategy, Prudential Indicators and Minimum Revenue Provision (MRP) policy following considerations from Audit and Executive committees.

2 RECOMMENDATIONS

2.1 Audit Committee

That subject to any comments by the Audit Committee to the Executive, the 2024/25 Treasury Management Strategy is recommended to Council for approval.

2.2 Executive

That subject to any comments made by the Executive, in addition to those made by the Audit Committee, the 2024/25 Treasury Management Strategy is recommended to Council for approval.

2.3 Council

That subject to any comments from the Audit Committee and the Executive, the 2024/25 Treasury Management Strategy be approved by Council.

3 BACKGROUND

- 3.1.1 CIPFA published the updated Treasury Management and Prudential Codes on 20 December 2021 for implementation from 2023/24. This Council therefore, has to have regard to these Codes of Practice when it prepares the Treasury Management Strategy Statement and Annual Investment Strategy, and also related reports during the financial year, which are taken to Full Council for approval.
- 3.1.2 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
- 3.1.3 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 3.1.4 The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.
- 3.1.5 CIPFA defines treasury management as:
- "The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."*
- 3.1.6 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities.

3.2 Reporting requirements

3.2.1 Capital Strategy

The Capital Strategy will be brought before members as a separate report. The aim of that strategy is to ensure that all Members of the Council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

3.2.2 Treasury Management reporting

The Council is required to receive and approve (as a minimum) three main treasury reports each year. The annual treasury management strategy including the Prudential Indicators (this report) is forward looking, it is the first and most important of the three and includes:

- a. **Prudential and treasury indicators and treasury strategy** (this report) -
 - the capital plans, (including prudential indicators).
 - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time).
 - the Treasury Management Strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
 - an Annual Investment Strategy, (the parameters on how investments are to be managed).
- b. **A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision.
- c. **An annual treasury report** – This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

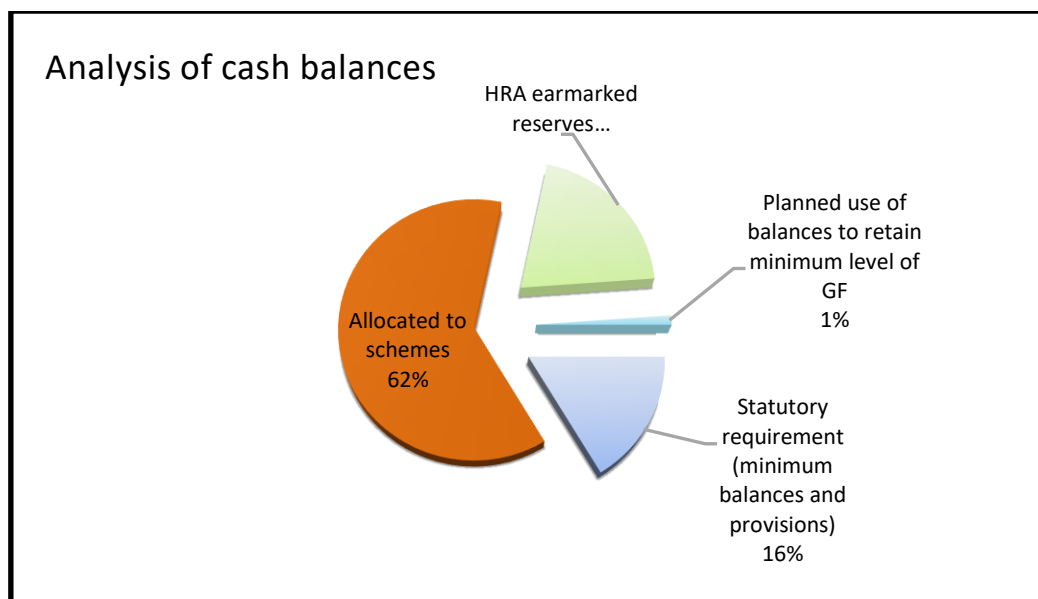
3.2.3 These reports are required to be adequately scrutinised, and this is undertaken by the Audit Committee and Executive.

3.2.4 In addition to the three major reports detailed above from 2023/24 quarterly reporting is also required and form an appendix to the quarterly Capital monitoring reports, where not included in the main reports. However, these additional reports do not have to be reported to Full Council but do require to be adequately scrutinised. This role is undertaken by the Executive (The reports should comprise updated Treasury / Prudential Indicators only).

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1 Performance of Current Treasury Strategy

- 4.1.1 For the financial year to 31 December 2023 returns on investments have averaged 5% and total interest earned was £1.9Million contributing to General Fund and Housing Revenue Account income.
- 4.1.2 Cash balances as of 31 December 2023 were £40Million and are forecast to be £41Million as of 31 March 2024. The Council's balances are made up of cash reserves e.g., HRA and General Fund balances, restricted use receipts such as right to buy one for one receipts and balances held for provisions such as business rate appeals, reduced by internal borrowing.
- 4.1.3 In considering the Council's level of cash balances, Members should note that the General Fund MTFS and Capital Strategy have a planned use of resources over a minimum of five years and the HRA Business Plan (HRA BP) a planned use of resources over a 30-year period, which means, while not committed in the current year; they are required in future years.
- 4.1.4 The Council's current investment portfolio is held for Treasury management purposes only and consists of "conventional" cash investments: deposits with banks and building societies, Money Market Funds and loans to other Local Authorities. Currently no investments have been made with any of the other approved instruments within the Specified and Non-specified Investment Criteria (see Appendix D).
- 4.1.5 There have been **no breaches** of treasury **counter party limits**, with the investment activity during the year conforming to the approved strategy. Any breach would be notified to the Chief Finance Officer. The Council has had no liquidity difficulties and no funds have been placed with the Debt Management Office (DMO) during 2023/24 to date, demonstrating that counterparty limits and availability for placing funds approved in the TM Strategy were working effectively. It is possible that surplus funds borrowed during the year may be placed in the DMO temporarily if cash balances, due to the timing of taking out new loans would breach other counterparty limits.
- 4.1.6 The following chart shows the planned use of cash balances at 31 December 2023.



4.2 Treasury Management Strategy for 2024/25

4.2.1 The strategy for 2024/25 covers two main areas:

Capital issues

- the capital expenditure plans and the associated prudential indicators.
- the minimum revenue provision (MRP) policy.

Treasury management issues

- the current treasury position.
- treasury indicators which limit the treasury risk and activities of the Council.
- prospects for interest rates.
- the borrowing strategy.
- policy on borrowing in advance of need.
- debt rescheduling.
- the investment strategy.
- creditworthiness policy; and
- the policy on use of external service providers.

4.2.2 These elements cover the requirements of the Local Government Act 2003, DLUHC Investment Guidance, DLUHC MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

4.2.3 The Council's Treasury Management Policy Statement can be found at **Appendix A**.

4.2.4 The Council's Capital Strategy is reported separately from the Treasury Management Strategy. Non-treasury investments are reported through the former, ensuring the separation of the core treasury function under security,

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liquidity and yield principles, and the policy and commercialism investments usually driven by expenditure on an asset.

4.2.5 The revised Treasury Management Code requires all investments and investment income to be attributed to one of the following three purposes: -

- **Treasury management**

Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.

- **Service delivery**

Investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial viability of the project in question or otherwise incidental to the primary purpose".

- **Commercial return**

Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to an authority's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or reserves without unmanageable detriment to local services. An authority must not borrow to invest primarily for financial return.

4.2.6 The Council's current investment portfolio is held for Treasury management purposes only.

4.2.7 **Environmental, social and governance (ESG)** investment considerations - investment considerations here means understanding the ESG "risks" that the council is exposed to and evaluating how well it manages these risks. It is NOT the same as Socially Responsible Investing.

4.2.8 Managing the ESG risk is already part of the current Treasury Investment Strategy, as the council uses mainstream rating agencies to assess counterparty creditworthiness – they now incorporate ESG risks alongside more traditional financial risk metrics when assessing counterparty ratings.

4.3 Training

4.3.1 The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.

4.3.2 The last training arranged for members took place in September 2023 and January 2024, further training will be arranged as required.

4.3.3 The training needs of treasury management officers are periodically reviewed.

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- 4.3.4 A formal record of the training received by officers central to the Treasury function will be maintained by the Head of Technical Accounting. Similarly, a formal record of the treasury management training received by members will also be maintained by the Head of Technical Accounting.

4.4 Treasury Management Consultants

- 4.4.1 The Authority uses Link Group, Link Treasury Services Limited as its external treasury management advisors.
- 4.4.2 The Authority recognises that responsibility for treasury management decisions always remains with the organisation and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisors.
- 4.4.3 It also recognises that there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

4.5 THE CAPITAL PRUDENTIAL INDICATORS 2024/25-2026/27

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

- 4.6 **Capital Expenditure and Financing** – this prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of the Capital Strategy 2024/25. Members are asked to approve the capital expenditure forecasts: -

Capital expenditure £000	2022/23 Actual	2023/24 Estimate	2024/25E stimate	2025/26 Estimate	2026/27 Estimate
Non-HRA	17,814	23,895	33,558	13,803	424
HRA	43,966	43,017	54,831	56,458	35,939
Total	61,780	66,912	88,389	70,261	36,363

- 4.6.1 The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Financing of capital expenditure £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Capital receipts	15,667	12,031	7,945	10,943	9,479
Capital grants and contributions	10,431	14,677	33,542	11,465	4,409
Capital reserves	476	715	654	104	0
Revenue	1,215	434	7,055	3,835	3,316

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Major Repairs Reserve	24532	19883	20417	15494	16233
Net financing need for the year	52,321	47,740	69,613	41,841	33,437
Capital Expenditure requiring borrowing	9,459	19,172	18,776	28,420	2,926

4.7 The Council's Borrowing Need (the Capital Financing Requirement) - The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

4.7.1 The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset's life, and so charges the economic consumption of capital assets as they are used.

4.7.2 The CFR includes any other long-term liabilities (e.g., finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of schemes include a borrowing facility by the lease provider and so the Council is not required to separately borrow for these schemes.

4.7.3 The Council is asked to approve the CFR projections below:

£000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Capital Financing Requirement					
General Fund excluding Finance Lease	38,788	45,831	44,164	51,345	32,473
Finance Lease	16,733	16,473	16,206	15,933	15,652
Total General Fund	55,521	62,304	63,370	67,278	48,125
Housing	264,538	275,873	284,060	305,547	300,473
Total CFR	320,058	338,177	347,430	372,825	348,598
Movement in CFR		18,119	9,253	25,395	(24,227)

Movement in CFR represented by				
Net financing need for the year (above)	19,172	18,776	28,420	2,926
Internal and External debt repayments		(8,963)	(1,500)	(26,000)
Less MRP/VRP and other financing movements	(1,053)	(560)	1,525	(1,153)
Movement in CFR	18,119	9,253	25,395	(24,227)

4.8 Liability Benchmark

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- 4.8.1 A third prudential indicator is the Liability Benchmark (LB). The Council is required to estimate and measure the LB for the forthcoming financial year and the following two financial years.

Financial Year End	2024 £'000	2025 £'000	2026 £'000
(Over)/Under Liability Benchmark	(22,456)	(7,925)	(11,025)

- 4.8.2 This benchmark compares actual loan debt outstanding and the liability benchmark (loans less investments, plus a liquidity buffer). Years where actual loans are less than the benchmark (negative value) indicate a future borrowing requirement; any years where actual loans outstanding exceed the benchmark (positive value) represent a technically overborrowed position.
- 4.8.3 The table above shows the current forecast overborrowed position remaining over the short term. This shows that in each year, there are theoretical investment balances that if unallocated, could be used to pay off debt.
- 4.8.4 Investment balances held by the council are already allocated and are not available for repayment of debt or additional capital expenditure. As a result, the Council will need to externally borrow to replace internal borrowing in the medium term.
- 4.8.5 Cashflow is monitored on an ongoing basis to ensure that the timing of external borrowing to support the Capital Strategy and Treasury function is undertaken in a timely and prudent manner.

4.9 Core Funds and Expected Investment Balances

- 4.9.1 The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

Year End Resources £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Fund balances / reserves	99,775	93,632	80,048	68,843	67,564
Provisions	5,352	5,152	4,152	3,152	3,152
Total core funds	105,127	98,784	84,200	71,995	70,716
Working capital*	6,946	(12,305)	(3,101)	7,439	(11,432)
(Under)/over borrowing	(68,505)	(45,543)	(38,948)	(34,183)	(6,045)
Expected investments	43,568	40,936	42,151	45,251	53,239

*Working capital balances shown are estimated year-end; these may be higher mid-year

4.10 Minimum Revenue Provision (MRP) Policy Statement

- 4.10.1 Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, where the Council has financed capital expenditure by borrowing it is required to make a provision each year through a revenue charge (MRP).

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4.10.2 The Council is required to calculate a prudent provision of MRP which ensures that the outstanding debt liability is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits.

4.10.3 The MRP policy statement requires full council approval in advance of each financial year. The Council is recommended to approve the MRP Statement at **Appendix B** to this report.

4.10.4 DLUHC is currently consulting on changes to statutory guidance and regulations relating to MRP. The consultation will close on 16th February 2024 with planned implementation from 1 April 2024. At this time the impact of proposed changes is not considered significant for the council.

4.11 Borrowing

4.12 The capital expenditure plans set out in paragraph 4.6 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's Capital Strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions, and the Annual Investment Strategy.

4.12.1 Current Portfolio Position

The overall treasury management portfolio as at 31 March 2023 and as at 31 December 2023 are shown below for both borrowing and investments.

TREASURY PORTFOLIO		
£000	actual 31.3.23	current 31.12.23
Total treasury investments	43,608	40,285
Treasury external borrowing:		
PWLB	227,750	234,987
Finance Leases and other external borrowing	23,803	23,543
Total external borrowing	(251,553)	(258,530)
Net treasury investments / (borrowing)	(207,945)	(218,245)

4.12.2 The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement – CFR see table in paragraph 4.7.3), highlighting any over or under borrowing.

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£000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
External Debt					
Debt at 1 April	246,489	251,553	292,574	308,482	338,642
Expected change in Debt	0	41,281	16,174	31,433	4,192
Expected change in Other long-term liabilities (OLTL)	5,064	(260)	(266)	(273)	(281)
Actual gross debt at 31 March	251,553	292,574	308,482	338,642	342,553
The Capital Financing Requirement	320,058	338,117	347,430	372,825	348,598
(Under) / over borrowing	(68,505)	(45,543)	(38,948)	(34,183)	(6,045)

4.12.3 Within the range of prudential indicators there are several key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short-term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2024/25 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.

4.12.4 Based on the capital programme 2024/25 (February 2024 Update) resourcing projections, the Council has the following borrowing requirements in 2024/25:

- General Fund £2.5Million in relation to the wholly owned housing development company pending approval of relevant business plans.
- HRA £7.5Million.

4.12.5 The s151 officer reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes account of current commitments, existing plans and the proposals in this budget report.

4.13 Treasury Indicators: Limits to Borrowing Activity

4.13.1 **The Operational Boundary.** This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR (see paragraph 4.7.3) but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

Operational Boundary £000	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
General Fund	60,875	70,904	74,813	55,659
General Fund additional borrowing facility available to the Housing (WOC) Wholly Owned Company	15,000	15,000	15,000	15,000
Total - General Fund	75,875	85,904	89,813	70,659
HRA	279,874	288,060	309,547	304,473

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Operational Boundary £000	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Total	355,749	373,964	399,360	375,132
Previous Operational Boundary	362,876	365,322	364,518	364,518

4.13.2 The Authorised Limit for external debt. This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the Full Council. It reflects the level of external debt which, while not desired, could be afforded in the short-term, but is not sustainable in the longer-term.

- This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all local authority plans, or those of a specific authority, although this power has not yet been exercised.
- The Council is asked to approve the following Authorised Limit:

Authorised Limit £000	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
General Fund Finance lease	16,800	16,800	16,000	16,000
General Fund Borrowing for capital expenditure including WOC	72,875	82,904	86,813	67,659
Total Borrowing - General Fund	89,675	99,704	102,813	83,659
Borrowing - HRA	283,874	292,060	313,547	308,473
Total	373,549	391,764	416,360	392,132
Previous Authorised Limit	390,876	373,322	372,518	372,518

4.14 Prospects for Interest Rates

4.14.1 The Council retains Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Link provided the following forecasts on 8 January 2024 and these are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1 November 2012. Please note, the lower Housing Revenue Account (HRA) PWLB rate started on 15 June 2023 (standard rate minus 60 bps).

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Link Group Interest Rate View 08.01.24													
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE	5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	4.80	4.30	3.80	3.30	3.00	3.00	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.20	5.10	4.60	4.10	3.70	3.30	3.10	3.10	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.00	4.90	4.40	3.90	3.60	3.20	3.10	3.10	3.10	3.10	3.10	3.20	3.20
5 yr PWLB	4.50	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.60	3.50	3.50	3.50
10 yr PWLB	4.70	4.50	4.40	4.30	4.20	4.10	4.00	3.90	3.80	3.70	3.70	3.70	3.70
25 yr PWLB	5.20	5.10	4.90	4.80	4.60	4.40	4.30	4.20	4.20	4.10	4.10	4.10	4.10
50 yr PWLB	5.00	4.90	4.70	4.60	4.40	4.20	4.10	4.00	4.00	3.90	3.90	3.90	3.90

4.14.2 The Bank of England (BOE) base rate stands at 5.25% currently and is expected to remain at this level for the first half of 2024, reducing gradually thereafter when both the CPI inflation and wage/employment data are supportive of such a move.

4.14.3 The CPI measure of inflation (a key bank of England KPI driving decisions on interest rates) has been falling in recent months and is now 3.9%. The BOE Monetary Policy Committee (Dec 2023) maintained that “further tightening in monetary policy would be required if there were evidence of more persistent inflationary pressures”. And it reiterated that policy will be “sufficiently restrictive for sufficiently long”

4.14.4 Since the December rate decision, the Bank’s position has not prevented the markets from forming a view that rates will be falling soon. Accordingly, swap rates and gilt yields have reduced significantly over the past month despite a partial rebound upwards since the turn of the year.

4.14.5 Regarding PWLB rates, movement in the short part of the curve has reflected the revised Bank Rate expectations to a large degree, whilst medium to longer-dated PWLB rates remain influenced not only by the outlook for inflation, but by the market’s appetite for significant gilt issuance.

4.15 Current Borrowing Position

4.15.1 The estimated Council’s capital financing requirement (CFR) for 2023/24 is £338Million (see paragraph 4.7.3). The CFR denotes the Council’s underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing), or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. The Council had £270Million in external debt at 31 December 2023, of which PWLB debt and its purpose is detailed in the table below.

Purpose of Loan	PWLB Loan £'000
General Fund Regeneration Assets	1,756
HRA	
Decent Homes	38,320
Self-Financing	194,911
Total HRA Loans	233,231
Total PWLB Debt at 31st December 2023	234,987

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4.15.2 The Council is forecast to utilise (short term) £68Million of cash flow funds in lieu of borrowing. This is a prudent and cost-effective approach in the current economic climate but will require ongoing monitoring if any upside risk to gilt yields prevails.

4.15.3 External borrowing for the HRA of £7.5Million has been taken in 2023/24. The capital programme is being kept under regular review because of inflationary pressures, shortages of materials and labour. Our borrowing strategy will, therefore, also be regularly reviewed and then revised, if necessary, to achieve optimum value and risk exposure in the long-term.

4.15.4 PWLB maturity certainty rates (gilts plus 80bps) have fluctuated recently following on from gradual rises during 2023. The 50-year PWLB 5 to 50 years Certainty rates are, generally, in the range of 4.5% to 5%. (equivalent 4.1% to 4.6% - HRA certainty rate).

4.15.5 The General Fund has PWLB external borrowing of £1.8Million and other external borrowing of £7.6Million (Local Enterprise Partnership - LEP) and finance lease of £16.5Million (Aviva). Discussions are continuing with the LEP regarding making these re-investible loans for further regeneration of the town, rather than needing to be repaid on the dates originally agreed. As indicated in the table, the current position is that the remaining balance is repayable - £6.57Million in 2030 and £1Million in 2025. The loans are at zero interest.

Table 5: LEP Loans					
Loan Received	Site Assembly	Land Assembly	SG1	Repaid	Total
2015/16	762,488			(208,795)	553,693
2018/19	416,306				416,306
2019/20		4,108,709			4,108,709
2020/21		1,491,291	500,000		1,991,291
2022/23			500,000		500,000
Total	1,178,794	5,600,000	1,000,000	(208,795)	7,569,999

4.15.6 The Aviva finance lease entered in 2018/19 for 37 years was immediately sublet to Queensway Properties (Stevenage) LLP for 37 years, phase 2 increased the value of this lease and this is reflected in the CFR 2022/23.

4.15.7 The HRA has external borrowing from PWLB of £233.231Million

- £7.763Million from pre-2012,
- £4.010Million taken out in 2019/20,
- £10.0 Million taken out in 2020/21,

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- £9.047Million taken out in 2021/22 and
- £7.5Million taken out in 2023/24.

The remainder of £194.911 Million relates to HRA self-financing payment made to central government in 2012.

4.15.8 The target average borrowing rate in the latest HRA Business Plan is 5.3% for 2023/24, falling to 5% in 2024/25 and 4.6% in 2025/26.

4.15.9 The HRA BP includes a heightened reserves provision going forward to mitigate the risk associated with having a higher borrowed BP .

4.15.10 Finance leases entered between the HRA and Marshgate Ltd during 2021/22 and 2022/23, the Council's wholly Owned Housing Company, relating to 10 residential dwellings, leased for 25 years amounted to £1.3Million.

4.16 Borrowing Strategy

4.16.1 The Council is currently maintaining a non-fully funded position. This means that the capital borrowing need, (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, Bank Rate remains elevated through to the second half of 2024.

4.16.2 Against this background and the risks within the economic forecast, caution will be adopted with the 2024/25 treasury operations. The Assistant Director of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances.

4.16.3 Borrowing may be taken to facilitate investment in regeneration and/or economic improvements for the town. This may include investment in special purpose vehicles owned by the Council to facilitate regeneration aspirations. Any such investments will be presented to Members.

4.17 Policy on Borrowing in advance of Need

4.17.1 It is the Council's intention not to borrow more than or in advance of its needs purely to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

4.17.2 In determining whether borrowing will be undertaken in advance of need the Council will.

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- ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need
- ensure the ongoing revenue liabilities created, and the implications for the future and budgets have been considered
- evaluate the economic and market factors that might influence the manner and timing of any decision to borrow
- consider the merits and demerits of alternative forms of funding
- consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.

4.18 Rescheduling

4.18.1 Rescheduling of current borrowing in our debt portfolio may be considered whilst premature redemption rates remain elevated but only if there is surplus cash available to facilitate any repayment, or rebalancing of the portfolio to provide more certainty is considered appropriate.

4.19 ANNUAL INVESTMENT STRATEGY

4.20 The Department of Levelling Up, Housing and Communities (DLUHC - this was formerly the Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets and service investments, are covered in the Capital Strategy, (a separate report).

4.20.1 In managing the TM function other areas kept under review include:

- Training opportunities available to Members and officers (the most recent training for Members took place on 28 September 2023 and 25th January 2024)
- That those charged with governance are also personally responsible for ensuring they have the necessary skills and training
- A full mid-year review of the TMS will be reported in 2024/25

4.20.2 The 2024/25 Strategy uses the credit worthiness service provided by Link Asset Services (formerly known as Capita Treasury Solutions) the Council's treasury advisors. This service uses a sophisticated modelling approach which utilises credit ratings from the three main credit rating agencies and is compliant with CIPFA code of practice.

4.20.3 While Link Asset Services may advise the Council, the responsibility for treasury management decisions always remains with the Council and officers do not place undue reliance on the external service advice.

4.20.4 The TM limits for 2024/25 (Appendix D) have been reviewed. No changes are considered necessary since that agreed as part of the Mid-Year Review of 2023/24.

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4.20.5 The latest list of “Approved Countries for Investment” is detailed in Appendix E. This lists the countries that the Council may invest with providing they meet the minimum credit rating of AA-. The Council retains the discretion not to invest in countries that meet the minimum rating but where there are concerns over human rights issues.

4.21 Non-Treasury Investments

4.21.1 The CIPFA Prudential and Treasury Codes recommend that authorities’ capital strategies should include a policy and risk management framework for all investments. The Codes identify three types of local authority investment:

- Treasury management investments, which are taken to manage cashflows and as part of the Council’s debt and financing activity
- Commercial investments (including investment properties), which are taken mainly to earn a positive net financial return (previously purchased commercial investments only as Council’s are no longer permitted to access PWLB rates if they invest in commercial investments primarily for gain.
- Service investments, which are taken mainly to support service outcomes

4.21.2 Details of the Annual Investment Strategy can be found in Appendix A.

4.22 Investment returns expectations

4.22.1 The current BOE base rate of 5.3% is expected to remain for the rest of 2023/24. The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows: -

Average earnings in each year	
2023/24 (remainder)	5.3%
2024/25	4.7%
2025/26	3.2%
2026/27	3.0%
2027/28	3.25%
Years 6+	3.25%

4.22.2 As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

4.22.3 Against this view the forecast of interest earned on Treasury investments in 2024/25 is £1.9Million based on average balances of £42million.

4.22.4 For its cash flow generated balances, the Council will seek to utilise its business reserve instant access and notice accounts, Money Market Funds and short-dated deposits, to benefit from the compounding of interest.

4.23 Changes of investment strategy

4.23.1 There are no proposed changes to the Strategy for 2024/25.

4.24 OTHER ISSUES

4.25 UK Sovereign rating and investment criteria: The UK sovereign rating is currently on the lowest acceptable level suggested for approved countries as set out in Appendix E. The Council's investment criteria only use countries with a rating of AA- or above. The UK rating will be exempt from the sovereign rating investment criteria so in this event if it were to result in the UK being downgraded below AA- it would not impact on the Council's ability to invest with UK institutions. Other investment criteria will be considered in this event to ensure security of funds for the Council.

4.26 Queensway Properties (Stevenage) LLP: In December 2018, the Council entered into a 37-year agreement with Aviva to facilitate the regeneration of Queensway in the town centre. A separate legal entity, Queensway Properties (Stevenage) LLP, was incorporated to manage the rental streams and costs associated with the scheme.

4.27 Queensway Properties (Stevenage) LLP 2nd phase: the first phase of the head lease was recognised on the Council's balance sheet and the operational borrowing limit was increased to reflect the valuation. The second phase of residential properties has now been recognised. The balance sheet valuation of the finance lease has increased and the operational and authorised borrowing limits for the General Fund have been increased accordingly. This has been reflected in the TM indicators. The Council's treasury management team offered its services to the LLP, to manage and invest its surplus cash flows through a service level agreement.

4.28 IFRS16 – Leasing: As reported previously, some currently off-balance sheet leased assets may need to be brought onto the balance sheet under IFRS 16, however CIPFA LASAAC Local Authority Accounting Code Board announced the deferral of the implementation of IFRS 16 Leases in the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) until the 2024/25 financial year. It is unlikely that this change will have a significant impact for Stevenage.

4.29 Comments from the Audit Committee and Executive

4.29.1 Both the Audit Committee and Executive support the approval of the Treasury Management Strategy 2024/25 by Council with no changes.

5 IMPLICATIONS

5.1 Financial Implications

5.1.1 This report is of a financial nature and reviews the treasury management function for 2023/24 to date. Any consequential financial impacts identified in the Capital strategy and Revenue budget monitoring reports have been incorporated into this report.

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- 5.1.2 During the financial year Officers operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury management practices.

5.2 Legal Implications

- 5.2.1 Approval of the Prudential Code Indicators and the Treasury Management Strategy are intended to ensure that the Council complies with relevant legislation and best practice.
- 5.2.2 There have been no changes to PWLB borrowing arrangements or changes to the Prudential and Treasury Management codes since the last Treasury report.

5.3 Risk Implications

- 5.3.1 The current policy of minimising external borrowing only remains financially viable while cash balances are high and the differentials between investment income and borrowing rates remain. As these conditions change the Council may need to take borrowing at higher rates which would increase revenue costs.
- 5.3.2 The Council's Treasury Management Strategy is based on limits for counterparties to reduce risk of investing with only a small number of institutions.
- 5.3.3 The thresholds and time limits set for investments in the Strategy are based on the relative ratings of investment vehicles and counter parties. These are designed to consider the relative risk of investments and to preclude certain grades of investments and counterparties to prevent loss of income to the Council.
- 5.3.4 There is a risk to the HRA BP's ability to fund the approved 30-year spending plans if interest rates rise above planned rates - this will be included in future revisions to the BP.

5.4 Equalities and Diversity Implications

- 5.4.1 This report is technical in nature and there are no implications associated with equalities and diversity within this report. In addition to remaining within agreed counterparty rules, the council retains the discretion not to invest in countries that meet the minimum rating but where there are concerns over human rights issues. Counterparty rules will also be overlaid by any other ethical considerations from time to time as appropriate.
- 5.4.2 The Treasury Management Policy does not have the potential to discriminate against people on grounds of age; disability; gender; ethnicity; sexual orientation; religion/belief; or by way of financial exclusion. As such a detailed Equality Impact Assessment has not been undertaken.

5.5 Climate Change Implications

5.5.1 The council's investment portfolio is invested in sterling investments and not directly in companies. These investments are short term and mainly used for working capital purposes. The council uses mainstream rating agencies to assess counterparty creditworthiness – they now incorporate ESG risks alongside more traditional financial risk metrics when assessing counterparty ratings. In this way the TM team aligns with the Councils ambition to attempt to be carbon neutral by 2030.

BACKGROUND PAPERS

- BD1 Treasury Management Strategy including Prudential Code Indicators 2023/24 (Council February 2023)

APPENDICES

- Appendix A - Treasury Management Strategy (TMS)
- Appendix B - Minimum Revenue Provision Policy
- Appendix C - Prudential Indicators
- Appendix D - Specified and Non-Specified Investment Criteria
- Appendix E - Approved Countries for investment

Appendix A Treasury Management Strategy 2024/25

1. Treasury Management Policy Statement

- 1.1. The Council defines its treasury management activities as: *“The management of the authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”*.
- 1.2. The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation.
- 1.3. The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.
- 1.4. This Strategy has been prepared in accordance with the CIPFA Treasury Management Code 2021. The Code requires the Council to approve the Treasury Management Strategy annually and to produce a mid-year and annual report. In addition, Members in both Executive and Scrutiny functions receive monitoring reports and regular reviews. The aim of these reporting arrangements is to ensure that those with ultimate responsibility for the treasury management function appreciate fully the implications of treasury management policies and activities, and that those implementing policies and executing transactions have properly fulfilled their responsibilities regarding delegation and reporting.
- 1.5. The Act requires the Council to set out its Treasury Management Strategy for borrowing and to prepare an Annual Investment Strategy to set out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

2. Annual Investment Strategy

2.1. Investment Policy – Management of Risk

- 2.1.1. The Department of Levelling Up, Housing and Communities (DLUHC) and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets and service investments, are covered in the Capital Strategy, (a separate report).

The Council's investment policy has regard to the following:

- DLUHC's Guidance on Local Government Investments (“the Guidance”)
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 (“the Code”)
- CIPFA Treasury Management Guidance Notes 2021

The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and regarding the Council's risk appetite.

In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider “laddering” investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated.

2.1.2. The guidance from the DLUHC and CIPFA place a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

- a. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
- b. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as “**credit default swaps**” and overlay that information on top of the credit ratings.
- c. **Other information sources** used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- d. This authority has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in Appendix D under the categories of ‘specified’ and ‘non-specified’ investments.
 - **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year.
 - **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.

The Council has determined that it will limit the maximum total exposure to non-specified investments as detailed in Appendix D.

- e. **Lending limits and Transaction Limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in Appendix D and will consider investments longer than 365 days
- f. This authority has engaged **external consultants**, Link Asset Services, to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.
- g. All investments will be denominated in **sterling**.
- h. The Council only invests in counterparties with a high credit quality in the UK or other countries meeting minimum AA- sovereign rating. The Council

understands that changes have taken place to the ratings agencies and that their new methodologies mean that sovereign ratings are now of lesser importance in the assessment process. However, the Council continues to specify a minimum sovereign rating as the underlying domestic and where appropriate, international, economic and wider political and social background will still have an influence on the ratings of a financial institution (see Appendix E).

- i. As a result of the change in accounting standards for 2023/24 under IFRS 9, this Authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the MHCLG, concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31.3.23. More recently, a further extension to the over-ride to 31.3.25 has been agreed by Government.
- j. However, this Council will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance. Regular monitoring of investment performance will be carried out during the year.

2.2. Creditworthiness policy

2.2.1. The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. Based on this this main principle, the Council will ensure that:

- It maintains a policy covering the categories of financial instruments it will invest in, maximum investment duration, criteria for choosing counterparties with adequate security, and monitoring their security.
- It has sufficient liquidity in its investments. For this purpose, it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's Prudential indicators of the maximum principal sums invested more than 364 days.

2.2.2. The Assistant Director (Finance) will maintain a counterparty list in compliance with the criteria in the Strategy for Specified and Non-Specified Investment and will revise the criteria and submit them to Council for approval as necessary.

2.2.3. In determining the credit quality, the Council uses the Fitch credit ratings, together with Moody and Standard & Poor's equivalent where rated. Not all counterparties are rated by all three agencies and the Council will use available ratings.

2.2.4. The Council also applies the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard & Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- Credit watches and credit outlooks from credit rating agencies.

- Credit Default Swap (CDS) spreads. A CDS is a contract used to insure the holder of a bond against default by the issuer. A CDS can act as an indicator of default risk and provide an early warning of likely changes in credit ratings.
- Sovereign ratings to select counterparties from only the most creditworthy countries.

Link Asset Services modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments.

2.2.5. Credit ratings will be monitored whenever an investment is to be made, using the most recent information. The Council is alerted to changes to ratings of all three agencies through its use of the Link creditworthiness service.

- If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- In addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data daily via its Passport website, provided exclusively to it by Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

2.2.6. Sole reliance will not be placed on the use of this external service. In addition, the Council will also use market data including information on government support for banks and the credit ratings of that government support.

2.2.7. The Council receives updates from Link on future changes to Money Market Funds (MMF) that might affect the liquidity or risk of the fund. The Council is likely to change its approach to the use of MMF should liquidity or risk be adversely affected.

2.2.8. There are alternatives to the PWLB for borrowing, for both the General Fund and the HRA, including the UK Municipal Bonds Agency. The UKMBA provides funding through three lending programmes. Current UKMBA trading levels in the market, inclusive of all fees, are lower than the PWLB Certainty rate at like maturities.

- Proportionally guaranteed, pooled loans of £1 million or more for maturities greater than one year.
- Standalone loans to a single local authority for £250 million or more for maturities greater than one year. These loans are outside of the proportional guarantee and are guaranteed solely by the borrower, who must obtain an external credit rating from one or more of the major credit rating agencies.
- Short term, pooled loans, outside of the proportional guarantee for maturities of less than one year.

To date the borrowing rates available were lower than those offered for comparable loans available from the Public Works Loans Board (PWLB) at the time of issuance. The Council may make use of this alternative source of borrowing as and when appropriate.

2.3. Investment Strategy

2.3.1. **In-house funds.** Investments will be made with reference to the core balance and cash flow requirements, anticipated capital financing requirements and the outlook for short-term interest rates (i.e., rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

- If it is thought that Bank of England base rate (Bank Rate) is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.
- Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

3. Country limits

3.1. The Council has determined that it will only use approved counterparties from UK or selected countries with a minimum sovereign credit rating of AA- from Fitch Ratings (or equivalent from other agencies if Fitch does not provide). This is part of the criteria used to produce the Council's Counterparty List.

4. Borrowing Strategy and Policy on Borrowing in Advance of Need

4.1. The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. The current strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels as current high inflation rates are expected to continue to reduce throughout 2024/25.

4.2. Against this background and the risks within the economic forecast, caution will be adopted with the 2024/25 treasury operations. The Assistant Director of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances. When prudent to do so "internal borrowing" will be replaced with external borrowing in order to reduce interest rate risk.

4.3. Borrowing may be taken to facilitate investment in regeneration and/or economic improvements for the town. This may include investment in special purpose vehicles owned by the Council to facilitate regeneration aspirations. Any such investments will be presented to Members.

4.4. The Council will not borrow more than or in advance of its needs purely to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be considered carefully to ensure value for money can be demonstrated and that the Council can ensure the security of such funds.

4.5. In determining whether borrowing will be undertaken in advance of need the Council will:

- ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need

- ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered
 - evaluate the economic and market factors that might influence the manner and timing of any decision to borrow
 - consider the merits and demerits of alternative forms of funding
 - consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.
- 4.6. Borrowing may be taken to facilitate investment in regeneration and/or economic improvements for the town. This may include investment in special purpose vehicles owned by the Council to facilitate regeneration aspirations. Any such investments will be presented to Members.
- 5. End of year investment report**
- 5.1. At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Outturn Report.
- 6. Policy on the use of external service providers**
- 6.1. In October 2023, the Council reappointed Link Asset Services as its treasury management advisors on a three-year contract. The new contract commenced on 1 November 2023.
- 6.2. The Council recognises that responsibility for treasury management decisions always remains with the organisation and will ensure that undue reliance is not placed upon our external service providers.
- 6.3. It also recognises that there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.
- 7. Scheme of Delegation and Role of Section 151 officer**
- 7.1. The Council has the role of:**
- receiving and reviewing reports on treasury management policies, practices and activities
 - approval of annual strategy.
 - approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices
 - budget consideration and approval
 - approval of the division of responsibilities
 - receiving and reviewing regular monitoring reports and acting on recommendations
 - approving the selection of external service providers and agreeing terms of appointment
- 7.2. The Audit Committee** has the role of reviewing the policy and procedures and making recommendations to Council.
- 7.3. The Section 151 Officer** has the role of:
- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance
 - submitting regular treasury management policy reports
 - submitting budgets and budget variations

- receiving and reviewing management information reports
- reviewing the performance of the treasury management function
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- ensuring the adequacy of internal audit, and liaising with external audit
- recommending the appointment of external service providers.
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long-term timeframe ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities
- provision to Members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following (covered in Annual Capital Strategy Report).

In addition, high value and/or urgent payments can be made by CHAPS by the Treasury Team, however as these can have a material impact on cash flows on the day, authorisation for this type of payment must be obtained from the S151 or deputy S151 Officer.

7.4. Reporting arrangement to the Council and the Audit Committee is as below:

Area of Responsibility	Council Committee	Frequency
Treasury Management Policy Statement (revised)	Council	Initial adoption in 2010

Area of Responsibility	Council Committee	Frequency
Treasury Management Strategy / Annual Investment Strategy / Prudential Indicators and Minimum Revenue Provision (MRP) policy	Council	Annually before the start of the year
Treasury Management Strategy / Annual Investment Strategy / Prudential Indicators and MRP policy – mid-year report	Council	Annually before the end of the year
Treasury Management Strategy / Annual Investment Strategy / Prudential Indicators and MRP policy – updates or revisions at other times	Council	As required.
Annual Treasury Outturn Report	Council	Annually by 30 th November
Scrutiny of Treasury Management Strategy	Audit Committee	Annually before the start of the year
Scrutiny of Treasury Management performance (mid year)	Audit Committee	Annually by 31 st December

Appendix B (February 2024 Update)

Minimum Revenue Provision Policy

Minimum Revenue Provision Policy Statement 2024/25

From 2013/14, the council has not had a fully funded capital programme, and although there has not been a need to borrow in full externally, due to the use of investment balances, it is necessary to make adequate provision for the repayment of debt in the form of Minimum Revenue Provision.

The **preferred method for existing underlying borrowing is Option 3 – the Asset Life Method** (out of 4 allowable options), whereby the MRP will be spread over the useful life of the asset which range. Useful life is dependent on the type of asset and was reviewed in 2019/20. Following that review asset lives now ranges from 7 years (ICT equipment) to 50 years (Investment properties, regeneration sites and car parks for example).

In applying the new asset lives historic MRP had been overpaid and in accordance with current MHCLG MRP Guidance can be reclaimed in future years. The council has a policy to ring fence costs and income associated with regeneration assets and as such has shown these MRP changes separately, see table below. The overpayment of £1,057,660.39 results in no MRP needing to be charged to the accounts for the regeneration assets until 2025/26, when a partial charge will be required, utilising the remainder of the overpayment balance.

voluntary MRP made		Use of overpayment	
	Regeneration		Regeneration
2012/13	£46,929.65	2020/21	£193,703.12
2013/14	£140,788.95	2021/22	£193,703.12
2014/15	£163,165.30	2022/23	£193,703.12
2015/16	£141,355.30	2023/24	£193,703.12
2016/17	£141,355.30	2024/25	£193,703.12
2017/18	£141,355.30	2025/26	£89,144.79
2018/19	£141,355.30		
2019/20	£141,355.30		
cumulative total	£1,057,660.39	cumulative total	£1,057,660.39

Capital expenditure incurred during 2023/24 will not be subject to an MRP charge until 2024/25, or in the year after the asset becomes operational.

There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made.

There is no requirement to make to make a minimum revenue provision for GF capital expenditure relating to Housing development.

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THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2024/25 – 2026/27

The Authority's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

(a) Capital Expenditure

Capital expenditure is where the Council spends money on assets, such as property or vehicles that will be used for more than one year. This includes spending on assets owned by other bodies, loans and grants to other bodies enabling them to buy assets.

Capital Expenditure	2024/25 Draft Capital Strategy £000	2025/26 Estimate £000	2026/27 Estimate £000
General Fund	23,895	33,558	13,803
HRA	54,831	56,459	35,939
Total Capital Expenditure	78,726	90,017	49,742

(b) Affordability Prudential Indicator

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Authority's overall finances. The Authority is asked to approve the following indicators: -

Ratio of financing costs to net revenue stream

Ratio of financing costs to net revenue stream %	2023/24 Estimate %	2024/25 Draft Capital Strategy %
General Fund	4%	6%
HRA	14%	14%

General Fund: Net revenue stream is the RSG, NNDR grant and Council Tax raised for the year.

HRA: The net revenue stream is the total HRA income shown in the Council's accounts from received rents, service charges and other incomes. The ratio of financing costs to net revenue stream reflects the high level of debt as a result of self financing.

The estimates of financing costs include current commitments and the proposals in this budget report.

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Appendix D
Specified and Non-specified Investment Criteria
(including Treasury Limits and Procedures)

Table 1

Specified Investments are sterling denominated with maturities up to maximum of one year and must meet the following minimum high credit quality criteria:

Investment Counterparty	Investment Instrument	Minimum High Credit Quality Criteria	Investment Duration
Banks or Building Societies	Overnight Deposit	Fitch: Short Term F1 and Long Term A and Moody, Standard & Poor, equivalent where rated, the lowest rating used where different	Maximum duration as per Treasury Advisor's (Capita's) colour coded Credit List, and less than one year
	Notice Account	OR Part-nationalised or Nationalised UK banking institutions	
	Short Term Deposit	(subject to regular reviews of government share percentage).	
Debt Management Office or UK Local Authority	Any deposit	No limit.	
Money Market Funds	Instant Access or with Notice	AAA rated	Instant Access or notice period up to one year

Table 2

Non-Specified Investment are sterling denominated with a maturity longer than one year but no longer than five years, and must meet the following criteria:

Investment Counterparty	Investment Instrument	Minimum High Credit Quality Criteria	Investment Duration
Banks or Building Societies	Any deposits with maturity up to a maximum of five years	Fitch: Short Term F1+ and Long Term AA- and Moody, Standard & Poor, equivalent where rated, the lowest rating used where different	Maximum duration suggested by Treasury Advisor's (Capita's) colour coded Credit List, and not in excess of five years
Debt Management Office or UK Local Authority		No Limit.	

Table 3

Treasury Limits

Investment Instrument	Cash balances less than £30Million	Cash balances higher than £30Million
	Limits	Limits
Variable Rate Investments (Excluding Enhanced Cash Funds)	Maximum holding £30M	Maximum holding 100%
Counterparty limits (to encompass all forms of investment)	Maximum £5M	Maximum £10M
Instant Access Or Overnight Deposit	Maximum holding 100%	
Fixed Rate less than 12 month maturity	Maximum holding 100%	
Fixed Rate more than 12 months to maturity (includes all types of Fixed Rate Investments i.e. Certificates of Deposits)	Maximum £5M	Maximum £10M
Money Market Funds - Traditional Instant Assess (Counterparty Limit per Fund)	Maximum £5M per MMF	Maximum £10M per MMF
	No limit on total cash held	
Enhanced Cash Funds	Maximum £3M	
Certificates of Deposits	Maximum £5M	
Property Funds	Maximum of £3M - No durational limit. Use would be subject to consultation and approval	

Procedures of Applying the Criteria and Limits
Before the Treasury Team makes an investment, the Team will follow the follow procedure to ensure full compliance with the Specified and Non-Specified Criteria and Treasury Limits:
1 Check that the Counterparty is on the Counterparty List (also known as Current Counterparty Report for Stevenage) produced by Link Asset Services (LAS), specifically meeting the Council's Specified and Non-specified Minimum High Credit Quality Criteria in the above Table 1 & 2. If it is not on the list, the Treasury Team will not invest with them.
2 If the Counterparty is on the list, then the Treasury Team refers to the Credit List produced by LAS in colour coding, to determine the maximum investment duration suggested for the deposit, as per the column of Suggested Duration (CDS Adjusted with manual override).
3 Refer to the Treasury Limits in the above Table 3 to ensure the amount invested complies with the Treasury Limits.

APPENDIX E: Approved Countries (with Approved counterparties) for Investments (January 2024)

Based on lowest available rating

AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- Finland
- U.S.A

AA

- United Arab Emirates

AA-

- Belgium
- Qatar
- France

The UK is exempt from the sovereign rating criteria as recommended by Link Asset Services. The UK sovereign rating is currently AA-.

The above list includes the possible countries the Council may invest with. Not all of these countries are used or will be used in treasury management investments

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Part I – Release to Press



Meeting Council

Portfolio Area

Date 21 February 2024



RESOLUTION TO EXTEND 6 MONTH ATTENDANCE RULE – SECTION 85, LOCAL GOVERNMENT ACT 1972

Author - Simon Pugh | Monitoring Officer

1. PURPOSE

- 1.1. To seek Council's approval, in accordance with section 85(1) of the Local Government Act 1972, to extend Councillor Mrs Joan Lloyd's non-attendance at meetings of the Council until 2 May 2024 (the date of the Borough Council elections).

2. RECOMMENDATIONS

- 2.1. That Council agree, in accordance with Section 85 of the Local Government Act 1972, to approve Councillor Mrs Joan Lloyd's non-attendance at meetings until 2 May 2024 (the date of the Borough Council elections), on the grounds of ill health.

3. BACKGROUND

- 3.1. Councillor Mrs Joan Lloyd has been unable to attend any qualifying meetings on ill-health grounds, having last attended the meeting of the General Purposes Committee held on 30 October 2023. In the circumstances, it is requested that Council approves her continuing absence until 2 May 2024 (the date of the Borough Council elections).
- 3.2. If approved this extension would not prevent Councillor Mrs Lloyd from returning to meetings at any time within the extension period.
- 3.3. An extension is permitted under section 85 of the Local Government Act 1972, but must be approved within 6 months of Councillor Mrs Lloyd's last qualifying meeting to prevent her from being disqualified.

4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

- 4.1. Unless Council approves Councillor Mrs Lloyd's continued absence she will be disqualified from serving as a Councillor on 30 April 2024, her last qualifying attendance being at the meeting of the General Purposes Committee held on 30 October 2023.

5. IMPLICATIONS

Financial Implications

- 5.1. None

Legal Implications

- 5.2. Section 85(1) of the Local Government Act 1972 provides:

Subject to subsections (2) and (3) below, if a member of a local authority fails throughout a period of six consecutive months from the date of his last attendance to attend any meeting of the authority, he shall, unless the failure was due to some reason approved by the authority before the expiry of that period, cease to be a member of the authority.

Council is therefore permitted to approve Councillor Mrs Lloyd's continuing absence under the above section. If Council does not approve Councillor Mrs Lloyd's absence she will cease to be a member of this Authority.

Part I – Release to Press



Meeting Council
Portfolio Area All
Date 21 February 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 Council approve the new Corporate Plan – Making Stevenage Even Better.

3. BACKGROUND

3.1 Corporate Plan

- 3.1.1 The Corporate Plan is a key strategic document for the Council and forms 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 the focus of Service Plans across the authority.

3.1.3 In accordance with the Council's Constitution, as a Budget & Policy Framework item the Corporate Plan was considered by the Overview & Scrutiny Committee in October 2023 and January 2024. That Committee agreed the framework and content of the draft. Furthermore, the document has been considered by the Council's Executive in October 2023 and January 2024.

3.1.4 At their meeting in January 2024, the Executive signed off the draft document and recommended that it be presented to Council for approval.

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 National Audit Office data shows that Government funded spending power for Stevenage fell by 64.5% between 2010 to 2021. In the same time period the spending power across all English local authorities fell by an average of 49%
- Six one year only Government 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 has led to the Council having to find cumulative savings of £14 million to meet the shortfall leading to a significant 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. The 1% rent reduction reduced the HRA's income by circa £250m over 30 years.

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 coincided with the introduction of new tenant satisfaction and tenancy management requirements in 2023/24
- The financial impact of this legislation along with, for example, associated future investments needed to fulfill waste reforms and the updated Housing Consumer Standards requirements will not be known until the full details are known later this calendar year
- There is an urgent need to improve energy efficiency in the delivery of council services, operation / maintenance of assets and social housing stock in response to the climate emergency
- The outcome of elections being held this year along with County elections next year may impact on local priorities, policies and strategies
- Whilst low levels of unemployment are good for local people they can also affect the Council's ability to recruit and retain staff
- Change in partnership landscape (Local Enterprise Partnership to form part of 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 remains financially resilient and continues to deliver for its residents including:

- Delivery of 401 council rent and 94 private sale 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 and new housing stock
- Committing to investing £734 million in new housing stock and £482m in repairs, void and cyclical maintenance of existing Council homes over the next 30 years
- Delivering a number of town centre regeneration projects including the new Bus Interchange, multi-storey carpark, event Island along with the 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 secured from a national government competitive process to support the delivery of a number of landmark projects including the new sports and leisure hub, Heritage / museum facility and cycleway improvements
- Significant engagement with residents through the Cooperative Neighbourhoods programme, including development and implementation of Neighbourhood Plans
- Supporting the continued growth of the life science sector including the 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) at North Herts College)
- £14 million savings realised since 2010 to bridge the government funding and inflation deficit

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. Accordingly the five strategic priorities set out in 'Making Stevenage Even Better' have been informed by 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

- Regeneration
- Enterprise & Skills

2. More Social, Affordable and Good Quality Homes

- Building New & Sustainable Homes
- Maintaining Good Quality Homes

3. Thriving Neighbourhoods

- Clean Neighbourhoods & Green Spaces
- Community Safety
- Culture & Leisure

4. Tackling Climate Change

5. Balancing the Budget

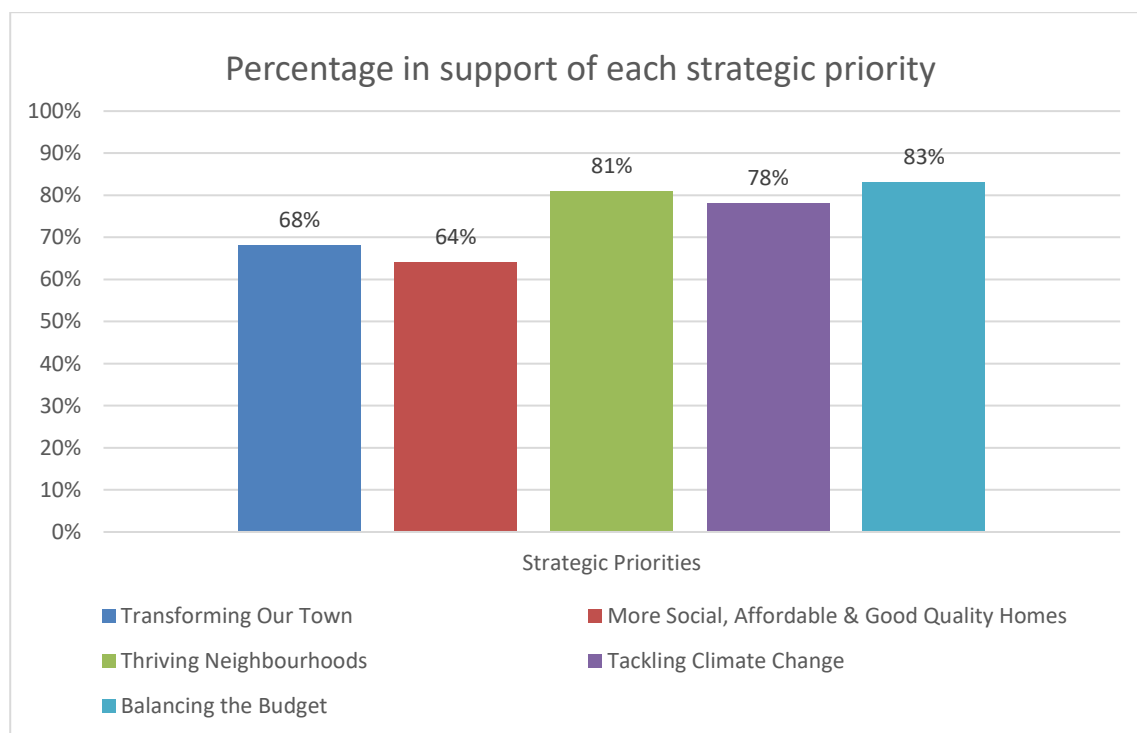
4.5 In addition to the five strategic priorities, there are three cross cutting themes. These are **Equality, Diversity & Inclusion**; **Health and Wellbeing**; and **Technology & Innovation**. The inclusion of cross-cutting themes highlights the need to raise awareness of these areas when designing and delivering services. They reflect 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 to the consultation and the findings show that sixty-nine per cent (69%) of them considered the five strategic priorities identified in Making Stevenage Even Better to be 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 including:

- 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 undertaking or are planning. 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) will be delivered as part of the circa £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 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 further enhance its communication activities. In response, the Council intends to review its existing approach to communication and build even better communication packages to support 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 being made going forward.

4.12 Following the conclusion of the 6-week consultation period, a further opportunity to feedback was provided to the Council's Stevenage Together partners. Responses indicated clear support for the comprehensive approach outlined within the plan, with a request that additional emphasis be placed on:

- the support for residents in response to the cost-of-living crisis
- the Council's approach to tackling health inequalities
- Council plans to deliver personalised advice and support to residents through Customer Services.

In response to this welcome feedback the Corporate Plan has been amended to highlight the Council's existing and planned programmes of 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 help 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 (PoP) (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 through its 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 has already refocused resources to support the priorities outlined in the Making Stevenage Even Better Corporate Plan through the budgetary cycle for 2024/25. Where possible existing budgets have been identified within key service areas to fund activities. 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 The Making Stevenage Even Better Corporate Plan seeks to advance equality and improve the health, wellbeing and life opportunities of residents through delivery of

key actions within the Equality, Diversity and Inclusion (EDI), Technology & Innovation, and Health & Wellbeing cross-cutting themes. More broadly, a number of social determinants inherent in the 5 strategic priorities will be key factors that influence better outcomes for residents, specifically through the provision and maintenance of good quality housing; investment in green spaces and neighbourhoods; access to education/training; development of a thriving culture and leisure scene; and effective budget management to ensure ongoing statutory and discretionary service provision.

- 5.4.2 To ensure that potential impacts across Protected Characteristic (PC) groups are fully considered an Equality Impact Assessment (EqIA) has been completed. Completion of the EqIA indicates that implementation of the actions identified in Making Stevenage Even Better will positively advance equality, and where additional actions could be introduced these will be considered in the development of the EDI Action Plan 2024/25 programme of work. In addition, as part of the existing EqIA process, all individual projects, policy or service changes associated with the 5 strategic priorities and 3 cross-cutting themes will require completion of an EqIA as set out in the Council's EDI Policy (2022-2026).

BACKGROUND PAPERS

- Executive Report: [Future Town Future Council](#)
- Stevenage Borough Council's Residents Survey (2021)
- Stevenage Borough Council's Tenants Survey (2021)
- Cooperative Neighbourhoods Resident Priorities Survey (2023) funded through the Proptech Engagement Fund
- Making Stevenage Even Better Equality Impact Assessment (EqIA)

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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MAKING STEVENAGE BETTER

a place for everyone

(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 75th 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.

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 495 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.



Building on the original town planners optimism (Stevenage Town Centre - 1957)

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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. 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 July 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 of £14 Million 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:

- 495 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 fulfil 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)

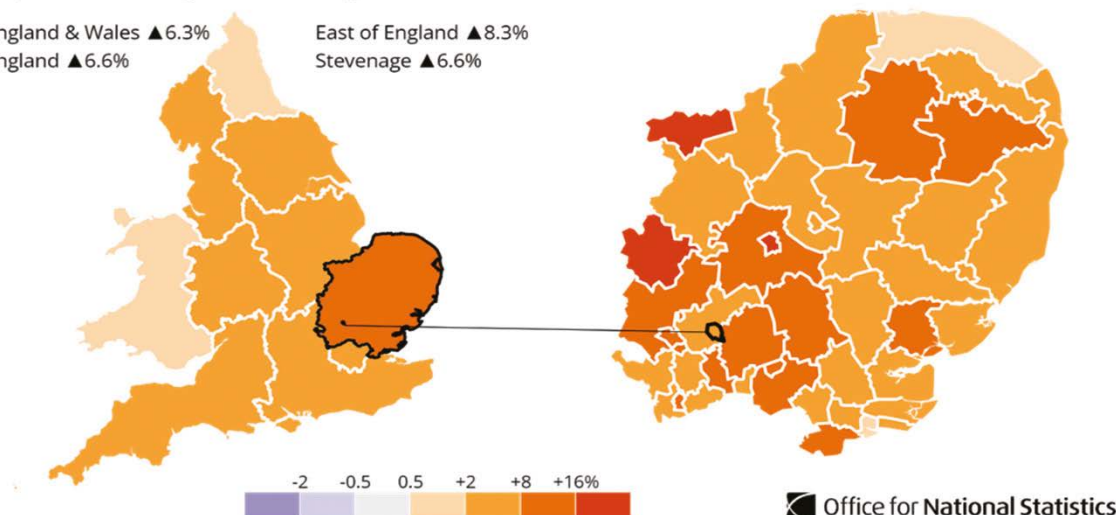
Density

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%



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 years

2011 - 37 years

2001 - 38 years



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 401. At present, the Council is on track to meet its target of 500 homes by 2025

As set out in the Local Plan (2011-2031), a further 7,600 mixed-tenure residential homes are due to be provided

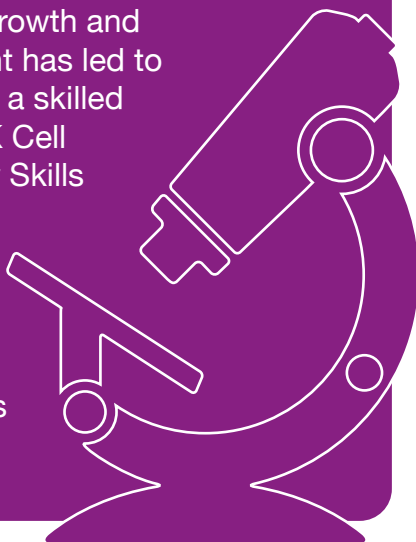
Growing Industries

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



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 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 %



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)

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 (CO₂) 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 CO₂ has reduced considerably since 2005 (75.2 kt in 2005 to 24.6kt in 2020)

Council emissions have decreased from 40.8 CO₂ kt in 2005 to 22.1 CO₂ kt in 2020

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)

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



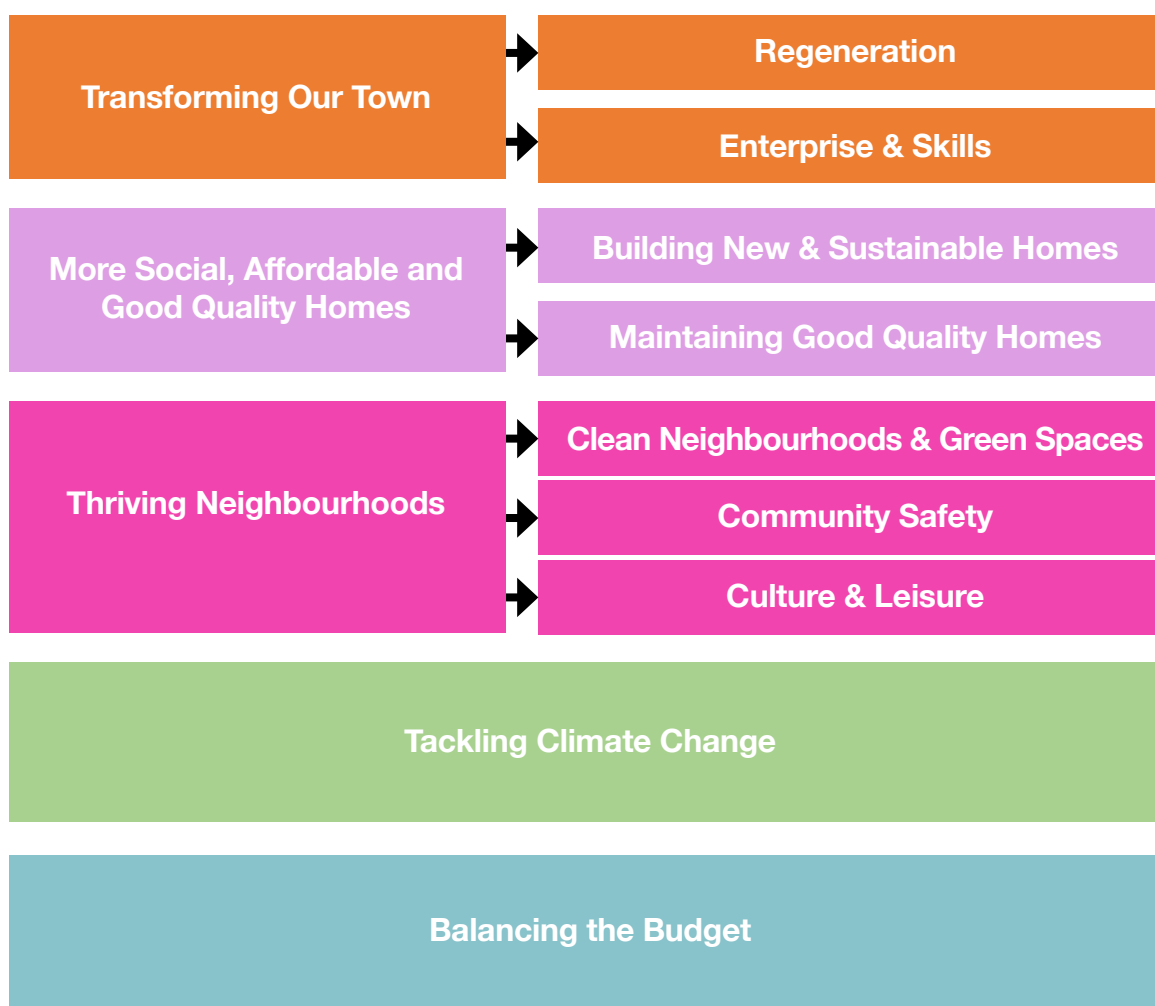
Our Strategic Priorities...

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, we will 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
- We will 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 and government support that aligns with the vision for our town, including:
 - 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
 - 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

- Working 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 Wenta, 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 2014
- 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) and General Fund to ensure the generation of income for future social housing builds and services

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

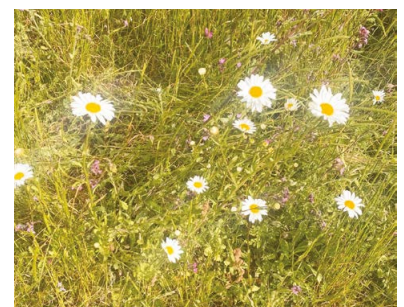
- Implement improvements to the Council's Repairs and Voids service, to ensure it offers choices to tenants and delivers cost-effective repairs and improvements right first time
- Increase spending on housing management services, including increasing the number of tenancy audits, so that tenants can 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 Housing Revenue Account (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 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:



Transformation by improving customer access to services through digital means and improving and streamlining processes



Co-operative Commercial and insourcing bringing services in-house if value for money and ensuring we charge appropriately for our services



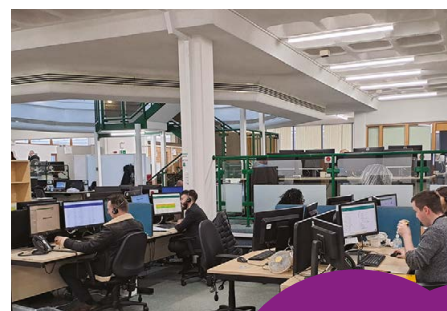
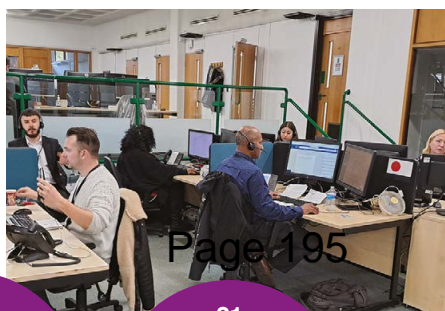
Efficiencies through robust monitoring savings will be identified where they arise, to ensure that Council stays financially resilient



Prioritise services if there are not sufficient budget savings achieved from the other three work streams to ensure a balanced budget or new priorities emerge requiring funding

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

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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

You can also book, find, report and pay for a range of services on the Council's website at www.stevenage.gov.uk

Background Documents

[Future Town Future Council Corporate Plan](#)

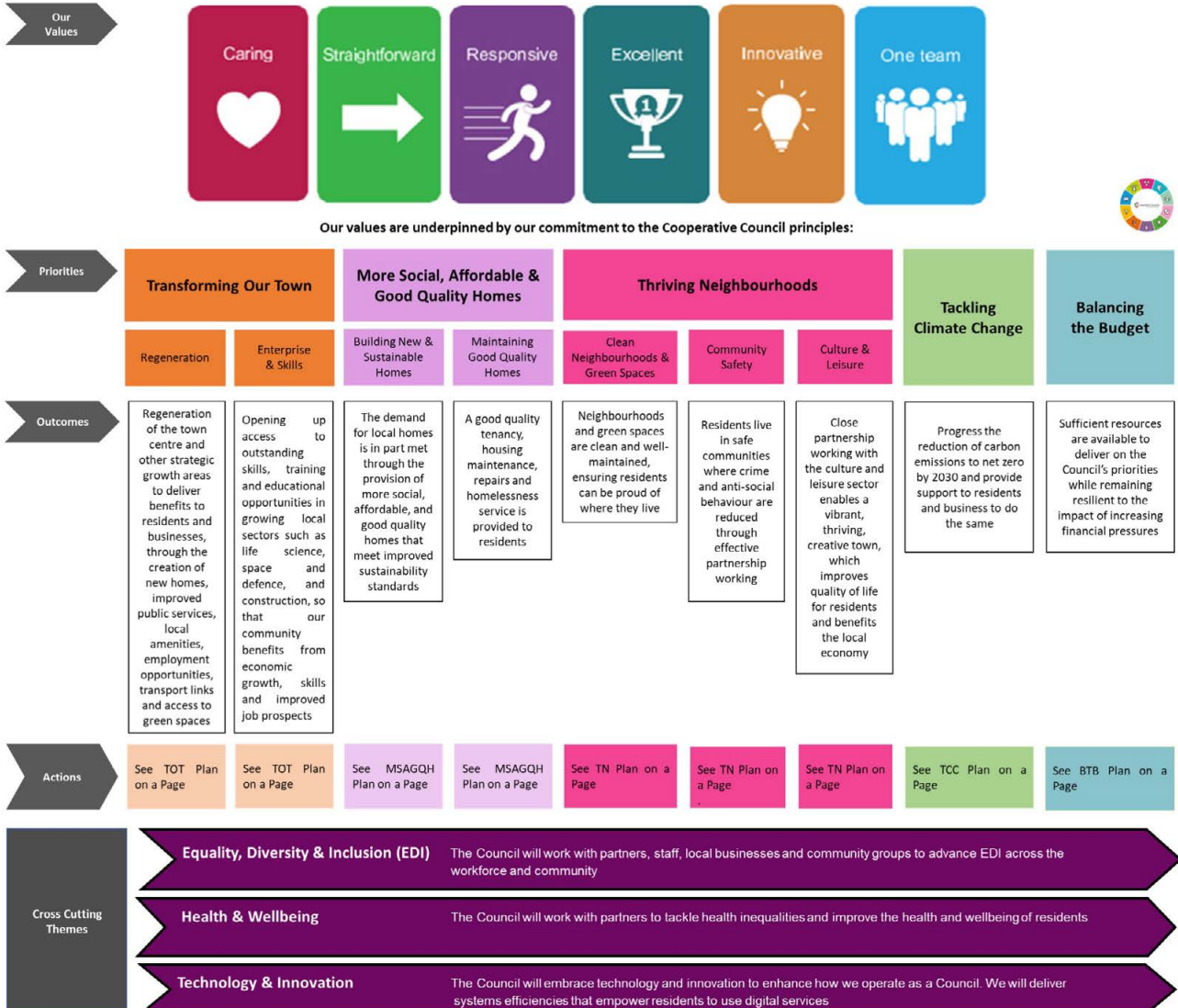
[Stevenage Borough Council's Residents Survey \(2021\)](#)

[Stevenage Borough Council's Tenants Survey \(2021\)](#)

[Cooperative Neighbourhoods Resident Priorities Survey \(2023\) funded through the Proptech Engagement Fund](#)

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

MAKING STEVENAGE EVEN BETTER 2024-2027



Annex B – More Social Affordable & Good Quality Homes 2024/25 PoaP



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 and services 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	

MAKING STEVENAGE BETTER

a place for everyone

(2024-2027)



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Making Stevenage Even Better –

APPENDIX B

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 Priorities 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 Council's Linked-in account which has a reach of approx. 11,000 people
- Posters placed in every Community Centre and on every 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 and January 2024
- Circulation of the promotional materials to the 27 Voluntary, Community, Social and Enterprise (VCSE) members of the Social Inclusion Partnership
- Circulation of the draft corporate Plan to Stevenage Together partners
- 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.

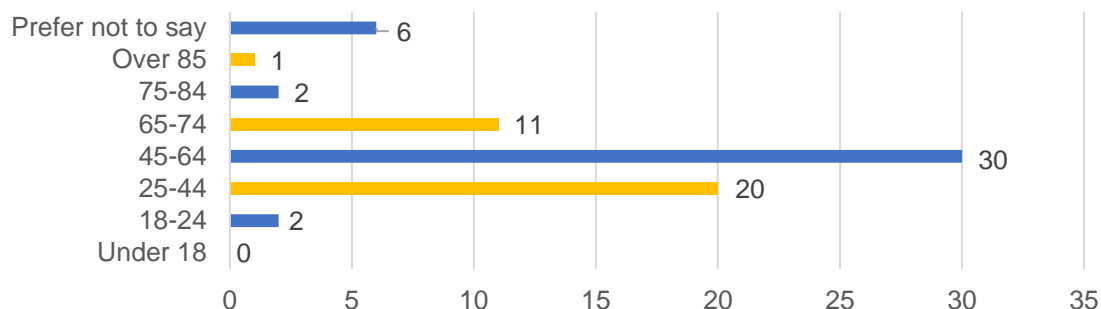
Upon the consultation closure, 72 responses were received.

Respondent Demographics

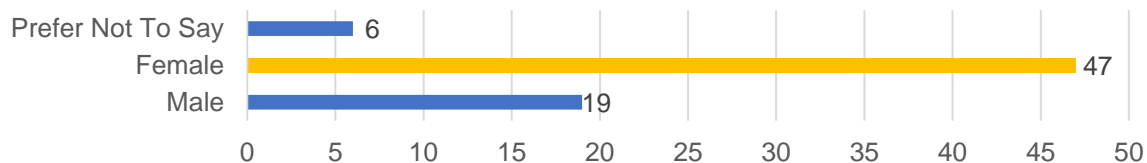
From the 72 responses obtained, the majority of respondents were female (65%), from the 45-64 age bracket (41%), had no disability (55%), considered their nationality to be White English/ Welsh/ Scottish/ Northern Irish/ British (75%), followed no specific religion (38%), and were Stevenage respondents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

The graphs below set out the breakdown of the demographics by number of respondents:

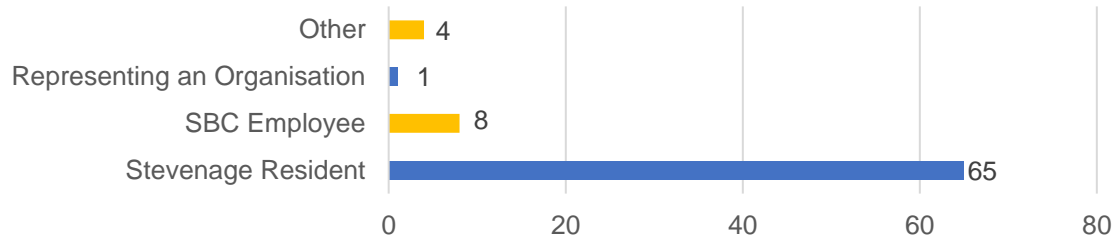
What is your age?



What is your gender?



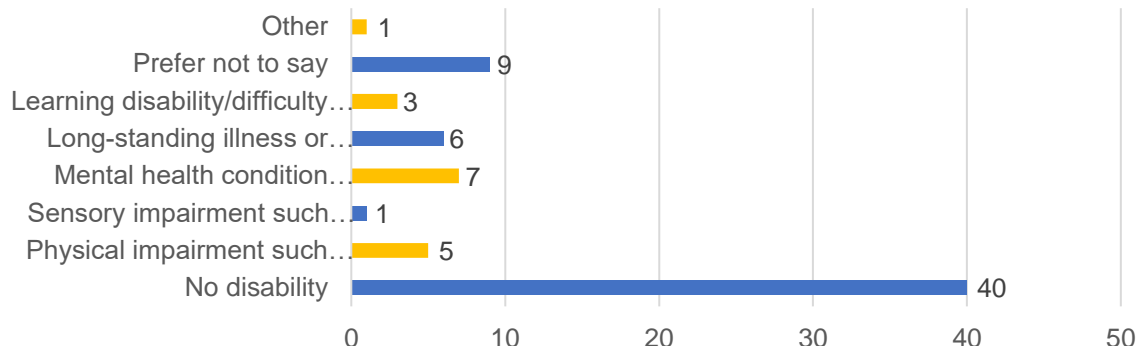
Please select the option that most applies to you?



'Other' Responses:

- Stevenage employed. Potential resident.
- Live on the border of Stevenage.
- Employee of a business based in Stevenage.
- Chronicle magazine.

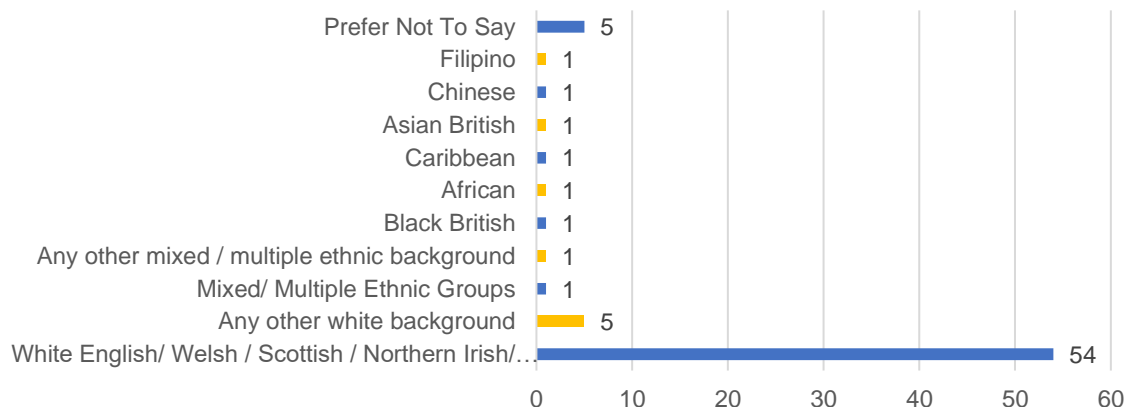
Do you have a disability? Please select the option that most applies to you.



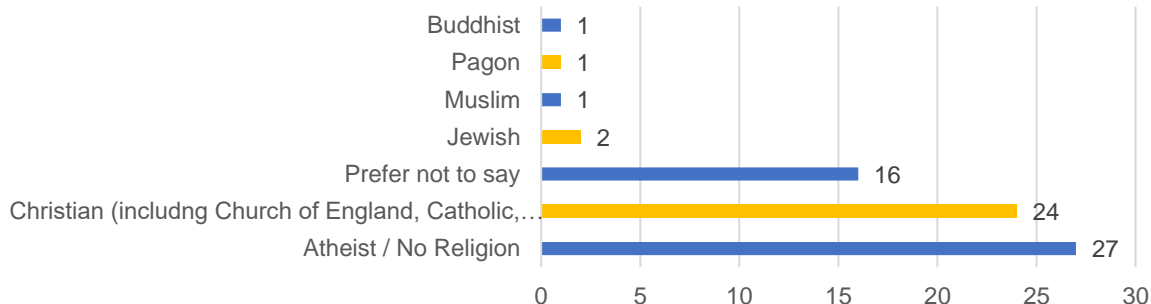
'Other' Response:

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

What is your Nationality?

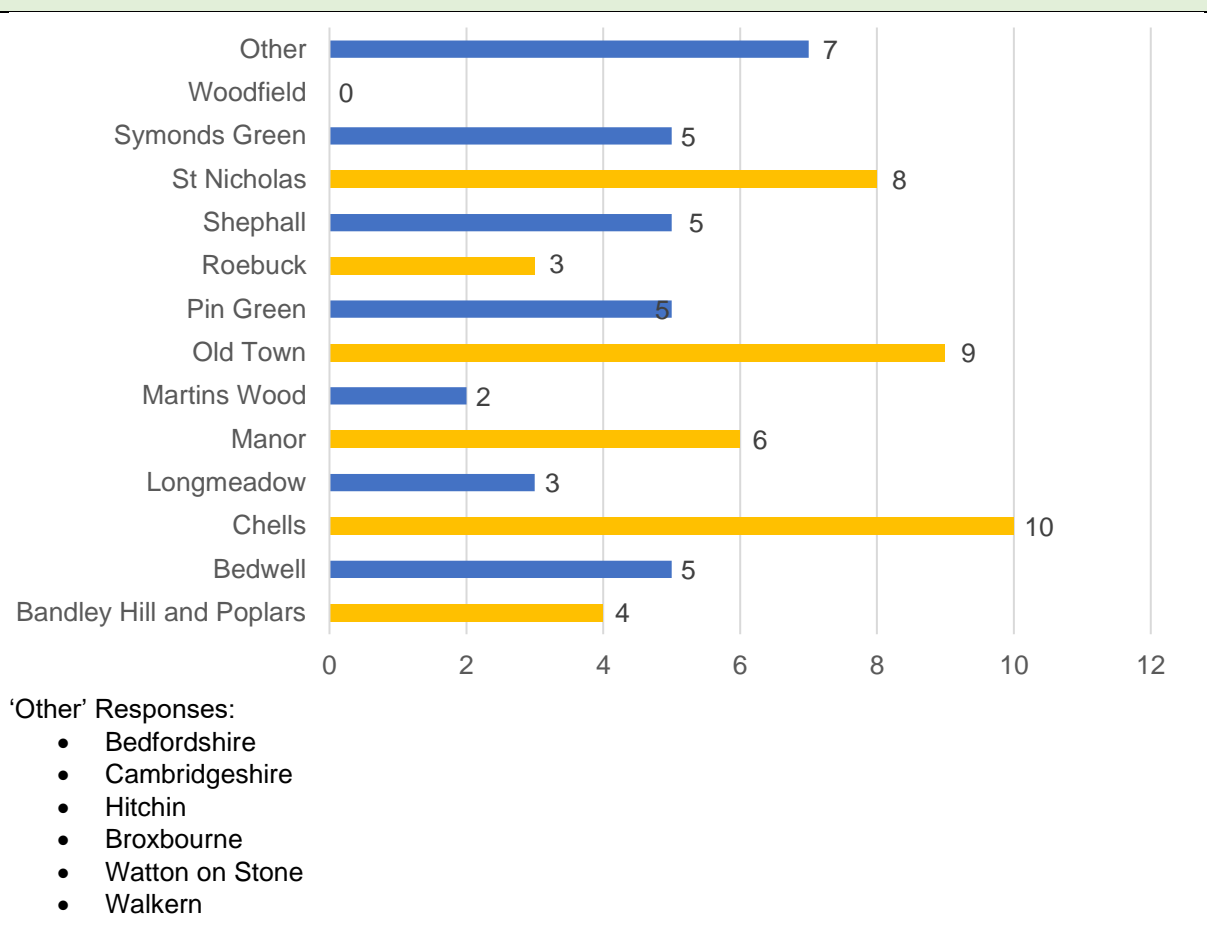


What is your religion?



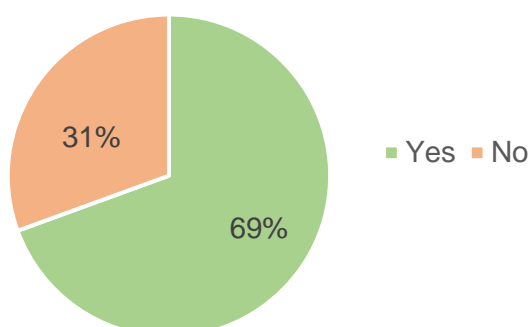
Where are you based?

(Or if you live outside Stevenage, please select Other and state the town you live in)



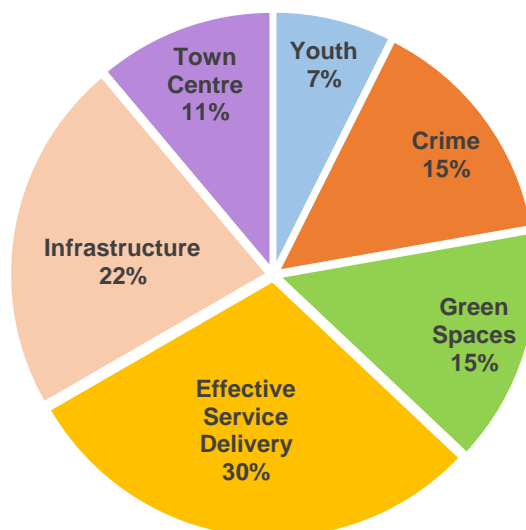
Strategic Priorities

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.

Fifteen per cent (15%) 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.

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.

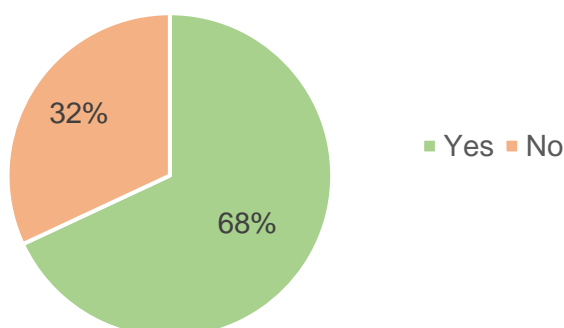
Transforming Our Town

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

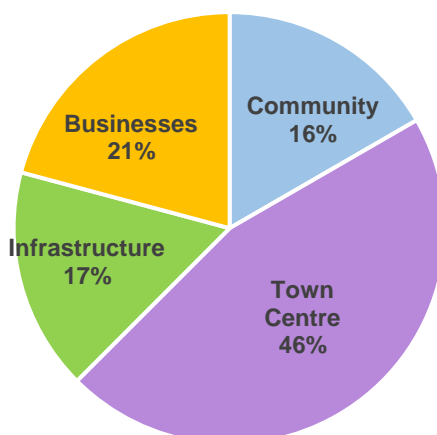
Regeneration focuses upon the regeneration of the town centre and surrounding areas to deliver benefits to residents, through improved public services, local amenities, employment opportunities, transport links and access to green spaces.

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.

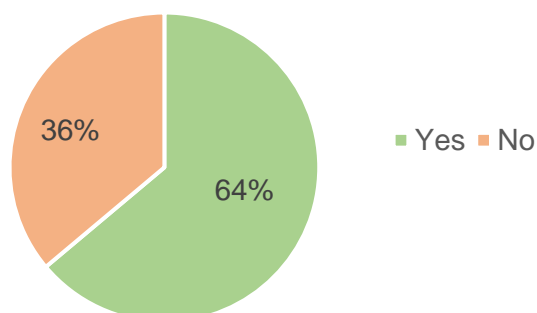
More Social, Affordable & Good Quality Homes

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.

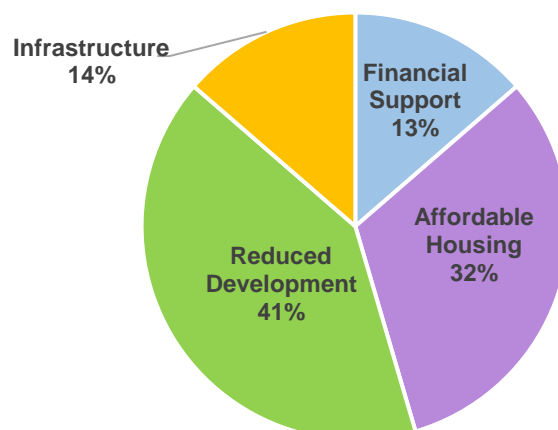
Building New & Sustainable Homes focuses on ensuring that the demand for local homes is in part met through the provision of more social, affordable, and good quality homes that meet improved sustainability standards.

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 fourteen (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

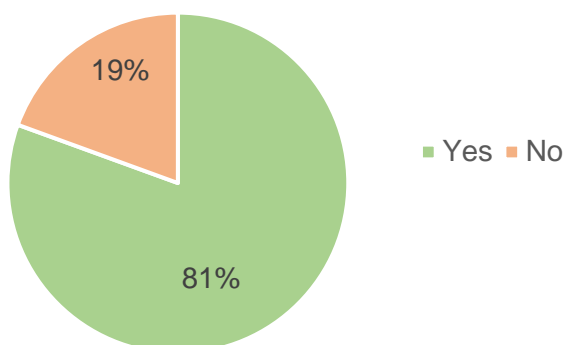
To strengthen the prioritisation of key areas, Thriving Neighbourhoods is broken down into three subcategories: Clean Neighbourhoods & Green Spaces, Community Safety, and Culture & Leisure.

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.

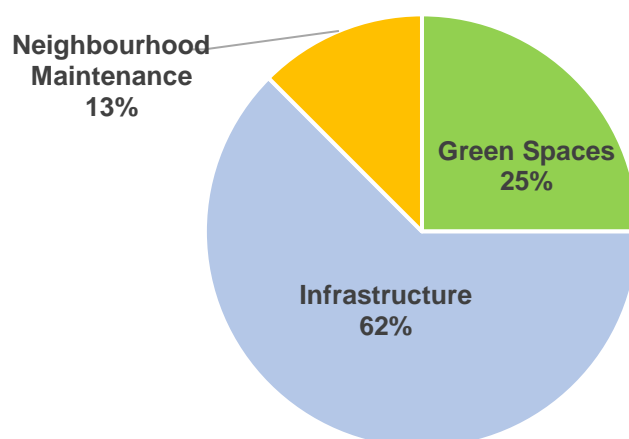
Community Safety commits to ensuring that respondents live in safe communities where crime and anti-social behaviour are reduced through effective partnership working.

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 percent (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. Specifically, investment in community centres and policing/security measures.

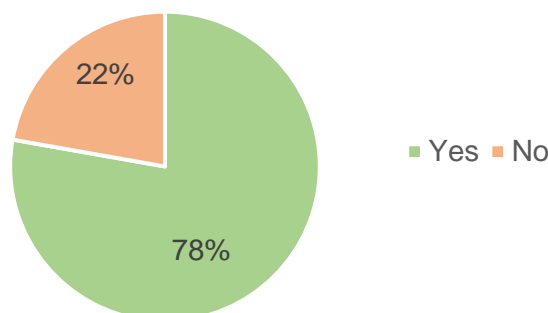
Investment in green spaces was mentioned as a key priority for twenty-five per cent (25%) of respondents within the group, with a focus on a desire for funding to help residents better look after their environments and clean up their neighbourhoods.

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.

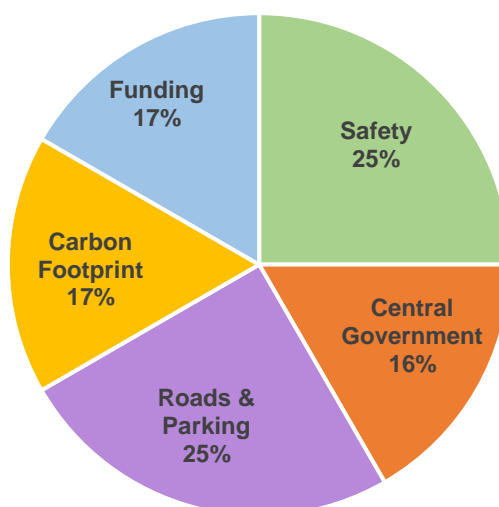
Tackling Climate Change

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.

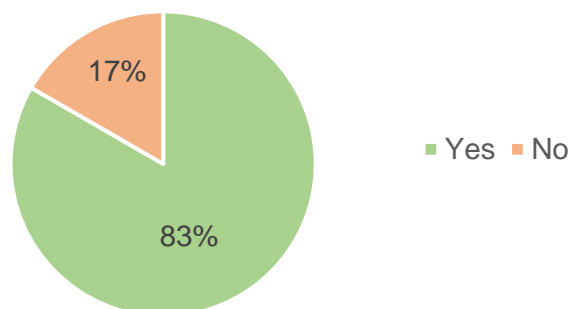
Seventeen per cent (17%) of respondents suggested that funding from the Council to help achieve this priority would be welcomed.

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.

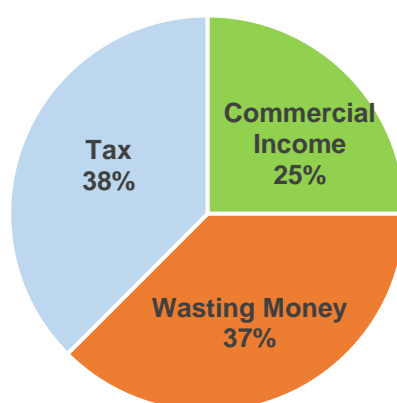
Balancing the Budget

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.



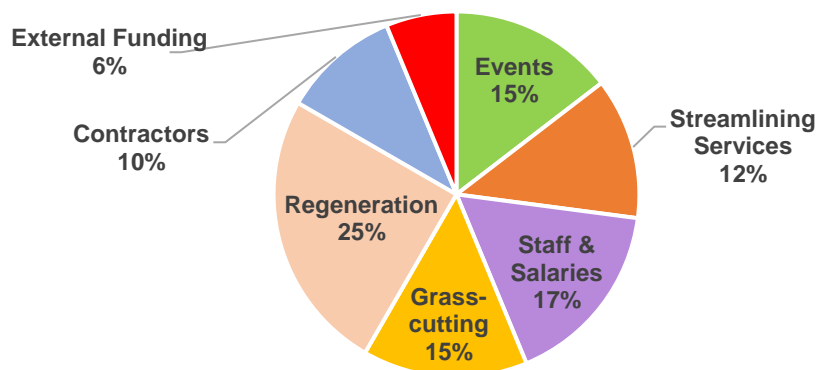
Thirty-eight per cent (38%) of the group, suggested an increase in local taxes.

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.

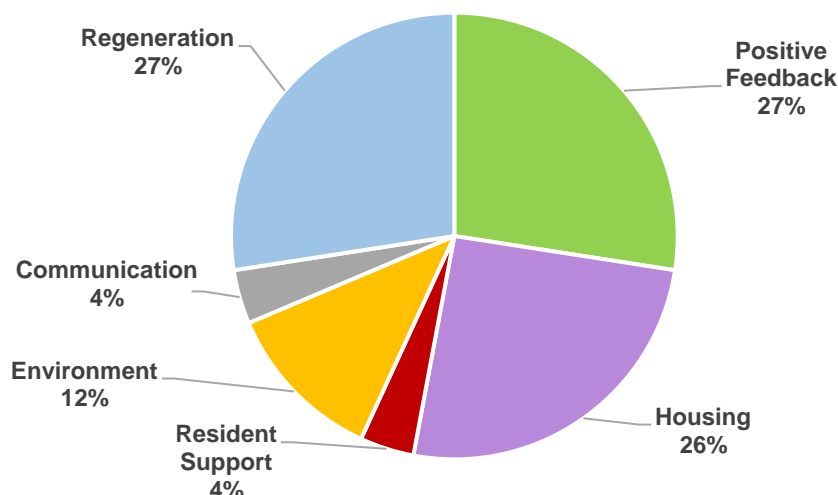
Respondents also suggested that the Council should publicise the benefits of the many green spaces and cycle paths in Stevenage, which is well represented in the 'Health and Wellbeing' cross-cutting theme (e.g. plans to establish a Cycle Hub in partnership with Fairlands Activity Centre).

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, 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

"Supports the climate goals"

efficient, building social housing first, building more bungalows for the elderly 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.

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

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.

“Integral to transforming the town”

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.

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

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.

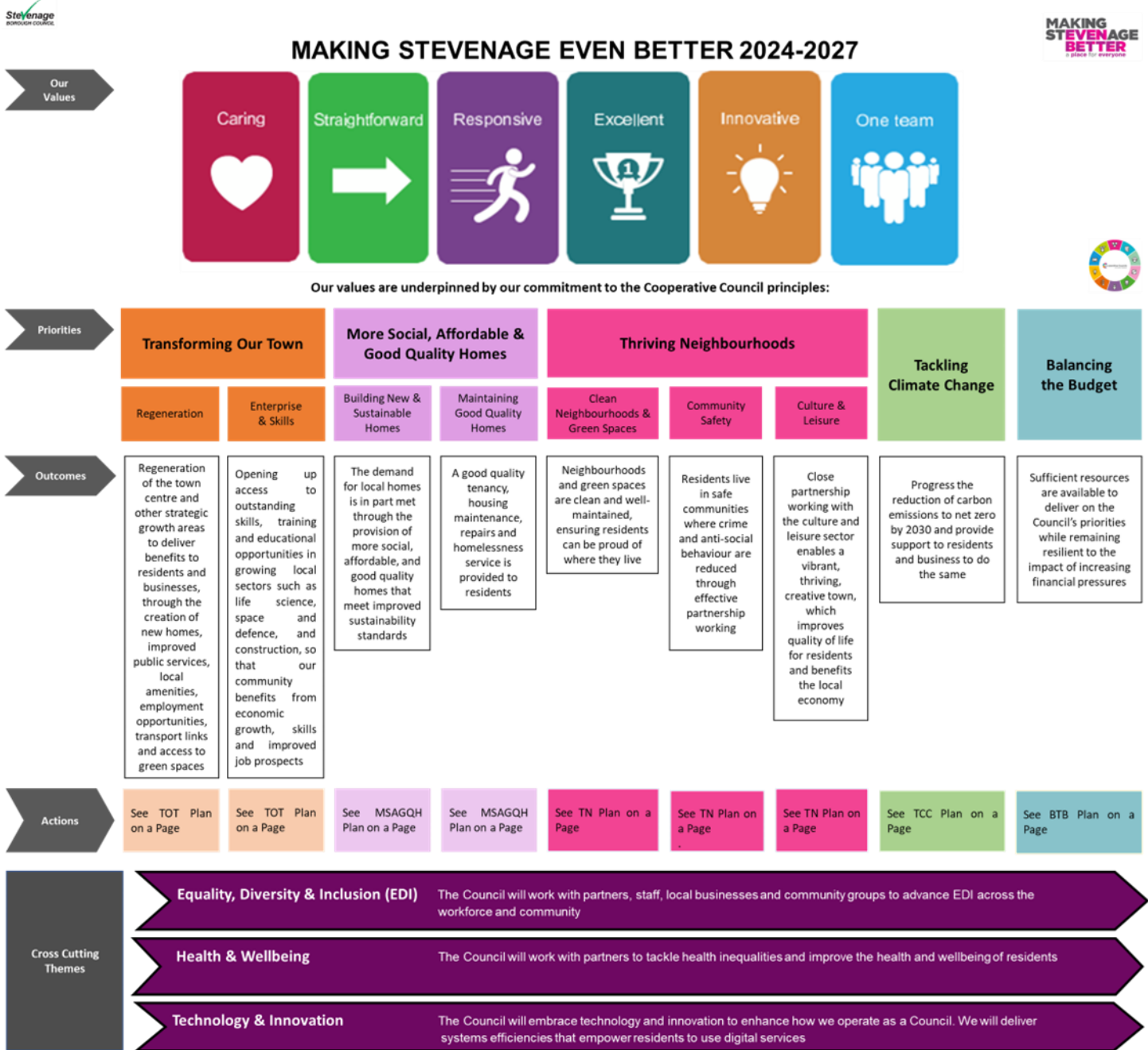
Future Engagement

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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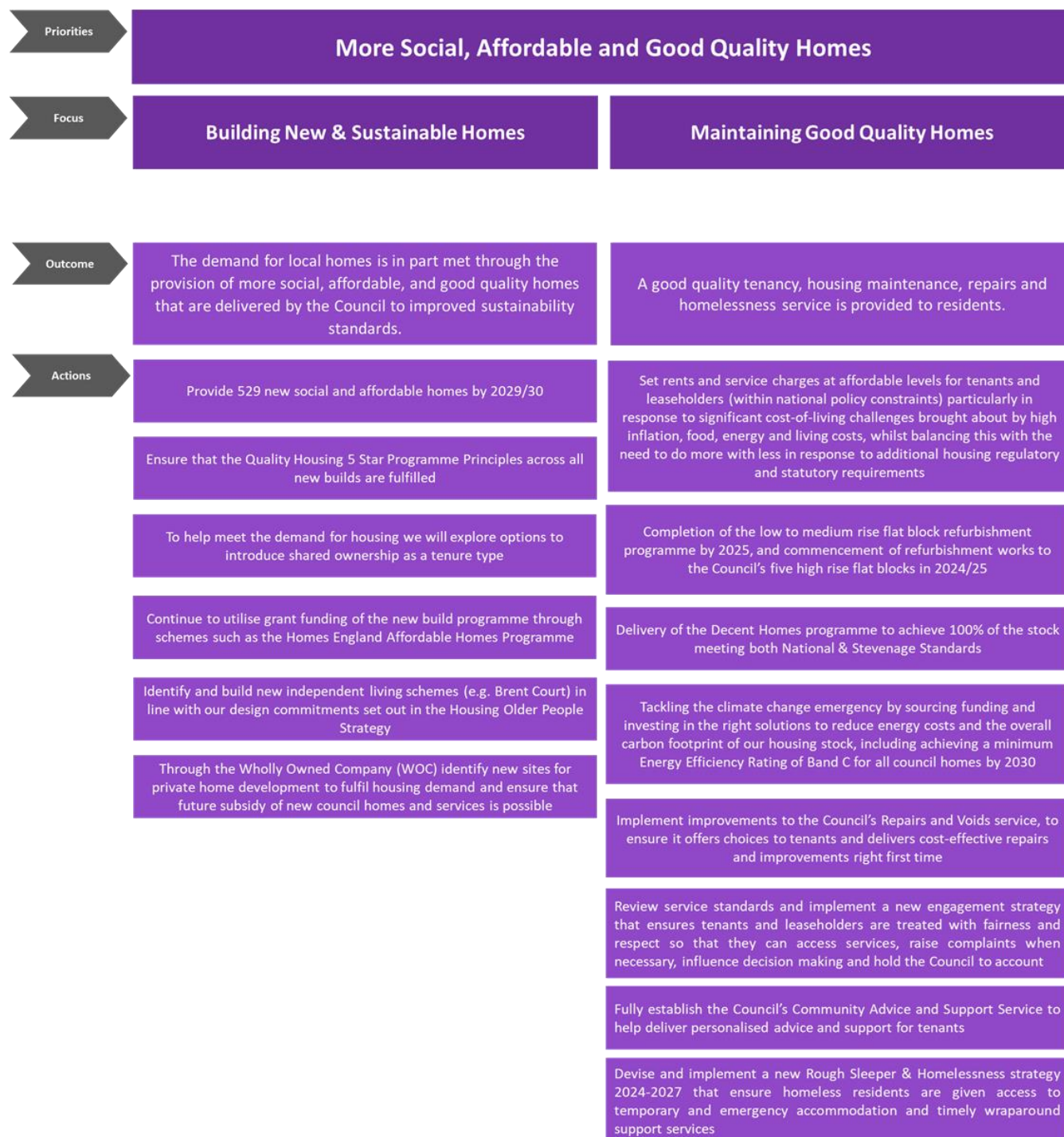
Appendix C – Plan on a Page (PoaP) Example



MAKING STEVENAGE EVEN BETTER 2024-2027



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



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
		Preparation and implementation of new RSH Consumer Safety Standards, to cover safety, quality, neighbourhood, transparency, engagement, accountability, tenancies
	Delivery of 6-12 new homes under funding offer from Department of Levelling Up, Homes and Communities (DLUHC)	Delivery of the detailed implementation plan and resident engagement
	Continued development of 17 Unit Private Sale Scheme within the Wholly Owned Company	
	Delivery of second phase of wider Kenilworth scheme which is entirely private sale	

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Part I – Release to Press



Meeting: COUNCIL

Date: 21 FEBRUARY 2024



ELECTORAL SERVICES – SCALE OF FEES

Author – Luke Fattorusso ext. 2174

Lead Officer – Matt Partridge ext. 2456

Contact Officer – Luke Fattorusso ext. 2174

PURPOSE

- 1.1 To approve the scale of fees for electoral events from 1 April 2024.

RECOMMENDATIONS

- 2.1 That Council approves the scale of fees from 1 April 2024, as outlined in Appendix A.
- 2.2 That the Chief Executive (as appointed Returning Officer) keeps the fees for electoral staff under review and is delegated authority to amend any of those fees following revised national guidance issued by Central Government.
- 2.3 That the Chief Executive is delegated authority to create additional roles for electoral events with attributable fees, as required.
- 2.4 That the Chief Executive is delegated authority to uplift any electoral staff fees as appropriate due to market forces or other factors (such as difficulty in recruiting staff).
- 2.5 That the Returning Officer's fee is uplifted each year following agreement of the JNC pay award for Chief Executives.

BACKGROUND

- 3.1 The Representation of the People Act 1983 requires each local authority to appoint a Returning Officer to conduct elections. The Returning Officer (and not the Council) is personally responsible for the delivery of elections and although they must be an employee of the Council at the time of an election, their responsibility and accountability for the running of an election is separate to their local authority duties. A Returning Officer may be held personally liable by the courts for any failure in undertaking their duties. A Returning Officer appointed by a District Council will also act as Returning Officer for each Town and Parish election held within the District Council's area and will undertake the role of Deputy Returning Officer for County Council elections, Acting Returning Officer for Parliamentary elections, Local Returning Officer for the election of a Police and Crime Commissioner and Counting Officer for any national and local referenda. The Chief Executive has been appointed the Returning Officer by the Borough Council.
- 3.2 In order to administer elections in the Borough, the Returning Officer needs to directly employ and pay in excess of 200 staff with differing levels of responsibility and to hire a sufficient number of venues to use as polling stations and count centres. Staff employed in the running of an election are considered in law as employees of the Returning Officer, not the local authority, and the Returning Officer is responsible for meeting all employment requirements and obligations. The Returning Officer is therefore entitled to recover a fee which recognises the level of responsibility and the independent nature of the post.
- 3.3 For national elections and referendums, the fee paid to the Returning Officer is set by statute and paid by Central Government. For local elections the fee is paid by the appropriate local authority.
- 3.4 Every District Council is also required to appoint an Electoral Registration Officer with personal responsibility to maintain the Register of Electors, conduct the Annual Canvass and encourage electors in the electoral process. Part of this includes the recruitment of a number of staff known as Canvass Registration Assistants who make household visits to properties to confirm and encourage electoral registration. The Chief Executive has also been appointed the Electoral Registration Officer by the Borough Council.

REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

- 4.1 In order for the Council to remunerate the Returning Officer and the staff employed to carry out tasks during electoral events, a scale of fees needs to be determined.
- 4.2 The Department of Levelling Up, Communities and Housing (DLUHC) have been working with the Association of Electoral Administrators (AEA), the Society of Local Authority Chief Executives (SOLACE) and the Elections Fund Working Group (EFWG) to develop a pay structure for all staff working on elections that would be paid by Central Government at national polls.

- 4.3 The new guidance with indicative fees is currently in draft form and, through their local groups, has been provided to electoral administrators. Whilst the new guidance has not yet been published, DLUHC have indicated that it will be applicable across Great Britain for all national polls from 2 May onwards, when the Police and Crime Commissioner elections will be held (which will be combined with the all-out elections held in Stevenage on 2 May 2024).
- 4.4 The draft guidance provides a set of pay bands to the various roles undertaken at elections. DLUHC have stated that the set pay bands are intended to increase the consistency and transparency of staff payments at elections, and to reduce the number of observations the Elections Claims Unit (ECU) send concerning election accounts, allowing claims to be settled more quickly whilst ensuring that payments continue to reflect the work undertaken.
- 4.5 In advance of the next scheduled elections the current fees have been reviewed in accordance with the new guidance and aligned with the pay bands as set out by Central Government.

IMPLICATIONS

Financial Implications

- 5.1 The costs attributed to Borough Council elections are borne by the Council.
- 5.2 At national elections, such as UK Parliamentary or Police and Crime Commissioner elections, Central Government provide maximum recoverable amounts that can be claimed by local authorities for the relevant work undertaken. These claims are submitted to the ECU following the conclusion of the Poll.
- 5.3 For County Council elections, the costs are borne by Hertfordshire County Council.
- 5.4 Where a Borough Council election is combined with a national or County Council election, the costs of the elections are apportioned equally across the separate polls.
- 5.5 It is essential that the Returning Officer has sufficient resources to undertake the various statutory duties at an election. Electoral Services work within a budgetary framework where funds are allocated to support the work of the Returning Officer and Electoral Registration Officer for electoral events. The Borough Council's finance team have reviewed the proposed fees and are satisfied that these are in line with the budgetary framework as set for electoral services.
- 5.6 The proposals within this report will, therefore, enable the Returning Officer to meet their statutory duties.

Legal Implications

- 5.7 Under section 35(1) of the Representation of the People Act (RPA) 1983, 'every district council shall appoint an officer of the council to be the returning

officer for the elections of councillors of the district.’ Other types of elections are covered by similar provisions within the RPA 1983.

- 5.8 Under Section 36(4) of the RPA 1983 it states that ‘all expenditure properly incurred by a returning officer in relation to the holding of an election of a councillor for a principal area (that is a county, a district or a London borough) shall, in so far as it does not, in cases where there is a scale fixed for the purposes of this section by the council for that area, exceed that scale, be paid by that council.’
- 5.9 The Council therefore has a statutory obligation under the Representation of the People Act 1983 to provide the necessary resources to the Returning Officer to carry out their duties and deliver an efficient and lawful election.
- 5.10 The annual canvass, along with other statutory functions, is the responsibility of the Electoral Registration Officer and is contained within Sections 52-54 of the Representation of the People Act 1983 (RPA).
- 5.11 Whilst there is no specific delegation of setting fees other than for the Borough to reimburse for all expenditure properly incurred, it is considered good practice to have a scale of fees approved by Council.

Risk Implications

- 5.12 In order to comply with its Statutory requirements, the Returning Officer must ensure that they recruit and deploy a number of temporary staff to work at elections. Whilst the Returning Officer for the Borough Council has been able to staff elections sufficiently over recent years through proactive recruitment initiatives, many local authorities continue to struggle to find sufficient staff to fulfil these roles and to staff elections accordingly.
- 5.13 In addition, with the introduction of the Elections Act 2022, there have been wholesale changes to how elections are administered, in particular following the introduction of the requirement for voters to provide Photographic Identification at Polling Stations at elections. This has therefore made the roles at elections more challenging and complex, and in some cases these extra responsibilities and pressures have deterred people from taking on the roles. It is therefore important to maintain competitive rates when setting fees reflective of the roles undertaken, to maximise the opportunity to recruit adequate and competent staff.

Staffing and Accommodation Implications

- 5.14 If the scale of fees does not provide adequate reimbursement for the roles required at electoral events, then it will become extremely difficult for the Returning Officer to recruit staff to the various challenging roles, thus introducing significant risk in the electoral processes.

Service Delivery Implications

- 5.15 Elections are a no-fail public service. Without adequate provision provided to Returning Officers to employ sufficient staff to work in the various roles at an election, the risk is that the elections are not administered effectively and in accordance with the law and thus are subject to challenge.

Equalities and Diversity Implications

- 5.16 In preparing this report, due consideration has been given to the Council's statutory Equality Duty to eliminate unlawful discrimination, advance equality of opportunity and foster good relations, as set out in Section 149(1) of the Equality Act 2010.

DETAILS

- 6.1 Returning Officers are statutorily independent of the local authority and are ultimately responsible for the efficient and effective running of elections. They are also responsible for accounting for the expenses incurred for the conduct of the elections in their area.
- 6.2 The Returning Officer is responsible, amongst other things, for:
- The publication of all election notices
 - The nomination process for candidates/election agents
 - The issue, receipt and opening of postal votes
 - The provision of polling stations and other venues
 - The appointment of election staff, including presiding officers, poll clerks, polling station inspectors, postal vote staff, count supervisors and count assistants
 - The verification, count and declaration of results
- 6.3 For national elections and referendums, the fee paid to the Returning Officer is set by statute and paid by Central Government. For local elections the fee is paid by the local authority.
- 6.4 DLUHC is responsible for national elections and have been working with various organisations who support Returning Officers and Electoral Services to develop new guidance on election fees. These groups have also included Returning Officers and Electoral Services Managers across the country, where the outcomes and draft guidance following these meetings have been disseminated by the various regional lead officers. This has enabled Returning Officers and Electoral Services Managers to feedback into this process.
- 6.5 In addition to the guidance on pay bands being introduced by Central Government, the electoral services team meet regularly with the electoral services teams within the county, where fees for electoral staff are discussed and benchmarking undertaken. These can then be taken into consideration when setting fees, along with the local circumstances of the local authorities. The pay bands being introduced by DLUHC provide a pay range that gives Returning Officers the flexibility for this to continue.
- 6.6 The Returning Officer for the Borough Council has been able to recruit sufficient staff for the differing roles at recent elections through various recruitment initiatives; however, staffing continues to be a significant cause for concern nationally across all local authorities. It is therefore important to ensure experienced staff are retained in the electoral process and that new staff recruited are provided with adequate training, support and guidance.

Succession planning for staff at elections is therefore vitally important and encouraging those to take on these highly important roles is essential. Setting competitive fees for the reimbursement of these roles is therefore one factor in ensuring competent staff can be recruited.

- 6.7 Further, the role of elections staff, particularly of Presiding Officers and Poll Clerks at polling stations, has changed significantly over recent years and is now at its most challenging following the various new requirements introduced by Parliament. It is therefore critical that the scale of fees are reflective of these changes, so that the Returning Officer is in the best position possible to recruit capable staff.
- 6.8 The scale of fees as set out in Appendix A are all within the range of the pay bands as set in the DLUHC draft guidance.
- 6.9 Whilst the draft guidance from DLUHC has not yet been published, we have been made aware that it is expected that they will begin launching the new fees and guidance in January 2024. Accordingly, the scale of fees needs to be approved in time for the next scheduled elections hence why this report has been included on the February Full Council meeting agenda.

APPENDICES

- A Electoral Services – Scale of Fees

APPENDIX A

ELECTORAL SERVICES – SCALE OF FEES FROM 1 APRIL 2024

1. Polling Staff

Post/Role	Hourly rate	Flat rate fee
Presiding Officer	£16.00	-
Poll Clerk	£11.50	-
Polling Station Inspector	£25.00	-

An uplift of 20% is applied to the Presiding Officer and Poll Clerk fees where there is a combination of poll (for each additional poll).

2. Postal Voting Staff

Post/Role	Hourly rate	Flat rate fee
Postal Vote Preparation and Issuing Head Supervisor Postal Vote Opening Head Supervisor	£17.50	-
Postal Vote Preparation and Issuing Supervisor Postal Vote Opening Supervisor	£15.00	-
Postal Vote Preparation and Issuing Assistant Postal Vote Opening Assistant	£12.50	-
Postal Vote IT Assistant Postal Vote Facilities Assistant Postal Vote Collection Officer	£15.00	-

For postal vote opening sessions on evenings/Saturdays an uplift of x1.5 will apply. For postal vote opening sessions on Sundays/Bank Holidays an uplift of x2 will apply.

3. Verification and Count Staff

Post/Role	Hourly rate	Flat rate fee
Senior Verification/Count Supervisor	£25.00	-
Verification/Count Supervisor	£18.00	-
Senior Verification/Count Assistant Ballot Box Receipt Supervisor Data Verification Officer Media Support Officer Count Setup Supervisor	£16.00	-
Verification/Count Assistants Ballot Box Receipt Assistant Unused Ballot Paper Verification Officer IT Support Assistant Facilities Assistant Reception Support Assistant Count Setup Assistant	£14.00	-

For overnight/Saturday counts an uplift of x1.5 will apply. For Sunday/Bank Holiday counts an uplift of x2 will apply.

4. Other Fees

Post/Role	Hourly rate	Flat rate fee
Delivery of Training (including preparation)	-	£100.00
Attendance at Training	-	£40.00
Poll Card Preparation Supervisor Ballot Box Issuing and Preparation Supervisor Count Preparation Supervisor	£17.50	
Poll Card Preparation Assistant Ballot Box Issuing and Preparation Assistant Count Preparation Assistant	£15.00	
Poll Card Deliverer	-	£0.24 per card

5. Travel

Mileage for travel costs to be paid at £0.45 per mile. Where polling staff have used public transport, this is to be paid at a flat rate of £4.50 for up to 10 miles, £9 for between 10 and 20 miles, and £20 for more than 20 miles.

6. Annual Canvass

Post/Role	Hourly rate	Flat rate fee
Canvass Registration Assistant	-	£0.50 per visit
	-	£1.25 per successful confirmation of registration

Canvass Registration Assistants conduct their visits using tablet software.

7. Returning Officers Fee

Returning Officer	First 1000 electors	Additional 1000 electors (or part thereof)
Per Ward	£105.99	£53.01

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