

# Public Document Pack

Daneshill House  
Danestrete  
Stevenage  
Hertfordshire

10 December 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, 18 December 2024 at 7.00pm and you are summoned to attend to transact the following business.

Yours faithfully

Matthew Partridge  
Chief Executive

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## AGENDA

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

**2. MINUTES**

To approve as a correct record the Minutes of the meeting of the Council held on 16 October 2024, the Special Council on 16 October 2024 and the Special Council on 2 December 2024.

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**3. MAYOR'S COMMUNICATIONS**

To receive any communications that the Mayor may wish to put before the Council.

**4. COMMUNITY PRESENTATIONS**

To receive a community presentation from Cycling UK Stevenage.

**5. PETITIONS AND DEPUTATIONS**

None received.

**6. QUESTIONS FROM THE YOUTH COUNCIL**

In accordance with Standing Orders, written answers to the following question will be circulated on a supplementary agenda.

Could the Council provide an update on the initiatives or planned initiatives they

are supporting to equip young people in schools with the necessary skills to progress to the next stage of their lives, particularly in STEM, and what efforts are being made to increase awareness of these?

## **7. QUESTIONS FROM THE PUBLIC**

None received.

## **8. LEADER OF THE COUNCIL'S UPDATE**

In accordance with the Council's Standing Orders, the Leader of the Opposition shall be given the opportunity to raise one matter relevant to the Borough that has arisen since the last meeting of the Council. The Leader of the Council shall then have the opportunity to advise the Council of matters relevant to the Borough that have arisen since the last meeting.

## **9. UPDATE FROM SCRUTINY CHAIRS**

To receive updates from the Chairs of the Scrutiny Committees on the recent activities of those Committees.

## **10. NOTICE OF MOTIONS**

In accordance with Standing Orders, the following motions have been received for consideration:

### **(i) Labour Government Budget**

To be moved by Councillor Roopchand and seconded by Councillor Woods

On Wednesday 30<sup>th</sup> October, Chancellor of the Exchequer Rt Hon Rachel Reeves MP delivered a Labour Government Budget for the first time in 14 years. With a strong mandate from the electorate in July, including 17,698 voters in Stevenage, the Chancellor vowed to restore stability to our economy and to begin a decade of national renewal, to fix the foundations and deliver change through responsible leadership in the national interest.

Council notes the significance of having the first female Chancellor in history deliver the budget, and what that signifies to young women and girls across the UK about unlocking opportunities and aspirations.

Council believes this is the first budget in 14 years to truly back the ambitions of Stevenage, from supporting residents with the cost of living to building affordable homes to supporting local industry to investing in key services such as health, education and transport.

The budget restored economic stability, plugging the devastating £22 billion black hole left behind by successive previous administrations whilst not raising a single tax on workers pay packets. Council notes this strong approach to fiscal responsibility is projected to lead to consistently low inflation and high growth which we will all benefit from.

Council supports the increase in the minimum wage that puts an extra £1,400 into the pockets of the lowest paid full-time workers, the freezing of fuel duty, £500 million investment into fixing potholes, £5 billion allocated to build new affordable homes, the largest increase in the carers allowance since its inception and the commitment to the triple lock on pensions which will lead to a £470 increase next year.

Council recognises that the £1.3 billion invested into local government marks a clear turning point from an era of austerity where councils will finally be given the funds needed to properly run services and support communities.

Council endorses the £22.6 billion increase to the healthcare budget, £6.7 billion increase to the education budget, £1 billion uplift for SEND provision and £650 million allocation for public transport as decisions that demonstrate the Government's commitment to deliver on its promises to fix the foundations of our broken public services.

Lastly, Council celebrates the wide ranging support the budget gave to sectors that are prominent in Stevenage, namely £2.9 billion more for the defence sector, £1 billion for the aerospace industry, £2 billion for the automotive industry, £520 million for the life sciences sector and £6.1 billion for the medical sector.

Overall, this was a budget that comprehensively delivered for working people whilst starting to repair 14 years of economic ruin.

**Council resolves to:**

Endorse the Chancellor's Autumn Budget and recognise it as a critical step toward economic recovery, growth, stronger services and national prosperity for all.

Encourage the Leader of the Council Richard Henry and Kevin Bonavia MP to continue working collaboratively to achieve positive outcomes for Stevenage at a local and national level.

(ii) Labour Government Budget

To be moved by Councillor Phil Bibby

The Council notes that the labour Government inherited the fastest growing economy in the G7, with mortgage interest rates falling and inflation back to the Bank of England target, after the impact of the COVID pandemic and the energy price crises because of the war in Ukraine.

The independent Office for Budget Responsibility (OBR) forecasts that growth will now be lower, inflation will rise and mortgage interest rates will increase as a result of the Chancellor's budget on 30 October.

The OBR also forecasts that the policies in the budget directly:

- Increase tax take to an historic high at 38 per cent of GDP by 2029/30;
- Lower medium-term GDP growth to 1.5 per cent;
- Push up CPI inflation, projected to rise to 2.6 per cent by 2025;
- Increase borrowing by £19.6 bn this year and by £32.3 bn over the next 5 years;
- Reduce real household disposable income by 2029;
- Raise the bank rate and 5 year gilt yield higher than forecast; and
- Cut wages by £7.5 bn as a result of a hike in employers' national insurance.

The council rejects the Chancellor's tax on jobs, which will hit businesses workers in Stevenage. According to the OBR, "*policy changes leave nominal and real earnings growth lower over the remainder of the forecast, as employers pass on the national insurance contribution rise.*" The OBR further notes, "*in 2025/26 firms will pass on 60 per cent of the higher costs to workers and consumers, via lower wages and higher prices.*"

Council believes this budget is a tax on working people.

## **11. QUESTIONS FROM MEMBERS TO CHAIRS/PORTFOLIO HOLDERS**

In accordance with Standing Orders, written answers to the following questions will be circulated on a supplementary agenda.

Question from Councillor Phil Bibby

Does the Cabinet Member agree that following the fire at the Luton Airport multi story car park, the Council would be expected to protect residents, shoppers and their cars by installing a sprinkler system in St Georges Way car park?

## **12. APPOINTMENT OF MONITORING OFFICER**

To appoint a Monitoring Officer in accordance with s5 Local Government and Housing Act 1989.

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## **13. MID-YEAR TREASURY MANAGEMENT REVIEW AND PRUDENTIAL INDICATORS 2024/25**

To update Members on the Treasury Management activities in 2024/25 and review effectiveness of the 2024/25 Treasury Management and Investment Strategy including the 2024/25 prudential and treasury indicators.

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**14. AUDIT COMMITTEE MINUTES**

To note the Minutes of the meeting of the Audit Committee held on 6 November 2024.

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**15. EXCLUSION OF PUBLIC AND PRESS**

To consider the following motions –

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

2. That Members consider the reasons for the following reports being in Part II and determine whether or not maintaining the exemption from disclosure of the information contained therein outweighs the public interest in disclosure.

Page Nos.

**16. REMUNERATION OF THE CHIEF EXECUTIVE**

To consider a recommendation from the Appointments Committee proposing a revised pay scale for the recruitment of a new Chief Executive.

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STEVENAGE BOROUGH COUNCIL

## COUNCIL MINUTES

Date: Wednesday, 16 October 2024

Time: 7.30pm

Place: Council Chamber

**Present:** Councillors: Jim Brown (Mayor), Nazmin Chowdhury (Deputy Mayor), Myla Arceno, Julie Ashley-Wren, Sandra Barr, Philip Bibby CC, Stephen Booth, Robert Boyle, Leanne Brady, Lloyd Briscoe, Rob Broom, Forhad Chowdhury, Peter Clark, Akin Elekolusi, Alistair Gordon, Lynda Guy, Richard Henry, Jackie Hollywell, Coleen Houlihan, Conor McGrath, Andy McGuinness, Sarah Mead, Robin Parker CC, Claire Parris, Ellie Plater CC, Tom Plater, Ceara Roopchand, Loraine Rossati, Simon Speller, Jeannette Thomas, Carolina Veres, Anne Wells, Nigel Williams, Jade Woods and Tom Wren

**Start / End** Start Time: 7.15pm  
**Time:** End Time: 10.10pm

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

Apologies for absence were received on behalf of Councillors Kamal Choudhury, Mason Humberstone, Lin Martin-Haugh and Graham Snell.

There were no declarations of interest.

### 2 **MINUTES**

It was **RESOLVED** that the Minutes of the Council Meeting held on 31 July 2024 and the Special Meeting on 2 September 2024 be approved as a correct record and signed by the Mayor.

### 3 **MAYOR'S COMMUNICATIONS**

The Mayor referred to a list of events he had supported since the last Council meeting on 31 July which had been circulated at the meeting and he provided a verbal report on a number of highlights including:

- Sargam Stevenage Onam Festival (Kerala) – 600 people had attended the event which had been held at Barnwell School;
- Launch of the Beryl Bike Scheme and unveiling the Sish lane underpass murals;
- Kadoma Link visit celebrating 35 years of friendship between Stevenage and Kadoma;
- Nayrouz – The Coptic New Year Celebration at St Margaret's Church in Westminster; and

- The Mayor's Garden Party with the WGC Brass Band which had been held indoors at the Poplars Community Centre.

#### 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 1 from Jennifer Huygen**

The Council noted that a response to the question submitted by Jennifer Huygen regarding lighting in Fairlands Valley Park had been published in the supplementary agenda for the meeting.

Jennifer Huygen was present at the meeting and asked the following supplementary question: Following the outcome of the bat survey and if there were no further hurdles to overcome, what was the expectation of the Council of the earliest possible implementation of the lighting in Fairlands Valley Park?

Councillor Simon Speller, Portfolio Holder for Environment and Performance, advised that early in 2025 through the budget setting process, funding would be allocated to be spent in the next Municipal Year. In relation to the bat survey, a further comprehensive study would be undertaken as it had been discovered that there were at least 8 species of bats in the Park and that collaborative work was being undertaken with the Herts and Middlesex Wildlife Trust on the related implications. The lighting options would also be considered fully for all of the Valley including the lakes area and he confirmed that Ms Huygens would be consulted.

##### **Question 2 from Rebecca Watts**

The Council noted that a response to the question submitted by Rebecca Watts regarding biodiversity assessments had been published in the supplementary agenda for the meeting.

Rebecca Watts was present at the meeting and asked the following supplementary question: Following the Council's biodiversity report, has the Council followed the Government's recommendations to have a network of reports on biodiversity?

Councillor Speller responded that the Council's Cabinet had recently approved the Climate Change Action Plan which included the new Biodiversity Action Plan. The Council had also approved a Design Guide for public consultation and Cllr Speller



advised that it was his aspiration that all new developers met biodiversity standards to aid the achievement of net zero.

### **Question 3 from Mr Teun van Leeuwen**

The Council noted that a response to the question submitted by Mr Teun van Leeuwen regarding cycling infrastructure had been published in the supplementary agenda for the meeting.

Mr Teun van Leeuwen was present at the meeting and asked the following supplementary question: People of all abilities used bikes. Access to the East side of the town centre was not accessible for all cyclists. Is Stevenage Council doing all it can in this respect?

Councillor Speller, Portfolio Holder for Environment and Performance advised that he recognised Mr Leeuwen's aspiration. Officers had consulted all stakeholders including Cycling UK on the design process for the Town Centre but he would be happy to organise an on-site walkabout to look at the issues Mr Van Leeuwen had raised.

## **8 LEADER OF THE COUNCIL'S UPDATE**

The Leader of the Opposition, Councillor Stephen Booth, asked the following question: Does the Leader of the Council agree that the Government's launch of new Employment Legislation would do nothing to encourage growth in the economy at a time when Britain urgently needed to raise productivity and exports. He advised that there had been no mention of Profit Sharing Schemes, works councils or other initiatives to break down the barriers between employers and employees and asked if the Leader of the Council agreed that the legislation should have been delayed?

The Leader of the Council replied that this issue related to National policy. He further stated that it would be advisable to take stock concerning the broader economic and employment offer post the October budget statement. A written answer would be prepared for Councillor Booth concerning the potential impacts of this legislation on the SBC workforce.

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

- Green Business Grants
- Beryl Bike Scheme
- Co-operative Council and Neighbourhoods
- Older Peoples Day/Age Friendly Communities
- Stevenage Equalities Commission
- Leisure Health and Wellbeing – Awards and Funding
- Arts and Culture
- Community Tree Planting
- Fairlands Valley Lighting Petition
- Switch Over from Diesel fuel to HVO Fuel
- SG1

- Co-Space

Following a request from Councillor Booth, it was agreed that the Updates above would be circulated following the meeting.

## 9 **UPDATE FROM SCRUTINY CHAIRS**

In the absence of the Chair of the Overview & Scrutiny Committee, Councillor Rob Broom, Chair of the Environment and Economy Select Committee (who was also a Member of the Overview & Scrutiny Committee) advised that, at its recent meetings, the Committee had considered the following issues:

- Resident Engagement Strategy
- Housing Annual Report
- Homelessness & Rough Sleepers Strategy 2025-2030
- Tenancy Policy
- Responsive Repairs & Maintenance Policy
- Corporate Performance Suite
- 4<sup>th</sup> Quarter Monitoring Report & Gen Fund & HRA
- And 3 Part II Cabinet decisions on (i) Social Housing Decarbonisation Prog. Contract Award (ii) Towns Centre – Skills Enterprise & (iii) Investing in the Town Centre Assets

Members asked several questions on these policies and strategies and recognised the increased burdens that have been placed on the Council as a social landlord and were supportive of the changes that were being put in place and would continue to scrutinise these crucial policies to support local residents.

The meeting held on 24 September considered the decisions of the Cabinet held on 24 July which included:

- Workforce Strategy
- Equalities, Diversity & Inclusion Action Plan
- Corporate Performance, Quarter 1 2024-25
- General Fund & MTFS Review
- First Quarter Revenue Budget Monitoring
- Annual Treasury Management Review
- Urgent Part 1 Business – SG1 Plot A – former Swingate House building works starting.

Members asked a number of questions regarding these items and were particularly interested in (i) how the Council could position itself as an employer of choice (ii) recognising that young people be identified as an important demographic that needs more attention regarding the EDI Action Plan, (iii) the ongoing work towards graffiti clearance and artistic projects on utility boxes throughout the town and (iv) staffing levels regarding collecting and providing assistance around priority debt.

Councillor Sarah Mead, Chair of the Community Select Committee advised that, at its meeting held in September the Committee had received an excellent update on the work of the Community Wardens and she advised that Members were looking forward to the new style of Community Neighbourhood meetings. The Committee's

next meeting in November would be to scrutinise the developments made by Everyone Active and she advised that all Members would be welcome to attend.

The Chair of the Environment & Economy Select Committee advised that the Committee had been continuing its work on the Skills Agenda in Stevenage and received a presentation from Citizens Advice and Barnardo's Children Centre on support and ease of access to the local labour market. Members also received an update concerning the Stevenage Works programme which highlighted how the Council, North Herts College and Job Centre Plus were working together to provide training and employment opportunities for young people. The Youth Mayor and Deputy Youth Mayor had also attended to give the views of young people. Visits had been carried out to North Herts College and the next meeting of the Committee would include a meeting with the Portfolio Holder for Environment and Performance to consider progress against the Council's ambition for net zero.

## 10 **NOTICE OF MOTIONS**

### **Winter Fuel Allowance**

The Mayor advised that he had agreed to Councillor Phil Bibby's request to withdraw Motion 1 concerning the Winter Fuel Allowance.

### **21<sup>st</sup> Century New Towns**

Councillor Jackie Hollywell moved and Councillor Simon Speller seconded the following motion:

'In 1946 the post war Labour Government had a vision to address the housing crisis arising from the aftermath of the Second World War and subsequently Stevenage as Britain's first New Town was conceived.

In 2024 we are facing another housing crisis with many Stevenage residents on a the housing waiting list. The new Labour Government has looked at that inspirational post war time house building programme to launch a New Towns Commission to plan a new generation of new towns fit for the 21st Century.

We were delighted that Stevenage was chosen as the launch place for the New Towns Commission.

These towns will be "well-connected, well-designed, sustainable and attractive places where people want to live, as well as having the infrastructure, amenities and services necessary to sustain thriving communities."

As Britain's first New Town we welcome this initiative and call on the Government to learn from our lived experience of nearly 80 years and still growing.

We ask the housing cabinet member and the Leader to write to Sir Michael Lyons to offer support for the development of the commission particularly from the learning of

the building of the UKs first new town.’

In moving the motion, Councillor Jackie Hollywell referred to Stevenage being designated the Country’s first new town in 1946. She welcomed the changing diversity of the Town. She recognised that the pedestrianised town centre although innovative when first built was now being redeveloped with partners to reflect the Town’s ambitions with exciting regeneration projects happening throughout Stevenage. She advised that she was proud to report that Stevenage was a leading Town for industry and life sciences including Cell and Gene Therapy companies. Many of these companies were working in partnership with schools and the college to develop the skills of the Town’s young people.

The Portfolio Holder was pleased to report that the cultural offer had also been increased around Stevenage with many new artworks appearing around the Town.

Councillor Hollywell advised that her ambition was to see Stevenage continue to grow and prosper and be a safe and happy place for everyone to live, work and play and was confident that the new Government was addressing the current housing crisis by launching the New Towns Commission to plan a new generation of new towns fit for the 21<sup>st</sup> Century.

In seconding the motion, Councillor Speller advised that he had come to Stevenage in the 1970’s and had met and begun working with many new town pioneers who had helped build the town, with the ambition of leaving a lasting legacy. He referred to the importance of not having to depend on organisations such as the Development Corporation but that the New Towns should be based on a garden city/co-operative model.

Councillor Booth advised that the Liberal Democrat Group would be happy to support the motion and the Government’s proposals for a New Towns Commission. He stressed the importance of getting the infrastructure right for the new towns and that jobs, amenities and services would need to reflect and support the numbers of homes being built.

Councillor Bibby also advised that he would be supporting the motion as a Portfolio Holder at the County Council of the County Council which had already been supporting the development of new major housing schemes in the County. He stressed that master planning was essential to the new developments.

A number of other Members shared their positive experiences of living, working and playing in Stevenage and all spoke in support of the motion. Upon being put to the vote, was unanimously carried.

### **Winter Fuel Allowance**

Councillor Andy McGuinness moved and Councillor Phill Bibby seconded the following motion concerning the Winter Fuel Allowance:

‘In July, ahead of the October Budget, the Chancellor of the Exchequer announced her decision to end universal Winter Fuel Payments and restrict eligibility to only

those in receipt of Pension Credits and other benefits. This was implemented through a Statutory Instrument which came into force on 16th September 2024.

Whilst many agree that universal Winter Fuel Payments are not necessary for some, Council is deeply concerned that many pensioners on lower and middle incomes will now not receive the payments. Across England and Wales the number of people eligible for Winter Fuel Payments will fall by 10 million, from 11.4 million to only 1.5 million.

In Stevenage the number of pensioners affected by the change totals over 11,000. This means around 86% of local pensioners currently eligible for Winter Fuel Payments in Stevenage will no longer be able to claim this much needed support, at a time when fuel bills are still high. This not only risks leaving many vulnerable pensioners across the town in financial hardship but will disproportionately affect the health and well-being of our poorest older residents.

Council understand that no public consultation has taken place, despite Age UK estimating that 2 million pensioners who badly need the money to stay warm this winter will now not receive it.

Council believes that the Labour Government has set the threshold at which pensioners do not qualify for Winter Fuel Payments far too low. Only those receiving a pension of less than £218.15 a week (or £332.95 a week for couples) are eligible for pension credits. This is significantly lower than the living wage rate.

Council is also concerned by the low take up of pension credit with only 63% of those eligible nationwide receiving them – and over 880,000 pensioners not doing so. Council recognises the role we have to play to increase awareness of benefits such as Pension Credit to ensure people are aware of the support they are entitled to.

Council welcomes the recent motion passed at Labour Conference on 25<sup>th</sup> September calling on the Government to reverse this damaging policy.

Council further notes that the Energy Price Cap is due to rise by 10% in October, which combined by the removal of Winter Fuel Payments will push thousands of local pensioners into fuel poverty.

Council resolves to:

- Instruct the Chief Executive to write to the Chancellor of the Exchequer calling for the policy on linking Winter Fuel Payments to Pension Credit receipt to be immediately paused and introduce a new threshold to determine eligibility for Winter Fuel Payments. Council further requests the Chief Executive write to the local MP Kevin Bonavia asking him to give his formal support to halting the changes to the Winter Fuel Payment eligibility.
- Request all group leaders within Stevenage sign a joint letter to the Chancellor of the Exchequer calling for the new Winter Fuel Payment policy to be suspended and reviewed.

- Urgently commence a significant awareness campaign to maximise uptake of pension credits. This will include use of Council noticeboards, social media, promotion in local press and also targeted letters to those who may be eligible.

In moving the Motion, Councillor McGuinness referred to the Government's cut in the winter fuel allowance for some of the most vulnerable people in the town. He advised that Age UK had reported that 2.5million pensioners across the UK would no longer be eligible to receive the money. In Stevenage over 11,000 pensioners would be affected and no longer eligible for the payments which could affect the health and wellbeing of these residents. Councillor McGuinness advised that although not all pensioners were reliant on the allowance, the uptake of pension credit was far lower than it should be and urged to Council to undertake a significant awareness raising campaign to help to address this.

In seconding the motion, Councillor Phil Bibby reminded Council that in 2010 the Government had no option but to go into a period of austerity to address the funding situation. This was followed, more recently, by the Covid pandemic and the War in Ukraine. Since then however, improvements had been made to unemployment figures, the budget deficit, interest rates and inflation levels.

The Mayor advised that the tabled amendment by the Labour Group had been withdrawn.

A number of Members responded to the Motion and spoke of the funding reduction forced on local Councils over recent years along with the reported £22billion unfunded spend commitments the new Labour Government had inherited resulting in the need to take difficult decisions and actions quickly. Members referred to the Winter Fuel Allowance Toolkit which would be rolled out to those pensioners affected alongside the Government's campaign of joint working with local authorities for all to claim any benefits they were entitled to.

Upon being put to the vote, the motion was lost.

## 11 **QUESTIONS FROM MEMBERS TO CHAIRS/PORTFOLIO HOLDERS**

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

- (A) Question from Councillor Phil Bibby re: Defence Industries in Gunnels Wood Road

Supplementary question: Does the Portfolio Holder know how the Government's position to restrict the sale of arms is having on our defence industries.

The Portfolio Holder for Economy, Skills and Transport advised that he would send a written response to Councillor Bibby.

(B) Question from Councillor Andy McGuinness re: Town Centre Regeneration

Supplementary question: Can we communicate more to the general public around the positivity of the town regeneration and is the Council confident it can spend all the Towns Fund money by the deadline of 2026?

The Leader of the Council advised that the Regeneration Team were working hard to communicate progress being made in the delivery of the regeneration programme referencing a video which had been recently launched to the public. Further work would continue on communications particularly on social media. He also advised that the Council was on track to spend the Towns Fund money with a planned programme in place.

(C) Question from Councillor Robin Parker re: UK Shared prosperity Fund

Supplementary question: What was the availability of funds for some wards and the amounts allocated per ward under the UKSPF for Stevenage. These amounts had not been made clear to local Members.

The Portfolio Holder for Co-operative Council and Neighbourhoods advised that the UKSPF money had been allocated based upon evidenced need and that she had visited many areas personally. Local Members had been invited on these visits and meetings had been held with those members to ensure money had been allocated appropriately with final decisions having been made by the engaged ward councillors.

(D) Question from Councillor Tom Wren re: Garage Block Charges

Supplementary question: Why, when faced with large numbers of reports that garage block cleaning was not being undertaken satisfactorily, does the Council continue to charge residents for this work?

The Portfolio Holder for Environment and Performance advised that he was aware of some of the reports and welcomed an opportunity to visit with the ward councillor and appropriate officers the garages that Cllr Wren referred to.

(E) Question from Councillor Stephen Booth re: Flooding

Supplementary question: Have any thoughts been given to a local flood reporting body which could be activated following heavy rainfall?

The Portfolio Holder for Environment and Performance advised that many flooded areas were the responsibility of different authorities. He suggested that anyone becoming aware of a flooding problem should be reporting the issue but he would be happy to meet with Councillor Booth to consider the best way of reporting flooding in specific areas if helpful.

(F) Question from Councillor Graham Snell re: Garage Improvement Programme

Supplementary question: On behalf of Councillor Snell, Councillor McGuinness

asked if the Portfolio Holder was content with only a percentage of garage improvements undertaken and would the budget be available for the remaining Improvement Programme?

The Portfolio Holder for Environment and Performance advised that full details of the programme would be set out in a Cabinet report to be submitted in November/December.

12 **ANNUAL TREASURY MANAGEMENT REVIEW OF 2023/24 INCLUDING PRUDENTIAL CODE**

The Council considered a report in respect of the Annual Treasury Management Review 2023/24, including the Prudential Code. It was noted that the report had been endorsed by both the Audit Committee and the Cabinet.

It was moved by Councillor Jeannette Thomas, and seconded by Councillor Carolina Veres, that the Recommendations in the report be approved.

Upon the motion being put to the vote, it was **RESOLVED** that the 2023/24 Annual Treasury Management Review be approved.

13 **AUDIT COMMITTEE MINUTES**

The Minutes of the meeting of the Audit Committee held on 4 September 2024 were received.

**CHAIR**



**COUNCIL  
MINUTES**

Date: Wednesday, 16 October 2024

Time: 7.00pm

Place: Council Chamber

**Present:** Councillors: Jim Brown (Mayor), Nazmin Chowdhury (Deputy Mayor), Myla Arceno, Julie Ashley-Wren, Sandra Barr, Philip Bibby CC, Stephen Booth, Robert Boyle, Leanne Brady, Lloyd Briscoe, Rob Broom, Forhad Chowdhury, Peter Clark, Akin Elekolusi, Alistair Gordon, Lynda Guy, Richard Henry, Jackie Hollywell, Coleen Houlihan, Conor McGrath, Andy McGuinness, Sarah Mead, Robin Parker CC, Claire Parris, Ellie Plater CC, Tom Plater, Ceara Roopchand, Loraine Rossati, Simon Speller, Jeannette Thomas, Carolina Veres, Anne Wells, Nigel Williams, Jade Woods and Tom Wren

**Start / End** Start Time: 7.00pm  
**Time:** End Time: 7.15pm

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

Apologies for absence were received on behalf of Councillors Kamal Choudhury, Mason Humberstone, Lin Martin-Haugh and Graham Snell.

There were no declarations of interest.

**2 HONORARY ALDERMAN**

The Mayor advised that the meeting had been convened to consider a Motion to confer the title of Alderman on Mr Michael Downing.

Councillor Richard Henry in moving the motion paid tribute to Michael Downing for his outstanding service to the Town and its residents over many years having served on both Stevenage Borough Council and Hertfordshire County Council. He advised that if the resolution was approved, a special meeting of the Council would be held on 2 December where Members would have an opportunity to share reflections and pay tribute to Michael.

Councillor Jackie Hollywell formally seconded the Motion and stated that Michael Downing, along with Baroness Sharon Taylor had been a great support to her when she was first elected to the Symonds Green Ward.

It was moved, seconded and **RESOLVED** that in accordance with the provisions of Section 249 of the Local Government Act 1972, the Council confers the title of Honorary Alderman on Michael Downing who has rendered over 28 years eminent

service as a Councillor, Mayor, Chairman of the Planning and Development Committee and the Environment and Economy Select Committee, and representing the people of the Town, particularly in Bedwell, Old Town and Symonds Green Wards.

**CHAIR**

**COUNCIL  
MINUTES**

Date: Monday, 2 December 2024

Time: 7.00pm

Place: Council Chamber

**Present:** Councillors: Jim Brown (Mayor), Nazmin Chowdhury (Deputy Mayor), Myla Arceno, Julie Ashley-Wren, Sandra Barr, Philip Bibby CC, Stephen Booth, Robert Boyle, Leanne Brady, Lloyd Briscoe, Rob Broom, Kamal Choudhury, Forhad Chowdhury, Akin Elekolusi, Alistair Gordon, Lynda Guy, Jackie Hollywell, Coleen Houlihan, Lin Martin-Haugh, Conor McGrath, Andy McGuinness, Sarah Mead, Robin Parker CC, Claire Parris, Tom Plater, Ceara Roopchand, Loraine Rossati, Simon Speller, Jeannette Thomas, Carolina Veres, Anne Wells, Nigel Williams, Jade Woods and Tom Wren

**Start / End** Start Time: 7.00pm  
**Time:** End Time: 8.00pm

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

Apologies for absence were received on behalf of Councillor Richard Henry CC, Mason Humberstone and Ellie Plater CC.

There were no declarations of interest.

**2 MAYOR'S ANNOUNCEMENTS**

The Mayor welcomed everyone to the meeting, in particular Michael Downing, and his wife Aideen.

The Mayor then spoke of the recent very sad and unexpected passing of Councillor Graham Snell. Graham had been a Stevenage Borough Councillor for over 25 years mostly in the Manor Ward. The Mayor said that he was shocked and saddened about the news of Graham's passing and that it would have impacted upon all who knew him.

The Mayor then thanked Graham's daughter Louise and her wife Dawn for attending the meeting. His thoughts were with Louise, Dawn and all of Graham's family and friends at this difficult time.

Councillor Jeannette Thomas, Deputy Leader of the Council advised that she had known Graham for many years since she first stood for the Council. He was a lovely, kind and thoughtful man who was a great community councillor. He was known by virtually everyone in the areas of the town he worked in both as a councillor and also due to his retail career. Her thoughts and sympathies were with

Louise, Dawn and the rest of his family as well as all of his Lib Dem colleagues.

Councillor Stephen Booth, Leader of the Opposition and the Lib Dem Group spoke of when he heard of the terrible news that he had lost his friend, colleague and party member. He would miss his gentle challenge and sense of humour. He was always ready to give helpful guidance when called upon and was just about to complete his third year as the Chairman of the Party branch. He took care of his community in a calm and thoughtful way. Stephen mentioned the sad passing of Graham's wife Heather and also spoke of the joyful news that he had become Grandfather to triplet girls. Graham would be very sorely missed.

Councillor Phil Bibby advised that Graham was a community councillor first and foremost, someone you could have a good conversation with and that he was one of the good guys. His condolences were sent to his family and friends.

Councillor Robin Parker said that his friend Graham was always ready, willing and available to help anyone, with a cheerful manner and a thorough, caring approach. Graham was someone who did not have a bad word to say about anyone and no one had a bad word to say about him. He was greatly shocked and saddened by Graham's passing which had had a devastating impact on everyone that knew him and he would never forget him. His thoughts at this time were with all of Graham's family and friends.

Councillor Barr spoke of Graham as a friend and neighbour in the St Nicholas Ward and that she was blessed and lucky to know him.

Councillor Speller spoke of Graham as an excellent back bench scrutineer and a valued member of the Planning and Development Committee. He had a lovely sense of humour who did everything with great courtesy.

Councillor McGuinness thanked Councillor Downing for allowing the tributes to Graham to go ahead on his celebratory evening and also his Labour Party colleagues for their heartfelt messages about Graham. He spoke of his good friend Graham's wise and compassionate way he went about his life. He played down his own achievements being a good team player and was one of the rocks on which the Lib Dem party was built on.

A number of other Members spoke in tribute to Councillor Snell following which the Council stood to observe a minute's silence.

### 3 **ALDERMAN MICHAEL DOWNING**

The Chamber was reminded that at a Special meeting of the Council on 16 October 2024, a resolution was agreed that the Council should confer the title of Alderman on former Councillor Michael Downing.

The Mayor expressed his delight at being able to award Michael with this honour. He paid tribute to Michael's wife Aideen for her constant companionship.

The Mayor spoke of Michael's valuable work over many years on the Council

particularly in relation to public health.

Councillor Jeannette Thomas, Deputy Leader of the Council spoke of Michael's calm and intelligent service to the Town and as a friend and colleague. She then read a tribute to Michael from former Councillors Mrs Joan and John Lloyd.

Councillor Stephen Booth, Leader of the Opposition advised that he was relieved to see Michael when he returned to the Council in 2019. Michael's careful and cogent deliberations in his council work reflected his demeanour in his professional life as a social science lecturer. The award of Honorary Alderman was truly deserved and he was sure that Michael would continue to be a good and effective representative of Stevenage Borough Council.

A number of other Members spoke in tribute to Michael and all referred to his calmness, thoughtfulness, intelligence, commitment and being a measured speaker at Council meetings. Councillor Parris thanked Michael for all that he had taught her particularly in her current role as the current Chair of the Planning and Development Committee.

A number of guests from the public gallery including Baroness Dr Sharon Taylor OBE, Kevin Bonavia MP, Father Michael Doherty from St Hilda's Church and Michael's son Brendan.

Baroness Taylor spoke of her long connection with Michael since he had replaced Alderman David Kissane as a Symonds Green Councillor. She referred to Michael's intellect which had not stopped him canvassing and carrying out a considerable workload during election campaigns. She also referred to Michael's contribution as a County Councillor particularly in the field of adult care services and serving on mental health tribunals.

Kevin Bonavia said that calmness and wisdom had been a central theme of the tributes to Michael and referred to his campaigning and his partnership with his wife Aileen. He thanked Michael for his service to the Town.

Father Michael spoke about Michael as a man of great faith and he informed the Chamber that he was proud to be a part of the celebration.

Brendan spoke of the family's pride in Michael and his outstanding service to Stevenage and its residents.

A framed scroll was then presented to Michael Downing.

Michael Downing thanked everyone for their comments and advised that he was proud to be a part of a team of dedicated people working for the Town and its residents.

## **CHAIR**

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## Mayor's Communications – Events

Item 3

I've been delighted with the variety of events that I've been invited to since 16<sup>th</sup> October. Many have worked well with this year's theme of Come Together – art including music; sport and active recreation; and social inclusion.

Lots of engagements are repeat events that have been in the calendar for decades. I'm delighted to see many new often more diverse activities are getting onto the list.

	DATE	EVENT
121	16/10/2024	Council
122	19/10/2024	Mayor of Broxbourne Afternoon Tea
123	19/10/2024	Stevenage Arts Guild Fundraising Event - Quiz
DM	20/10/2024	St Albans Civic Service
124	20/10/2024	Stevenage Marathon. First Stevenage Mayor to complete the Stevenage Marathon while Mayor. Character building weather.
125	22/10/2024	Pod Visit – Oaks Cross
126	22/10/2024	Filming Christmas charity message.
127	22/10/2024	Toastmasters 100 <sup>th</sup> Anniversary Teams Event
128	23/10/2024	One YMCA Thanks Giving Service St Albans Cathedral
129	24/10/2024	Step2Skills Supported Employment team Job Fair – HCC at Lounge 76, Football Club
130	26/10/2024	Helping Herts - The October Great 12 Challenge
131	26/10/2024	Stevenage Together Awards with 300 people
DM	27/10/2024	Stevenage InterFaith Forum Sacrament meeting
132	30/10/2024	Voices of Heritage - Celebrating Black Narratives County Hall
133	31/10/2024	Opening of a new stall in the Indoor Market - Sophia's Health Shala
134	31/10/2024	Diwali & Kali Puja Celebration. 300 people in Bedwell Community Centre.
135	02/11/2024	Stevenage Liberal Jewish service in Cuttys Lane.
136	04/11/2024	Stevenage Community Trust members' morning hosted by Hotel Cromwell
137	04/11/2024	Halloween Fancy Dress Judging
138	05/11/2024	Annual Firework Display in Fairlands Valley Park
138	06/11/2024	Meet and Greet the winners of the Best Scary Dressed Halloween Competition
140	10/11/2024	Remembrance Sunday including Inspection of the Cadets in Old Stevenage.
141	11/11/2024	Armistice Service in the town centre.
142	11/11/2024	78 <sup>th</sup> Birthday of Stevenage New Town.
143	12/11/2024	BUGS (Bus Users' Group Stevenage).
144	13/11/2024	GRIDSERVE Stevenage Grand Opening
145	15/11/2024	Launch of Music24's charity EP "Sing Together" recorded at Abbey Road Studios
146	15/11/2024	Welwyn Hatfield Mayor's Quiz Night. A respectable fourth.

147	16/11/2024	St Hugh and St John Church 60th Anniversary Event Afternoon Tea.
148	16/11/2024	Stevenage Grange Rotary Club Winter Ball Dinner and Dance
DM	17/11/2024	Celebration Communion - St Hugh and St John's Church
149	17/11/2024	High Sheriff of Hertfordshire's Justice Service -St Albans
150	17/11/2024	Sakhi Milap Hertfordshire Diwali Party Celebration Hindu Festival, Oval Community Centre.
151	17/11/2024	Stevenage Inter Faith Forum – Celebration of Inter Faith Week.
152	19/11/2024	Host Schools Parliament In Council Chamber. No spare seats.
153	19/11/2024	Second annual 'Herts Arts' concert
154	20/11/2024	Knebworth House (KHEPT) Meeting
155	21/11/2024	Woolenwick Juniors 50th Celebrations
156	23/11/2024	Bargain Grocery Outlet Opening Ceremony, Queensway
157	23/11/2024	Christmas Lights Switch-on Ceremony. New town centre.
158	26/11/2024	Echoes Exhibition to celebrate the 16 Days of Action Campaign. Raising awareness of domestic abuse.
159	26/11/2024	Town Twinning Ingelheim Autun (TSIAA) Fundraising Event
160	27/11/2024	Light the World Orange. Soroptimists – County Hall
161	28/11/2024	St Peter's Church with Roebuck schools
162	28/11/2024	VIP Pantomime Night, Gordon Craig
163	29/11/2024	Opening of Stevenage Winter Wonderland
164	30/11/2024	Stevenage Men's Choir and The Christ the King Singers Concert
165	30/11/2024	Old Town Christmas Lights Switch On Ceremony
166	01/12/2024	GCS Guru Charana Smaranam Young Talents Annual Classical Indian Dance & Music with many from Stevenage at St Albans
167	01/12/2024	Stevenage District Scouts Christingle Service
168	02/12/2024	Special Council for Michael Downing. A very special event which prompted many memories.
169	03/12/2024	Age Concern Carol Service at Holy Trinity
170	04/12/2024	Sports Partnership (HSARP) Annual Conference. Active Connections.
171	04/12/2024	Mayor of Broxbourne's Charity "Winter Warmer" Fish and Chips.
172	05/12/2024	Guest speaker. Business breakfast at the Football Club.
173	05/12/2024	Barnardo's Celebration at the Cromwell Hotel
174	05/12/2024	GlaxoSmithKline Christmas Giving Tree Collection of Toys
175	06/12/2024	St Nicholas Church and Community Christmas Tree Festival
176	06/12/2024	Tollers Festive Event at Arlington Business Park
177	06/12/2024	Judging of the Holocaust Memorial competition
178	06/12/2024	Stevenage Lytton Players Performance - Wyrd Sisters
179	07/12/2024	St Andrew and St George Christmas Tree Festival
DM	07/12/2024	The Oval Community Christmas Fair (Mayor and Deputy at different times).



180	07/12/2024	St Nicholas Day and lights switch on
181	07/12/2024	Stevenage Singers at St Nicholas Church.
182	08/12/2024	The Church of St Andrew and St George Advent Carol Service
183	10/12/2024	Irish Network Stevenage Christmas Lunch
184	11/12/2024	Paskong Pinoy Stevenage Annual Christmas Gathering. The Mayor's table won the karaoke competition!
185	13/12/2024	SDS Burger Van – Thank you drop in at SBC depot
186	13/12/2024	Stevenage Men's Choir Christmas concert and social
187	14/12/2024	Stevenage Ladies Choir Christmas concert in aid of People for People
188	17/12/2024	Residents Bake Off at Jubilee Court (near Lonsdale Road).
189	18/12/2024	A farewell for our corporate events officer.

**Reflecting the Come Together theme I have adopted a slightly different approach this year.**

**One way or another, directly or with partners, I am working my way round different kinds of music.**

**In the run up to Christmas I've enjoyed several concerts by some of the choirs in our town. I did promise to mention that the Stevenage Men's Choir, in particular but not exclusively, are very keen to recruit some new singers.**

**Coming up soon on Saturday 8<sup>th</sup> February we have the showing of a film showing Stevenage as it was in 1967; a Ceilidh Dance on Saturday 1<sup>st</sup> March; and the Arts Guild Musical Evening on Monday 31<sup>st</sup> March.**

**Our inter faith event will be at 2.30p.m. on Sunday 9<sup>th</sup> March.**

**I've been pleased to be able to support many sport and active recreation activities with the Herts Sports Partnership and others. I'll be looking for sponsorship. I've recently earned myself a "Good For Age" place in the London Marathon on 27<sup>th</sup> April – naturally running for the Mayor's charities!**

**JIM BROWN**

**MAYOR OF STEVENAGE**

This year's Mayor's Charities and good causes. Herts Sports Partnership (Come Together with Sport and Active Recreation); Stevenage Arts Guild (Come Together with Arts, Music and Culture) and People for People (social inclusion).

(DM = Deputy Mayor).

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**Meeting** COUNCIL  
**Portfolio Area** ALL  
**Date** 18 DECEMBER 2024



## APPOINTMENT OF MONITORING OFFICER

Author – Simon Pugh  
Lead Officer – Matt Partridge (Ext. 2456)  
Contact Officer – [Simon.pugh@stevenage.gov.uk](mailto:Simon.pugh@stevenage.gov.uk)

### 1. PURPOSE

1.1 To appoint a Monitoring Officer in accordance with s5 Local Government and Housing Act 1989.

### 2. RECOMMENDATIONS

2.1 That Victoria Wilders be appointed as the Council's Monitoring office with effect from 1 January 2025.

### 3. BACKGROUND

3.1 Under s5 Local Government and Housing Act 1989 the Council must designate one of its officers as its Monitoring Officer.

3.2 The Monitoring Officer has a number of key roles which include:

- Responsible for producing a report where they are of the opinion that any proposal, decision or omission of the Council, its committees or sub-committees or anyone employed by the Council is, or is likely to be, illegal;
- Obligated to report findings of maladministration to members and
- Responsible for maintaining the register of Members' interests and for administering the arrangements for considering complaints of breaches of the Members' Code of Conduct

3.3 In December 2022, the Council appointed Simon Pugh, Assistant Chief Legal Officer at Hertfordshire County Council, as Monitoring Officer. Simon Pugh is retiring and his employment will end in January 2025. Victoria Wilders has been appointed as part of the Hertfordshire County Council/Stevenage shared

service as Assistant Chief Legal Officer with lead responsibility for Stevenage Borough Council.

- 3.4 The County Council has agreed to second Victoria Wilders to Stevenage Borough Council under s113 Local Government Act 1972 to fulfil the role of Borough Solicitor. Under s113 (2) she will remain employed by the County Council, but for the purposes of any enactment relating to the discharge of local authorities' functions is to be treated as an officer of Stevenage Borough Council. She is therefore eligible for appointment by Stevenage Borough Council as its Monitoring Officer.
- 3.5 Victoria Wilders will be the Lead Lawyer for the Shared Legal Service and will be responsible for the day-to-day operation of the service.

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

- 4.1 Victoria Wilders has a strong local government law background spanning over 16 years and her experience was tested by a competitive recruitment process. She is currently the Legal Services Manager and Deputy Monitoring Officer at East Hertfordshire District Council, a position she has held since 2016. Mrs Wilders provides advice, support and guidance on a wide range of issues and corporate plan projects, has extensive member engagement experience and partnership working; notable work to date includes providing legal support in respect of the Harlow and Gilston Garden Town project, a cross boundary initiative to deliver growth and regeneration for new and existing communities.
- 4.2 There will be a handover period between the appointment of Victoria Wilders and the departure of the current Monitoring Officer, ending on 31 January 2025. During this period, the current Monitoring Officer will act as Deputy MO.

#### **5. IMPLICATIONS**

##### **5.1 Financial Implications**

The cost of the Monitoring Officer is paid by Stevenage Borough Council to Hertfordshire County Council in accordance with the Partnership Agreement relating to the Shared Legal Service

##### **5.2 Legal Implications**

The legal implications are set out in the body of the report.

#### **APPENDICES**

None



**AUDIT COMMITTEE/ CABINET  
/ COUNCIL**

Portfolio Area: Resources and Transformation

**Date:** 6 November 2024 /  
13 November 2024 /  
18 December 2024



**2024/25 MID YEAR TREASURY MANAGEMENT REVIEW AND PRUDENTIAL INDICATORS**

**NON-KEY DECISION**

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

**1 PURPOSE**

1.1 To update Members on the Treasury Management activities in 2024/25 and review effectiveness of the 2024/25 Treasury Management and Investment Strategy including the 2024/25 prudential and treasury indicators.

**2 RECOMMENDATIONS**

**2.1 Audit Committee**

That subject to any comments by the Audit Committee to the Cabinet, the 2024/25 Mid-Year Treasury Management Review and Prudential indicators reports is recommended to Council for approval.

**2.2 Cabinet**

That subject to any comments made by the Cabinet, in addition to those made by the Audit Committee, the 2024/25 Mid-Year Treasury Management Review and Prudential indicators report is recommended to Council for approval.

## **2.3 Council**

That subject to any comments from the Audit Committee and the Cabinet, 2024/25 Mid-Year Treasury Management Review and Prudential indicators report be approved by Council.

## **3 BACKGROUND**

3.1.1 The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low-risk counterparties, providing adequate liquidity initially before considering optimising investment return.

3.1.2 The second main function of the treasury management service is the funding of the Council's capital plans, (subject to affordability). These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer-term cash may involve arranging long or short-term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

Accordingly, treasury management is defined 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.”

3.1.3 This report has been written in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2021). The primary requirements of the Code are as follows:

- Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
- Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
- Receipt by the full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a Mid-year Review Report and an Annual Report, (stewardship report), covering activities during the previous year.

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- Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
- Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is Audit committee.

3.1.4 In December 2021, CIPFA revised the Code to require, all local authorities to report on:

- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
- an overview of how the associated risk is managed;
- the implications for future financial sustainability.

These elements are covered in the annual Capital Strategy reported to Council in February each year.

3.1.5 This mid-year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the first half of the 2024/25 financial year;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure, as set out in the Capital Strategy, and prudential indicators;
- A review of the Council's investment portfolio for 2024/25;
- A review of the Council's borrowing strategy for 2024/25;
- A review of compliance with Treasury and Prudential Limits for 2024/25.

## **3.2 Economics and interest rates**

### **3.2.1 Economics update.**

3.2.2 The first half of 2024/25 saw:

- GDP growth stagnating in July following 0.5% growth in the three months to July.
- CPI inflation hitting its target in June before edging above it to 2.2% in July and August then falling to 1.7% in September;
- The Bank of England initiating its easing cycle by lowering interest rates from 5.25% to 5.0% in August and holding them steady in its September meeting;
- 10-year gilt yields falling to 4.0% in September.

3.2.3 10-year Gilt yield movements in the first half of 2024/25, declined from 4.32% in May to 4.02% in August as the Bank's August rate cut signalled the start of its loosening cycle. Following the decision to hold the Bank Rate at 5.0% in September, the market response was muted, with the 10-year yield rising by

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only 5bps after the announcement. There is a possibility that gilt yields will rise near-term as UK policymakers remain cautious due to persistent inflation concerns, before declining in the longer term as rates fall to 3.0%.

**3.2.4 Interest Rate Forecasts**

3.2.5 The Council has appointed Link Group as its treasury advisors and part of their service is to assist the Council to formulate a view on interest rates. The PWLB rate forecasts below are based on the Certainty Rate\* (the standard rate minus 20 bps, calculated as gilts plus 80bps) which has been accessible to most authorities since 1<sup>st</sup> November 2012.

3.2.6 The Bank cut base rates by 25bps rate cut in August, lowering rates from 5.25% to 5.0%. In its September meeting, the Bank, opted to hold rates steady at 5.0%, signalling a preference for a gradual approach to rate cuts.

3.2.7 The latest forecast (Link 10 October) sets out a view that short, medium and long-dated interest rates will fall back over the next year or two, as the Bank of England continues to prioritise controlling inflation.

**Chart 1**

	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
<b>BANK RATE</b>	4.50	4.00	3.50	3.25	3.25	3.25	3.25	3.00	3.00	3.00
3 month ave earnings	4.50	4.00	3.50	3.30	3.30	3.30	3.30	3.00	3.00	3.00
6 month ave earnings	4.40	3.90	3.50	3.30	3.30	3.30	3.30	3.10	3.10	3.20
12 month ave earnings	4.30	3.80	3.50	3.40	3.40	3.40	3.40	3.20	3.30	3.40
5 yr PWLB	4.50	4.30	4.10	4.00	3.90	3.90	3.90	3.90	3.90	3.80
10 yr PWLB	4.60	4.40	4.30	4.10	4.10	4.10	4.00	4.00	4.00	3.90
25 yr PWLB	5.00	4.80	4.70	4.50	4.50	4.40	4.40	4.40	4.30	4.30
50 yr PWLB	4.80	4.60	4.50	4.30	4.30	4.20	4.20	4.20	4.10	4.10

\* Certainty Rate reduction HRA – 0.6% is not included above

**4 Treasury Management Strategy Statement and Annual Investment Strategy Update**

4.1.1 The Treasury Management Strategy was approved by Council on 21 February 2024. There are no policy changes to the TMSS; the details in this report update the position in the light of the updated economic position and budgetary changes already approved.

**4.2 The Council’s Capital Position (Prudential Indicators).**

4.2.1 This part of the report is structured to update:

- The Council’s capital expenditure plans and how these plans are being financed;
- The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow; and
- Compliance with the limits in place for borrowing activity.

**4.2.2 Prudential Indicator for Capital Expenditure and changes to Financing of the Capital Programme.**



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4.2.3 The table below shows the revised estimates for capital expenditure and financing and the changes since the capital programme was agreed at the Budget. The borrowing element of the table increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision). This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

<b>Table 1 Capital Expenditure and Financing</b>			
	<b>Original Capital Strategy (Council February 2024)</b>	<b>Revised Capital Strategy Q2</b>	<b>Movement<sup>1</sup></b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Capital Expenditure:</b>			
General Fund Capital Expenditure	33,558	25,919	(7,639)
HRA Capital Expenditure	54,831	31,662	(23,169)
<b>Total Capital Expenditure</b>	<b>88,389</b>	<b>57,581</b>	<b>(30,808)</b>
<b>Financed by:</b>			
Capital Receipts	(7,945)	(16,947)	(9,002)
Capital Grants /Contributions	(33,542)	(9,949)	23,593
Capital Reserves	(654)	(0)	654
Revenue contributions	(7,055)	(4,167)	2,888
Major Repairs Reserve	(20,417)	(18,671)	1,746
<b>Total Financing</b>	<b>(69,613)</b>	<b>(49,734)</b>	<b>19,879</b>
<b>Borrowing requirement</b>	<b>18,776</b>	<b>7,847</b>	<b>(10,929)</b>

4.2.4 The General Fund net reduction of £7.6Million includes:

- Re-phasing of £10.4Million of 2023/24 budgets into 2024/25 across all services.
- Re-phasing of £17Million capital budgets in from 2024/25 into future years. Details are included in the quarterly monitoring reports referred to below.

4.2.5 The HRA net reduction of £23Million is due to re-phasing of the Housing Development and investment budgets. The current phasing is detailed in the HRA MTFS report in the meeting agenda.

**4.3 Changes to the Prudential Indicators for the Capital Financing Requirement (CFR), External Debt and the Operational**

<sup>1</sup> This movement differs from that reported in the quarterly Capital Monitoring reports as that report uses the latest budget rather than the original as a comparator.

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4.3.1 The table below shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. It also shows the expected debt position over the period, which is termed the Operational Boundary.

**Prudential Indicator – Capital Financing Requirement and the Operational Boundary for external debt.**

<b>Table 2</b>	<b>2024/25 Original Estimate Council February 2024 £'000</b>	<b>Current Position  £'000</b>	<b>2024/25 Revised Estimate Mid- Year  £'000</b>
CFR – non housing	63,370	59,524	59,256
CFR – housing	284,060	272,384	272,384
<b>Total CFR</b>	<b>347,430</b>	<b>331,908</b>	<b>331,640</b>
<b>Net movement in CFR</b>			<b>(15,790)</b>

4.3.2 The net movement in the CFR relates mainly to the re-phasing of the HRA capital programme funded by borrowing into future years as part of the revised HRA MTFS.

**4.4 Limits to Borrowing Activity**

4.4.1 The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose. Gross external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2024/25 and next two financial years.

4.4.2 A further prudential indicator controls the overall level of borrowing. This is the Authorised Limit which represents the limit beyond which borrowing is prohibited and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

<b>Table 3 Authorised limits</b>	<b>Operational Boundary £'000</b>	<b>Authorised Limit £'000</b>	<b>Actual External Debt 30/09/2024 £'000</b>
General Fund <sup>2</sup>	70,904	82,904	25,704
Housing WOC	15,000	16,800	0
Total General Fund	85,904	99,704	25,704
HRA	288,060	292,060	246,231
<b>Total Debt</b>	<b>373,964</b>	<b>391,764</b>	<b>271,935</b>
<b>CFR (projected year-end position)</b>			<b>331,640</b>

4.4.3 A temporary breach of the operational boundary is permissible for short term cash flow purposes however a breach of the authorised limit would require a report to Council. There have been no breaches of either limit in the period for 2024/25.

#### **4.5 Borrowing**

4.5.1 The Council's capital financing requirement (CFR) for 2024/25 is £334Million. 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. Table 3 shows the Council has borrowings of £272Million and has utilised £62Million of cash flow funds in lieu of borrowing (Current CFR less total current debt). This is a prudent and cost-effective approach in the current economic climate but will require ongoing monitoring in the event that any upside risk to gilt yields prevails.

4.5.2 Capital programme is being kept under regular review due to the effects of inflationary pressures, shortages of materials and labour. The Council borrowing strategy will, therefore, also be regularly reviewed and then revised, if necessary, in order to achieve optimum value and risk exposure in the long-term.

4.5.3 External borrowing of a total £13Million from the PWLB was taken out - 17 April 2024 (£7.5m) for a period of 21 years at 4.87%, and 2 July 2024 (£5.5m) for a period of 21 years at 4.88%. This funding replaced internal borrowing used to fund the HRA and did not increase the overall CFR for the HRA.

4.5.4 It is anticipated that further borrowing will be undertaken during the financial year in line with financing in table 1 above.

4.5.5 Borrowing rates from PWLB are based on Gilt yields through HM Treasury determining a specified margin to add to gilt yields. The main influences on gilt yields and Bank Rate, inflation expectations and movements in US treasury yields.

4.5.6 Gilt yields and PWLB certainty rates were less volatile than at this time last year. Overall, the 10, 25 and 50-year part of the curve endured a little volatility but finished September very much as it started in April.

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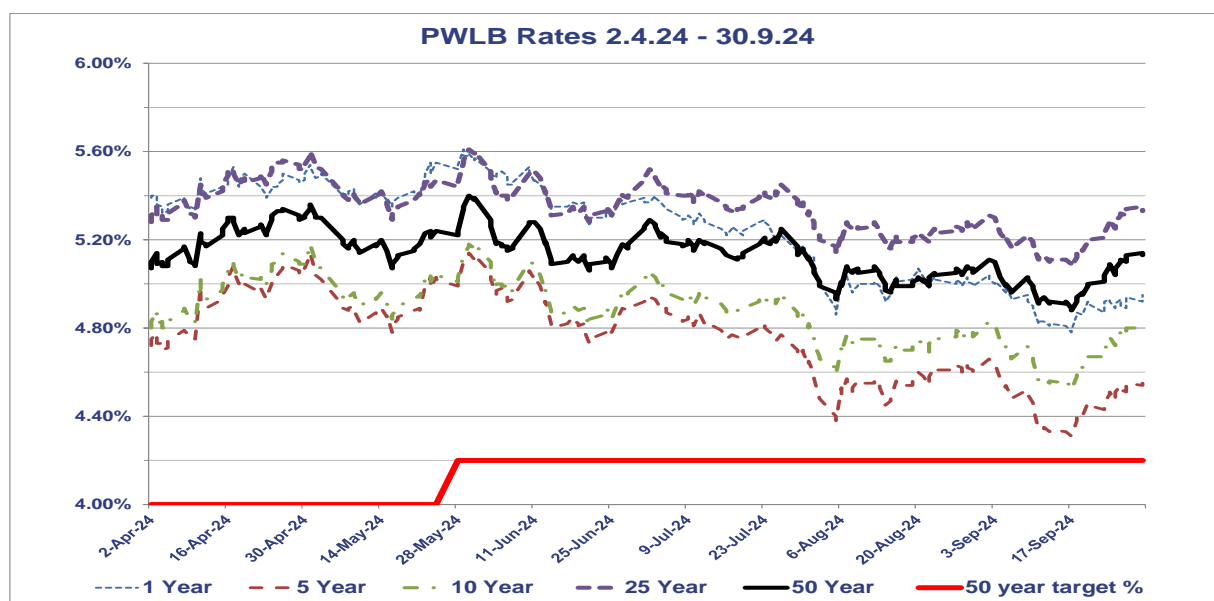
<sup>2</sup> Includes Finance Lease

**Part I**  
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4.5.7 Rates are forecast to fall back over the next two to three years as inflation dampens. The CPI measure of inflation is expected to fall below 2% in the second half of 2025, (however the CPI for September was announced on the 16 October 2024 at 1.7%), and 50-year rates are expected to stand at 4.20% by the end of September 2026. However, there is considerable gilt issuance to be digested by the market over the next couple of years, as a minimum, so there is a high degree of uncertainty as to whether rates will fall that far.

4.5.8 The Chart below shows the volatility of the PWLB borrowing rates from 2 April 2024 to 30 September 2024.

Chart 2



**4.6 Compliance with Treasury and Prudential Limits**

4.6.1 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. During the half year ended 30 September 2024 the Council has operated within the treasury and prudential indicators set out in the Council’s Treasury Management Strategy Statement for 2024/25. The Chief Finance Officer reports that no difficulties are envisaged for the current or future years in complying with these indicators.

4.6.2 All treasury management operations have also been conducted in full compliance with the Council's Treasury Management Practices.

**4.7 Annual Investment Strategy**

4.7.1 The Treasury Management Strategy Statement (TMSS) for 2024/25, which includes the Annual Investment Strategy, was approved by the Council on 21 February 2024. In accordance with the CIPFA Treasury Management Code of Practice, it sets out the Council’s investment priorities as being:

- Security of capital
- Liquidity

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- Yield

4.7.2 The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite.

4.7.3 There were no breaches to this policy in the year to 30 September 2024 with the investment activity conforming to the approved strategy. The Council had no liquidity difficulties and no funds have been placed with the Debt Management Office (DMO), demonstrating that counterparty limits and availability for placing funds approved in the TM Strategy were working effectively. It is possible that surplus funds that may be borrowed during 2024/25 will be placed in the DMO temporarily, if PWLB borrowing rates are advantageous and cash balances due to timing of taking out new loans would breach other counterparty limits.

**Creditworthiness**

4.7.4 The UK's sovereign rating has proven robust through the first half of 2024/25. The Government is expected to outline in detail its fiscal proposals in the Budget scheduled for 30 October 2024.

**Investment Counterparty criteria**

4.7.5 The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function. Countries included are those where relevant banks are active in Sterling markets.

4.7.6 The Specified and Non-Specified Investment Criteria (Appendix C) have been reviewed and updated in the Treasury Management Strategy 2024/25 which was agreed at Full Council in February 2024 and no further amendments are proposed at this stage.

**4.8 Investment performance year to date as of 30 September 2024**

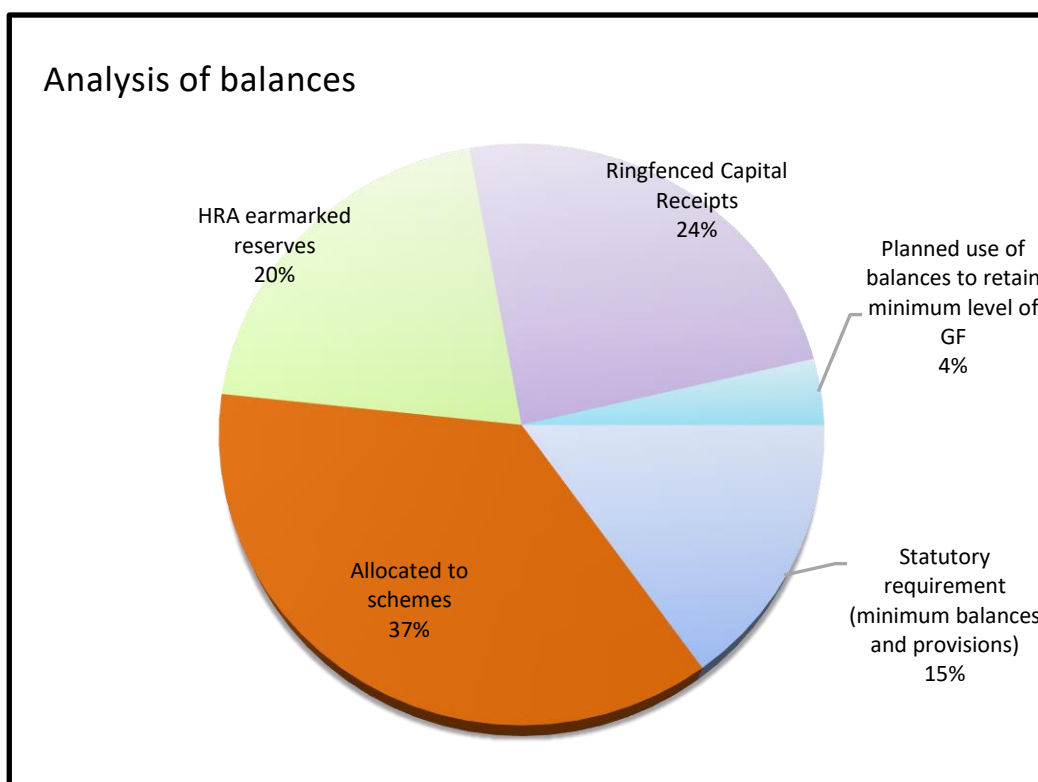
4.8.1 The Council's current investment portfolio consists of "conventional" cash investments: deposits with banks and building societies, Money Market Funds and loans to other Local Authorities. Currently no investments have been made with any of the other approved instruments within the Specified and Non-specified Investment Criteria (see Appendix C).

4.8.2 In accordance with the Treasury Management Strategy, the Council invests its surplus cash balances that are committed for future approved spending. The policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data and counterparty limits dependant on level of cash balances held.

4.8.3 The average level of funds available for investment purposes during the first half of the financial year was £51.6Million, earning an average interest rate of 5.1%. Interest earned to 30 September 2024 was £1.1Million. Projected investment balances at 31 March 2025 are currently £37Million and forecast external interest receivable from investments is currently £2.2Million against a working budget of £1.9Million, contributing to General Fund (£284k) and Housing Revenue Account revenue income (£31k).

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- 4.8.4 The Council’s balances are made up of cash reserves e.g. HRA and General Fund balances, restricted use receipts e.g. right to buy one for one receipts and balances held for provisions such as business rate appeals and debt repayment.
- 4.8.5 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 thirty year period, which means, while not committed in the current year; they are required in future years.
- 4.8.6 The following chart shows the planned use of cash balances as at 30 September 2024.



- 4.8.7 The restrictive use of a proportion of the cash balances set out above, plus the planned use of resources in line with the Council’s capital and revenue strategies mean that the investment balance of £39.4Million as at 30 September 2024 is not available for new expenditure (for details see Appendix B).

**5 IMPLICATIONS**

**5.1 Financial Implications**

- 5.1.1 This report is of a financial nature and reviews the treasury management function for 2024/25 to date. Any consequential financial impacts identified in the Capital strategy and Revenue budget monitoring reports have been incorporated into this report.

**Part I**  
**Release to Press**

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 since the last Treasury report, however where there are changes to the Prudential and Treasury Management codes from 2024/25. Officers will ensure that any changes are reflected in treasury operations and reporting requirements.

**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 There remains uncertainty on the long-term implications of exiting the EU on the UK economy and borrowing rates. Officers monitor interest rate forecasts to inform the timing of borrowing decisions.

5.3.3 The Council's Treasury Management Strategy is based on limits for counterparties to reduce risk of investing with only a small number of institutions.

5.3.4 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 take into account the relative risk of investments and also to preclude certain grades of investments and counterparties to prevent loss of income to the Council.

5.3.5 There is a risk to the HRA BP's ability to fund the approved thirty year spending plans if interest rates rise above budgeted rates. Mitigation is included in the revision to the BP since 2023, including requiring higher levels of reserves to be maintained in the medium term to cover interest rate risks.

**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.

**Part I**  
**Release to Press**

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 sterling investments and not directly in companies. However the TM team continue to review the use of Money Market funds to ensure, where possible, money market funds that invest in environmentally sustainable companies are used. 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 2024/25 (Council 21 February 2024)
- BD2 Quarter 1 Revenue and Capital Monitoring Report – General Fund and HRA (Cabinet 18 September 2024)
- BD3 Quarter 2 Revenue and Capital Monitoring Report – General Fund and HRA (Cabinet 13 November 2024)
- 

**APPENDICES**

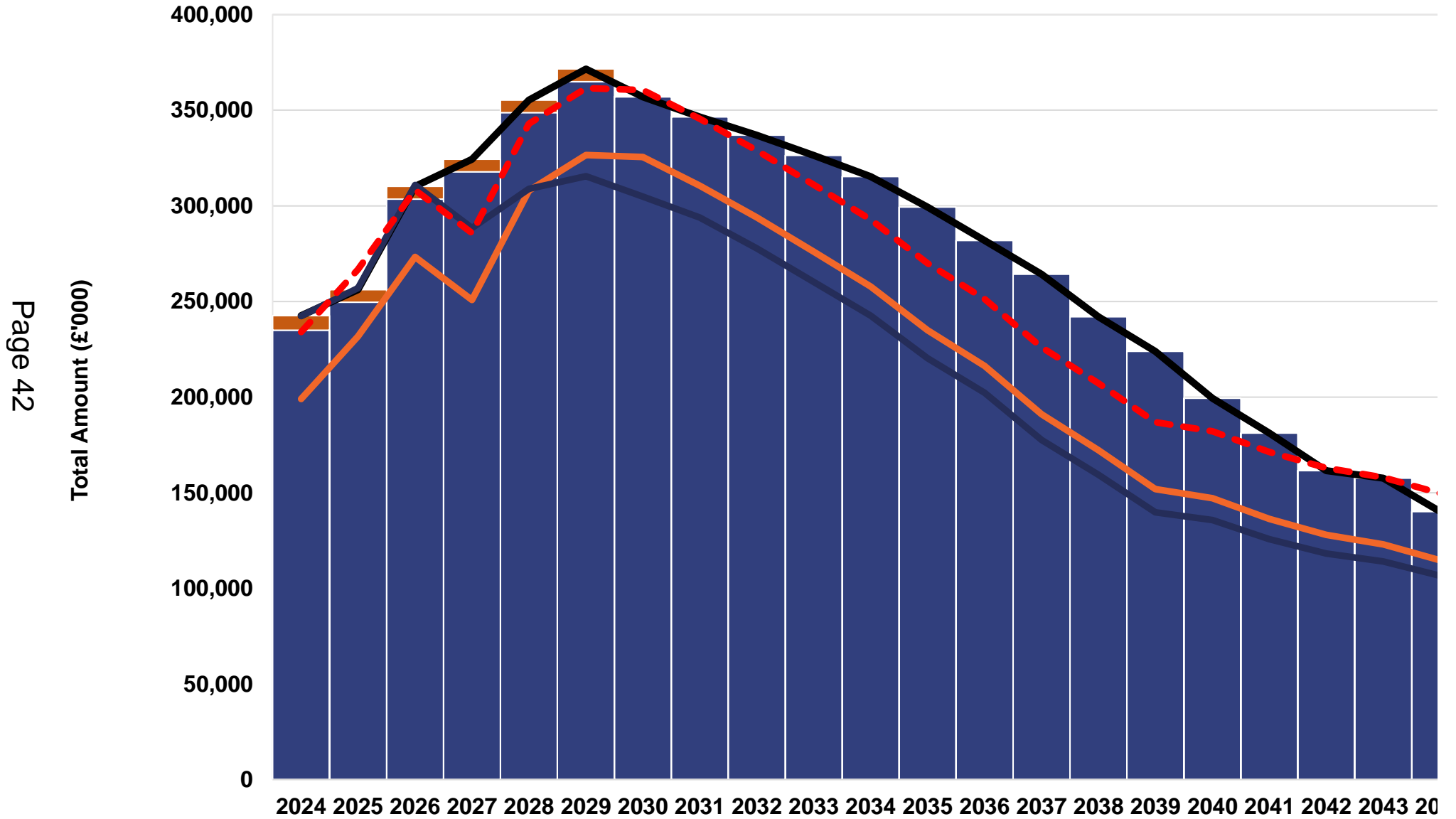
- Appendix A Prudential Indicators
- Appendix B Investment Portfolio
- Appendix C Country Counterparty List 30 September 2024
- Appendix D Specified and Non-specified Criteria



## Comparison of borrowing parameters to actual external borrowing.

	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	3	4	5	6	7	8	9
Financial Year End 31 March	2024	2025	2026	2027	2028	2029	2030
PWLB Loans	234,987	249,597	303,570	317,742	348,702	364,982	356,982
Market Loans (excl LOBO loans)	7,570	6,570	6,570	6,570	6,570	6,570	0
<b>Existing Loan Debt Outstanding</b>	<b>242,557</b>	<b>256,167</b>	<b>310,140</b>	<b>324,312</b>	<b>355,272</b>	<b>371,552</b>	<b>356,982</b>
Opening Loan Debt	235,057						
<b>Less:</b> opening treasury investments	(43,285)	(25,202)	(36,603)	(36,603)	(36,603)	(35,000)	(35,000)
<b>Plus:</b> planned prudential borrowing	7,500	14,610	54,473	14,172	30,960	16,280	
<b>Less:</b> MRP & Capital Receipts set aside	(212)	(247)	(282)	(317)	(352)	(387)	(422)
+/- other forecast cashflows Pwlb repaid		0	(500)	(36,624)	(10,456)	(9,600)	(10,600)
<b>Net Loans Requirement (forecast net loan debt)</b>	<b>199,060</b>	<b>231,718</b>	<b>273,255</b>	<b>250,768</b>	<b>307,861</b>	<b>326,565</b>	<b>325,530</b>
Opening Loans CFR	234,880						
<b>Plus:</b> planned Prudential Borrowing	7,500	14,610	54,473	14,172	30,960	16,280	0
<b>Less:</b> MRP & Capital Receipts set aside	(35)	(35)	(535)	(36,659)	(10,491)	(9,635)	(10,635)
<b>Loans CFR</b>	<b>242,345</b>	<b>256,920</b>	<b>310,858</b>	<b>288,371</b>	<b>308,840</b>	<b>315,485</b>	<b>304,850</b>
Liquidity allowance above net debt (liquidity buffer)	35,000	35,000	35,000	35,000	35,000	35,000	35,000
<b>Liability Benchmark (Gross Loans Requirement)</b>	<b>234,060</b>	<b>266,718</b>	<b>308,255</b>	<b>285,768</b>	<b>342,861</b>	<b>361,565</b>	<b>360,530</b>
<b>Forecast Investments</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>
<b>(Over)/Under Liability Benchmark</b>	<b>(8,497)</b>	<b>10,551</b>	<b>(1,885)</b>	<b>(38,544)</b>	<b>(12,411)</b>	<b>(9,987)</b>	<b>3,548</b>

# Liability Benchmark



Country	Institution	Instrument Type	Start	Maturity	Yield	Principal
AUS	Australia and New Zealand Banking Group Ltd	Fixed Term Deposit	02/09/2024	16/12/2024	4.98%	£3,000,000
	Australia and New Zealand Banking Group Ltd	Fixed Term Deposit	03/09/2024	20/12/2024	5.01%	£2,500,000
	Australia and New Zealand Banking Group Ltd	Fixed Term Deposit	19/07/2024	20/01/2025	5.22%	£3,000,000
						<b>£8,500,000</b>
GER	Landesbank Hessen-Thueringen Girozentrale	Fixed Term Deposit	11/06/2024	11/03/2025	5.24%	£3,000,000
						<b>£3,000,000</b>
GBR	Goldman Sachs International Bank	Fixed Term Deposit	17/04/2024	17/10/2024	5.37%	£6,000,000
	Lloyds Bank Plc (RFB)	Fixed Term Deposit	05/07/2024	07/10/2024	5.21%	£3,000,000
	Lloyds Bank Plc (RFB)	Fixed Term Deposit	05/07/2024	25/03/2025	5.16%	£2,000,000
	Bury Metropolitan Borough Council	Fixed Term Deposit	18/05/2020	18/11/2024	2.00%	£2,300,000
						<b>£13,300,000</b>
MMF	MMF Aberdeen	Money Market Fund			5.02%	£10,000,000
	MMF CCLA	Money Market Fund			4.92%	£4,300,000
	MMF Morgan Stanley	Money Market Fund			5.01%	£303,000
						<b>£14,603,000</b>
<b>Total</b>					<b>£39,403,000</b>	

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## APPENDIX 3: Approved Countries for Investments as of 30 September 2024

*Clients may wish to draw the attention of members to any changes to their approved list of countries for investments since their last report to members.*

### *Based on lowest available rating*

#### AAA

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

#### AA+

- Canada
- Finland
- U.S.A.

#### AA

- Abu Dhabi (UAE)
- Qatar (upgraded from AA- 20/3/24)

#### AA-

- Belgium
- France
- **U.K.**

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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	Part-nationalised or Nationalised UK banking institutions (subject to regular reviews of government share percentage).	
	Short Term Deposit		
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.



STEVENAGE BOROUGH COUNCIL

## AUDIT COMMITTEE MINUTES

Date: Wednesday, 6 November 2024

Time: 6.00pm

Place: Council Chamber - Daneshill House, Danestrete

**Present:** Councillors: Carolina Veres (Chair), Tom Plater (Vice Chair),  
Lloyd Briscoe, Philip Bibby CC, Robert Boyle, Lynda Guy,  
Ceara Roopchand and Anne Wells

Independent Member – Syeed Udin

**Start / End**      Start Time:    6.00pm  
**Time:**            End Time:       7.24pm

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

Apologies for absence were submitted on behalf of Councillors Mason Humberstone and Tom Wren.

There were no declarations of interest.

### 2      **MINUTES OF PREVIOUS MEETING**

It was **RESOLVED** that the Minutes of the meeting of the Audit Committee held on 4 September 2024 be approved as a correct record and signed by the Chair.

### 3      **EXTERNAL AUDIT 2023/24 - PROGRESS REPORT**

The Committee received a report from Azets highlighting the progress of the audit to date for the benefit of those charged with governance, as required by International Standard on Auditing (UK) 260 and the National Audit Office Code of Practice 2020 (the 'Code') and associated Auditor Guidance Notes.

Members were advised that Azets would not be able to fully complete the audit, issue their auditor's report and certify the closure of the audit until the Council's predecessor auditor had completed their audit for the year ended 31 March 2023. Once the 2023 audit had been completed, they would need to review the predecessor auditor's audit file and consider the impact on this audit of any modifications to their auditor's report.

Azets also advised that they would need to revisit their planning procedures and audit plan to assess whether any additional procedures were required over and above those previously identified in their audit plan. Should any additional procedures or changes to the plan be required, they would be reported to the Committee. Members noted that the cost of additional work to revisit planning, upon

completion of the prior year audits would also be reported.

Azets confirmed that providing the Council met the minimum requirements for producing the 2022/23 accounts (and earlier years), including the statutory inspection period, they anticipated the predecessor audit would have completed their audit by 13 December 2024.

Due to the limited time between that backstop date and the 2023/24 backstop date of 28 February 2025, Azets were therefore unlikely to have time to gain sufficient assurance over opening balances, closing balances and in year transactions and advised that they would need to give a disclaimed opinion for 2023/24.

The Committee were advised of the 2023/24 Planned Procedures including a number of findings where it was not anticipated that assurance would be obtained over the balance in 2023/24.

In relation to Value for Money, the work on the Council's arrangements for securing this would be completed during the final accounts window. The Committee was pleased to note that to date no areas of significant weakness had been identified.

Azets reported a number of issues assessed with an amber assessment identified during the course of their audit and the management comments received in response to the recommendations.

In response to a number of questions, Paul Grady from Azets advised:

- that in relation to Housing Benefit payments, assurance was required to be provided to the DWP in a prescribed manner, that the Council's claim was accurate;
- additional work that was required as a result in the delays would be outside of the original contract. The PSAA would consider the situation and determine the liability and potential mitigation;
- many local authorities had been affected by the delays with ever more complex audits. The Government were aware of the situation and were looking at a whole system approach to respond to the issue;
- Azets were a continuously growing company with an increasing workforce and assurances were given that they were in a healthy position to ensure resources would be available to complete their audits.

The Chair thanked Martha and Paul from Azets for their attendance.

It was **RESOLVED** that the progress to date be noted.

#### 4 **SAFS - ANTI-FRAUD PROGRESS REPORT**

The Shared Anti-Fraud Service (SAFS) Manager presented a report in respect of progress with delivery of the 2024/25 Anti-Fraud Plan.

The Committee was advised that between April and September this year SAFS had issued 22 Urgent Fraud Alerts alongside three threat reports focussed on multiple

employment fraud, 'Overpayments' linked to money laundering, and MS account take-over. The Anti-Fraud Manager advised that in relation to Executive Reports (ER) to senior management and internal audit, one ER had been issued associated with the use of external recruitment or temporary staff providers. All recommendations made by SAFS had been accepted and implemented.

The Committee was advised that all KPI's were mainly on target with a couple of exceptions but assurance was given that SAFS were confident of dealing with those quickly.

In response to a question regarding budgeting, the Anti-Fraud Manager advised that the Local Authority would seek to recover money where it could with the assistance of SAFS and anything returned would be a windfall to the Council.

It was **RESOLVED** that the progress by officers and the Shared Anti-Fraud Service to deliver the Anti-Fraud Plan for the Council be noted.

## 5 **MID-YEAR REVIEW OF TREASURY MANAGEMENT STRATEGY 2024-25**

The Assistant Director (Finance) presented a report in respect of the 2024/25 Mid Year Treasury Management review, including the 2024/25 prudential and treasury indicators.

The Committee noted that the report would be submitted to Cabinet and then on to Council in December 2024.

It was **RESOLVED** that the 2024/25 Mid Year Treasury Management Review and Prudential Indicators be recommended to Council for approval.

## 6 **URGENT PART 1 BUSINESS**

There was no Urgent Part I Business.

## 7 **EXCLUSION OF PUBLIC AND PRESS**

It was **RESOLVED** that:

1. Under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as described in Paragraphs 1 - 7 of Part 1 of Schedule 12A of the Act as amended by Local Government (Access to information) (Variation) Order 2006.
2. Members considered the reasons for the following reports being in Part II and determined that the exemption from disclosure of the information contained therein outweighed the public interest in disclosure.

## 8 **STRATEGIC RISK REGISTER**

The Corporate Policy and Performance Manager presented a report providing an

update in respect of the latest Strategic Risk Register for the Council

The Corporate Policy and Performance Manager, assisted by the Assistant Director Finance, responded to a number of questions raised by Members on the report.

It was **RESOLVED** that the latest Strategic Risk Register, as set out in the report, be noted.

9 **ICT UPDATE**

The Committee were given a presentation on Cyber Security from the Assistant Director Shared ICT Partnership.

The Assistant Director responded to a number of questions raised by Members on the presentation.

It was **RESOLVED** that the presentation be noted.

10 **PART II MINUTES OF PREVIOUS MEETING**

It was **RESOLVED** that the part II Minutes of the meeting of the Audit Committee held on 4 September 2024 be approved as a correct record and signed by the Chair.

11 **URGENT PART II BUSINESS**

There was no urgent Part II business.

**CHAIR**

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

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