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Daneshill House
Danestrete
Stevenage
Hertfordshire

7 October 2025

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, 15 October 2025 at 7.00pm and you are summoned to attend to transact the following business.

Yours faithfully

Tom Pike
Chief Executive

AGENDA

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

2. MINUTES - 16 JULY AND SPECIAL MEETING 24 JULY 2025

to approve as a correct record the Minutes of the meetings of the Council on 16 July and Special Council held on 24 July 2025.

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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

None received.

5. PETITIONS AND DEPUTATIONS

None received.

6. QUESTIONS FROM THE YOUTH COUNCIL

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

How does the council plan to encourage young people to vote and educate themselves on the significance of voting, taking into account that the voting age is

due to drop?

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:

- (1) Establishing a Lasting and Sustainable Commitment to Age Friendly Communities and Dementia-Friendly Action in Stevenage

To be moved by Councillor Myla Arceno

This Council recognises the rising prevalence of dementia in Stevenage and Hertfordshire, and the profound impact on people, families, and the wider community. We affirm the need for an inclusive borough where people with dementia are understood, respected, and supported to live well. Around 1,100 residents aged 65+ in Stevenage live with dementia—higher than many other Hertfordshire districts*.

Older adults in Stevenage face above-average emergency admissions for falls and frailty, straining health and care services. Women's life expectancy is below the national average, and the gap between the most and least deprived men is 4.8 years. Nearly 40% of older adults with severe frailty, dementia, or end-of-life needs live in the town's most deprived areas, highlighting the link between deprivation and poor health.

Stevenage Borough Council (SBC) is committed to the following services and initiatives:

- **Community Support Service:** For council tenants aged 55+, offering regular contact, emergency help, and support accessing care and social activities. Independent living schemes and "Extra Care" housing provide safe, supported environments.
- **Housing for Older People Strategy (2020–2030):** Joint work with HCC to ensure suitable housing options for ageing residents.
- **Care Connect:** A 24/7 personal alarm and response service run by SBC.
- **Dementia-Friendly Status:** Achieved in 2023, with ongoing review by the

Alzheimer's Society and partnership work through Healthy Stevenage and the Dementia Sub-Group. SBC co-produced a booklet of dementia-friendly activities.

• **Age-Friendly Recognition:** Stevenage is nationally recognised as an Age-Friendly Community, with health, leisure, and social opportunities delivered in partnership to reduce isolation and promote active ageing.

Council Resolves:

To build on this foundation and maintain Stevenage's Age-Friendly and Dementia-Friendly status, the Council commits to:

1. **Dementia Training:** dementia awareness training to be added to mandatory training for all SBC staff and elected members to support inclusive service delivery.
 2. **Annual Awareness Event:** Host a public Dementia-Friendly Stevenage and International Day for Older People event with partners and carers, aligned with Age-Friendly work to promote awareness and celebrate progress.
 3. **Ongoing Accreditation:** Work with the Alzheimer's Society and stakeholders to ensure council and partner premises pursue dementia-friendly accreditation. Maintain registration with the Centre for Better Aging.
 4. **Inclusive Design:** Ensure all council-led developments incorporate dementia- and age-friendly design principles—clear signage, accessible layouts, appropriate lighting, and calm public spaces.
 5. **Transport and Business Engagement:** Require all licensed taxi and private hire drivers to complete dementia awareness training. Encourage local businesses to gain Age and Dementia-Friendly accreditation.
 6. **Action Plan:** Co-produce a Stevenage Age-Friendly and Dementia-Friendly Action Plan with businesses and community stakeholders, setting clear goals and measures of success.
 7. **Continue Key Services:** Maintain the Housing Strategy, Community Support Service, health and wellbeing initiatives, and Care Connect 24/7.
- With this motion, the Council reaffirms its commitment to compassion, inclusivity, and foresight—ensuring Stevenage remains a borough where older people and those with dementia are supported, empowered, and welcomed.

* Source: HCC Public Health, 2024

(2) Our national flags – a source of pride and unity in Stevenage

To be moved by Councillor McGuinness

This Council believes that the heart of the Town does lie in its people, no matter what their background, and acknowledges and celebrates its founding motto, reflecting a vibrant and diverse community. The Council further believes that our national flags are a source of pride and unity and should not be used to seek to sow disharmony and disunity. Therefore, this Council resolves to:

1. Seek to work collaboratively with the County Council to respectively take down and store all national flags that are being displayed illegally on local authority land or assets.
2. Work with local arts and community organisations to use these flags, where possible, to create artworks, flag displays and murals in appropriate places which celebrate our national flags, the cultural diversity and history of our town, and our long and deep national pride.

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.

(A) Question from Councillor Peter Wilkins

Does the council have a strategy to limit or manage the number and siting of HMO's (Houses in Multiple Occupation.) For private development and for use by the public sector?

(B) Question from Councillor Phil Bibby

Would the Cabinet Member please inform us as to what sporting and leisure activities, currently provided by the Leisure Centre, will not be accommodated within the planned new Leisure Centre, and how many residents will be affected?

(C) Question from Councillor Robin Parker

Reference the charges for routine domestic garage forecourt maintenance which SBC introduced, please let me know:

The start date of the charges; the reason why the charges were introduced and which cabinet member(s) or committee made the decision to introduce them; whether tenants and owner occupiers pay the same; the way the charges are collected; the percentage collection rate for (a) tenants (b) owner occupiers; the action taken against (a) tenants and (b) owner occupiers, who fail or refuse to pay the charges; the process by which (a) tenants and (b) owner occupiers know for certain that the work that they have paid for has in fact been done; and what physical checking and monitoring there is to make sure that the work paid for has been done.

(D) Question from Councillor Stephen Booth

Can you please inform Council when the current IT system used by councillors, involving Microsoft Outlook and Civica's ModGov application, will be improved? Will councillors be consulted ahead of changes?

(E) Question from Councillor Andy McGuinness

What is the cleaning regime for high foot fall destinations like neighbourhood and shopping areas across the Town?

12. RESOLUTION TO EXTEND 6 MONTH RULE - SECTION 85 LOCAL GOVERNMENT ACT 1972

To seek Council's approval, in accordance with section 85(1) of the Local Government Act 1972, of Councillor Barr's non-attendance at meetings of the Council for a further period of 6 months.

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13. ANNUAL TREASURY MANAGEMENT REVIEW 2024/25 AND PRUDENTIAL INDICATORS

To approve the Annual Treasury Management Report for 2024/25

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14. AUDIT COMMITTEE MINUTES

To note the Minutes of the meeting of the Audit Committee held on 3 September 2025.

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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.

16. SPORTS AND LEISURE CENTRE

To consider the approval of the funding to deliver the Council's new Stevenage Sports and Leisure Centre.

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STEVENAGE BOROUGH COUNCIL

COUNCIL MINUTES

Date: Wednesday, 16 July 2025

Time: 7.00pm

Place: Council Chamber

Present: Councillors: Nazmin Chowdhury (Mayor), Lloyd Briscoe (Deputy Mayor), Myla Arceno, Julie Ashley-Wren, Philip Bibby, Stephen Booth, Robert Boyle, Leanne Brady, Rob Broom, Jim Brown, Kamal Choudhury, Forhad Chowdhury, Peter Clark, Coleen De Freitas, Alistair Gordon, Lynda Guy, Richard Henry, Jackie Hollywell, Dermot Kehoe, Lin Martin-Haugh, Andy McGuinness, Sarah Mead, Robin Parker CC, Claire Parris, Ceara Roopchand, Loraine Rossati, Simon Speller, Jeannette Thomas, Carolina Veres, Peter Wilkins, Nigel Williams, Jade Woods and Tom Wren

Start / End Time: Start Time: 7.00pm
End Time: 9.54pm

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

Apologies for absence were received from Councillors Akin Elekolusi, Mason Humberstone, Ellie Plater, Tom Plater and Anne Wells.

2 **MINUTES - SPECIAL MEETING AND ANNUAL MEETING - 22 MAY 2025**

It was **RESOLVED** that the Minutes of the Annual Council Meeting and the Special Council Meeting held on 22 May 2025 be approved as correct records and signed by the Mayor.

3 **MAYOR'S COMMUNICATIONS**

The Mayor congratulated and welcomed Councillor Dermot Kehoe who had been elected in the Bedwell Ward at the recent By-Election. Councillor Richard Henry, Leader of the Council welcomed Dermot and congratulated him on his successful campaign. Councillor Stephen Booth, Leader of the Opposition also welcomed Dermot on behalf of the Liberal Democrat Group. Councillor Kehoe thanked all who had helped in his campaign and the residents of Bedwell for voting for him. Councillor Kehoe advised that he looked forward to working with everyone in his new role.

The Mayor then referred to a number of events she had attended since May which included:

- Stevenage Day with its STEM and Life Sciences theme;
- Events as part of the Stevenage Festival including inclusive concerts, a

production of Shrek, a dance extravaganza and the Stevenage Singers Concert;

- Town Twinning Programme visit to Ingelheim;
- Hertfordshire School Games;
- Plaque unveiling at the Town Centre Gardens celebrating the work of the Green Space Volunteers.

4 **COMMUNITY PRESENTATIONS**

Council received a presentation from Daryl Jedowski the Council's Corporate Policy and Performance Manager and Kit Davies, Principal and CEO of North Herts College (NHC) on the Stevenage Works Skills Agenda.

The presentation gave an overview of the Skills Agenda and included details of the timeline, what was coming up in 2025/26 and detailed a number of case studies.

In relation to the Framework, Council was advised that the key target cohort were young people, people with barriers to employment alongside people in employment. The key target sectors would include Science, Technology, Engineering and Maths (STEM), Creative and Cultural, Construction, Environment, Technology and Energy, Public Services and Retail and Hospitality. In addition, the Council had a well-established Stevenage Works programme, with the Council working with North Herts College and Job Centre Plus to provide Construction Skills and Health and Social Care training. Over 550 local people had benefitted from the Construction Skills training programme.

2025/26 would see a new NHC skills facility in place of the current Indoor Market site, launch of Phase 2 of Pioneering Young STEM Futures, SITEC Phase 2 and an expansion of Stevenage Works into the Health and Social Care Sector.

A number of comments and questions, were raised by Members including:

- STEAM – the involvement of the Arts was an important inclusion and many transferrable skills such as digital design would transfer across. Further work on the inclusion of Arts would be a focus. Although Arts courses were a focus for the Hitchin campus, the Stevenage Campus now included many areas such as the gaming suite;
- The Leader of the Council reiterated the Council's continued support to the Skills Agenda in its vision to raise the aspirations and attainments and providing opportunities for the young people in Stevenage;
- In response to a question regarding the relationship with the Job Centre and the Department for Work and Pensions, Members were advised that ideas were shared on a regular basis and that regional plans were underway involving various sectors including employability and back to work schemes for the construction and health areas;
- It was noted that although the funding landscape was complicated, the opportunity to draw in additional funding to support this work was a priority for the Council and the college;
- Members welcomed the case studies reported and were pleased to see both

the education and employment opportunities taken up by the young people referred to;

- In response to a question regarding parental involvement, it was agreed that the influence of role models was key for young people. Work was currently ongoing with the County Council and through community days and local school engagement to make sure there were opportunities for parents to get involved with the STEM Centre and Mission 44 work;
- The Council's ambition had grown throughout the process which had been shown by the expansion into a number of additional sectors.

The Mayor thanked Daryl and Kit for their presentation.

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

There were no questions from the public.

8 LEADER OF THE COUNCIL'S UPDATE

The Leader of the Opposition, Councillor Stephen Booth, asked the following question:

In view of the Council's declaration of a climate emergency, and the high temperatures experienced to date this summer, what plans does the Council have to mitigate the effects of extreme heat for tenants and residents through measures such as fitting ceiling fans to Council homes, and providing air-conditioned refuges?

The Portfolio Holder for the Environment advised that the Council had considered the impact, in particular in sheltered housing accommodation for elderly residents. Practical advice was offered but he advised that a full response would be given to Councillor Booth with all the support offered in this regard.

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

- Underpass Artworks;
- Fairlands Valley Splash Play Park;
- Beryl Bikes Scheme;
- Pioneering Young STEM Futures;
- New Properties Allocated;
- 10 Year Housing Strategy;
- Improving Recycling Rates;

- Local Area Retrofit Accelerator;
- New Town Centre Letting;
- CCIN;
- Tenancy Involvement;
- Operation Educ8
- Mission 44.

9 **UPDATE FROM SCRUTINY CHAIRS**

Councillor Jim Brown, Chair of the Overview & Scrutiny Committee, advised that the Committee had met twice since the Annual Meeting in May and had considered the Cabinet decisions relating to Green Spaces and trees, tenant satisfaction and corporate performance, flat block recycling, retrofit for sustainability and the Council's Annual Report. A lot of work had gone into the Work Programme for the year including a pre-scrutiny review of the Council Tax Support Scheme, one-off reviews into the work force strategy and profile, contract compliance and ethical investments.

In the absence of the Chair of the Community Select Committee, Councillor Leanne Brady advised that the Committee had held one meeting on 3 July where the work programme for the upcoming year had been considered. Items for the year included the Housing Allocations Policy, Tenancy Audits and Enforcement, a Damp and Mould update, Equalities and Diversity, Older People, Community Centres, Crime and Disorder and monitoring the progress of the new Leisure Centre. She thanked Councillor Sarah Mead, the outgoing Chair, for her work over recent years on this Committee.

Councillor Leanne Brady, Chair of the Environment & Economy Select Committee advised that the Committee had received presentations on Trees, Woodland and Green Spaces, social housing and decarbonisation of social housing, and the Skills and Stevenage Works agenda. Upcoming work included waste, recycling and fly tipping, active transport as well as the annual report on the Climate Emergency. Councillor Brady thanked Councillor Broom as the previous Chair of the Committee for his work on the Committee.

10 **SCRUTINY ANNUAL REPORT 2024/25**

Councillor Jim Brown Chair of the Overview & Scrutiny Committee, moved that the Annual Scrutiny Report for 2024/25 be noted.

In moving the report, Councillor Brown spoke of the difference Members could make to the Council in a non-cabinet role. He reminded Members of the robust challenge and difference Scrutiny Committees could make and that it was a function independent of the Council's decision making process. Scrutiny enabled Members to obtain a real understanding of issues as well as holding the Cabinet to account. A number of site visits and evidence gathering sessions, including calling a number of Portfolio Holders to give evidence, had also been held to assist with the work of the Scrutiny Committees. He advised that scrutiny, done well, contributed hugely to the well-being of communities

Councillor Brown gave thanks to the Members of the Committees alongside the outgoing Chair of the Overview and Scrutiny Committee, Councillor Martin-Haugh for their robust work on pre-scrutiny and scrutiny and also gave thanks to the Scrutiny Officer for his support to all three committees.

Councillor Leanne Brady seconded the report.

The Leader, Councillor Richard Henry acknowledged the crucial work of the Scrutiny Committees supported by the Scrutiny Officer in holding the Cabinet to account across the ambitious work agenda of the Council. He thanked the outgoing and current Chairs of the Scrutiny Committees for their work.

It was **RESOLVED** that the work undertaken by the Overview & Scrutiny Committee and Select Committees during 2024/25, as set out in the report, be noted.

11

NOTICE OF MOTIONS

Celebrating the Success of Stevenage Works in Delivering Social Value and Opportunity

Councillor Loraine Rossati moved the following motion: Celebrating the Success of Stevenage Works in Delivering Social Value and Opportunity:

This Council notes that:

- The creation of *Stevenage Works* in 2019 as a strategic partnership between Stevenage Borough Council, North Hertfordshire College, and Hertfordshire Job Centre Plus is delivering social value through inward investment, regeneration, and development projects across Stevenage.
- *Stevenage Works* has provided a single point of contact for employers and the community, streamlining access to jobs, apprenticeships, training, and work experience.
- Over 550 local people have attended training courses; more than 180 have achieved Construction Skills Certification Scheme (CSCS) cards; over 40 apprenticeships and 30+ employment outcomes have been delivered in the past year alone.
- Over £50,000 has been donated by *Stevenage Works* partners to support local community projects and good causes.
- The innovative use of Section 106 obligations to ensure developers and contractors contribute meaningfully to local employment and skills development is benefitting local people.

This Council further notes the Secretary of State's recently published priorities for Skills England (2025–26), dated 2 June, 2025, which emphasise the importance of understanding future skills needs, simplifying access to training, and co-creating solutions with local partners. *Stevenage Works* is already delivering on these national priorities by providing a single point of contact for employers and residents, aligning training with local labour market needs, and working in partnership with education providers and developers to deliver apprenticeships, work placements, and employment outcomes. As such, *Stevenage Works* stands as a model of how

local authorities can lead in delivering the Government's skills agenda and ensuring that inward investment translates into real opportunity for local people.

This Council believes that:

- *Stevenage Works* is a model of best practice in how local authorities can work with partners to ensure that regeneration and investment deliver real, lasting benefits for residents.
- This initiative has played a vital role in ensuring that Stevenage people are equipped with the skills and opportunities to thrive in a changing economy.
- The planned expansion into the health and social care sector demonstrates the adaptability and forward-thinking nature of the programme.

This Council resolves to:

1. Celebrate the success of *Stevenage Works* and commend all partners involved for their commitment to social value and community benefit.
2. Promote *Stevenage Works* as a model of excellence in local government-led economic development and skills partnerships.
3. Support the continued development and expansion of *Stevenage Works*, including the upcoming pilot in the health and social care sector.
4. Ask the Leader of the Council to write to the Secretary of State for Education, the Rt Hon. Bridget Phillipson, to highlight *Stevenage Works* as an example of effective local delivery of social value and invite her to visit Stevenage to see how we are delivering the Government's skills agenda.

In moving the Motion, Councillor Rossati, Portfolio Holder Economy, Skills and Transport, advised that it did not only reflect the Council's achievements so far it also recognised what the Council was building in partnership for the future. She advised that *Stevenage Works* was a growing partnership created to ensure that regeneration and investment in the Town translated into real opportunity for local people and she reminded Council of the case studies heard earlier in the evening during the presentation. Councillor Rossati spoke of *Stevenage Works* not only delivering social value in theory but also in practice.

Councillor Rossati was pleased to report the expansion into the health and social care sector, recognising the growing demand for skilled workers and the chance to support residents into meaningful, rewarding careers. She spoke of the partnership with Mission 44 and Airbus and the relaunch of the Pioneering Young STEM Futures Programme which would contribute to long-term change, tackling inequality by closing gaps in skills and access to high value jobs.

Councillor Coleen De Freitas seconded the Motion as the Portfolio Holder for Equalities and Youth. She spoke of the importance of inspiring young people and supporting them into their future. She advised that *Stevenage Works* was a clear example of how regeneration could deliver meaningful social value, equipping local residents with the skills, training and opportunities they needed to thrive. The Council was helping to tackle the perceived barriers that prevented under served young people from pursuing careers in STEM and building clear pathways into the high quality, high tech jobs being created in the Town.

Councillor Booth, Leader of the Opposition, welcomed the initiative and asked about the arts and culture along with hospitality offer. Councillor Booth was also concerned that the communications on the Stevenage Works Programme had not been as robust as it should have been.

Councillor Bibby welcomed the initiative and congratulated the officers and all involved in the success of Stevenage Works but asked if there was any evidence to the effect on the employment figures in the Town.

Following further debate, Councillor Henry, Leader of the Council thanked Members for their support on the Motion. Councillor Rossati in responding to the debate gave assurances that the way forward was about new jobs, new ways of working, including working with AI. She advised that the communications of Stevenage Works would continue to be shared with the public to ensure local people knew how to access the skills and the training offer available.

Upon being put to the vote, the Motion was carried.

Trialling highways changes to Lytton Way

Councillor Andy McGuinness moved the following motion:

‘This Council welcomes the exciting opportunities that the Stevenage Station Gateway offers by bringing the town closer together and ensuring more accessible travel between key business and shopping destinations across the Town.

Given the significant and permanent changes proposed to the layout of Lytton Way as part of the Station Gateway, this Council agrees to work constructively with the County Council, as the highways authority, to investigate the possibility of implementing a trial of a suitable timeframe, to mirror the proposed highways changes to Lytton Way in a non-permanent way, so that the impact of travel disruption can be fully analysed including any traffic displacement that takes place before a more permanent solution is implemented which will be difficult and expensive to reverse.’

In moving the Motion, Councillor McGuinness recognised the aspirations of the Stevenage Gateway Scheme as a core component of the regeneration of the Town which would open up the corridor between the Town Centre, the Train Station and the Leisure Park. He noted that the Council had undertaken multiple consultations with key stakeholders and the public with mixed outcomes. Councillor McGuinness expressed concern that the proposals for Lytton Way would exacerbate the busy traffic in the area by cutting off a key arterial route and have a significant impact in the Town. He advised that for the proposals to work, there would need to be a significant reduction in car usage to alleviate the impact. The offer from the County Council to carry out a temporary non-permanent trial of the proposed changes should be accepted so that the impact of travel disruption could be fully analysed.

In seconding the motion, Councillor Stephen Booth referred to the traffic challenges in earlier years on Lytton Way following the changes to the Swingate/Lytton Way

junction and stressed the importance of testing and analysing traffic flows at different times and fine tuning layouts before permanent changes to the road were made.

Councillor Phil Bibby advised that he also had concerns that consideration of traffic modelling was essential not only for Lytton Way but for the whole surrounding road network to alleviate any congestion caused by closing or partially closing Lytton Way.

During further debate, the following points were raised:

- The Area Action Plan had been in existence for a long time and had gone through, and would continue to go through, the process of consideration by the Planning and Development Committee prior to any decisions taken by the Cabinet;
- Modelling would take place prior to any decision made on the various options but it was likely to be ten years before the project could be delivered;
- The proper planning process for the scheme was very robust, would take into account the various impacts and the Planning Team would ensure that robust evaluation would be undertaken on any scheme such as this;
- The Leader of the Council advised that he had met with the new Leader of Herts County Council who had been very positive about the prospect of the station gateway project;
- In relation to transport planning, much work across the County and the Eastern Region Strategic Partnerships was still to be done and would require multi-agency involvement.

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

12 **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: Major Refurbishment Contract

There was no supplementary question.

(B) Question from Councillor Peter Wilkins re: Beryl Bike Scheme

Supplementary question – Are there any plans to roll out the installation of docking stations beyond the Station and the Town Centre to other areas?

The Portfolio Holder advised that Officers would be working with the Beryl Bikes Team to look into further docking stations around the Town particularly in areas of greatest risk of vandalism or misuse of the bikes.

(C) Question from Councillor McGuinness regarding: Town Centre Regeneration and Local Government Reorganisation.

Supplementary question – could the Leader of the Council respond on areas of

the Regeneration plan such as the Civic Hub that may be affected by the much bigger proposed Unitary Authority?

The Leader of the Council advised that work was ongoing in relation to the Civic Hub and gave assurances that there would still be the need for a number of services in the Town Centre such as the Library, the Museum and Exhibition Space, Café, Toilets etc. He reminded Members that an All Member Briefing was shortly to be held where further information regarding the Local Government Reorganisation would be available for Members.

- (D) Question from Councillor Stephen Booth regarding: Biodiversity
Supplementary question – Is the Council consciously planting bee friendly plants?

The Portfolio Holder agreed with the need to do more to combat environmental damage and advised that there was opportunity for funding the planting of specific bee friendly plants in neighbourhoods through the Climate Change Community Fund (CCCCF).

- (E) Question from Councillor Julie Ashley-Wren regarding: The Bus Interchange
There was no supplementary question.

- (F) Question from Councillor Tom Wren regarding: Transport links to the Roaring Meg

There was no supplementary question.

13 **AUDIT COMMITTEE MINUTES**

The Minutes of the meeting of the Audit Committee held on 3 June 2025 were received.

CHAIR

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**COUNCIL
MINUTES**

Date: Thursday, 24 July 2025

Time: 7.00pm

Place: Council Chamber

Present: Councillors: Nazmin Chowdhury (Chair), Lloyd Briscoe (Deputy Mayor), Myla Arceno, Julie Ashley-Wren, Sandra Barr, Philip Bibby, Stephen Booth, Robert Boyle, Leanne Brady, Rob Broom, Jim Brown, Kamal Choudhury, Forhad Chowdhury, Peter Clark, Coleen De Freitas, Akin Elekolusi, Alistair Gordon, Lynda Guy, Richard Henry, Jackie Hollywell, Mason Humberstone, Dermot Kehoe, Lin Martin-Haugh, Sarah Mead, Claire Parris, Ceara Roopchand, Loraine Rossati, Carolina Veres, Nigel Williams and Jade Woods

Start / End Start Time: 7.00pm
Time: End Time: 8.20pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for Absence were received from Councillors Robin Parker CC, Ellie Plater, Tom Plater, Anne Wells and Peter Wilkins.

There were no declarations of interest.

2 MAYOR'S ANNOUNCEMENTS

The Mayor welcomed everyone to the meeting including Councillors, officers, community members, and in particular Baroness Taylor, her family and close friends.

The Mayor highlighted the historic and prestigious nature of the Freedom of the Borough honour, which was only granted in exceptional circumstances to individuals who had rendered eminent services to the borough. She advised that Baroness Taylor was being recognised for her extraordinary commitment over 27 years as a Borough Councillor, including 16 years as Leader of the Council.

The Mayor spoke of Baroness Taylor's personal dedication, her determination to stand up for local government, and her leadership through times of both progress and adversity. She was praised for leading with integrity and compassion, and for being a trailblazer not only locally but also nationally.

3 FREEDOM OF THE BOROUGH - BARONESS TAYLOR OF STEVENAGE, OBE

Cllr Richard Henry, Leader of the Council, praised Baroness Taylor as a true champion of Stevenage whose leadership set the standard for community-focused

politics. He credited her with laying the foundation for many of the Borough's successes and noted her ongoing national influence.

Cllr Henry referred to Baroness Taylor's unwavering work ethic, principled stance on public service, and her ability to remain calm and focused under pressure.

Chief Executive, Tom Pike reflected on Baroness Taylor's national and local legacy, describing her as someone who embodied the values of public service. He emphasised how her leadership contributed to innovation within council services and drove forward improvements in housing, sustainability, and social justice.

Leader of the Opposition, Cllr Stephen Booth expressed cross-party admiration, noting that although their politics often differed, he held great respect for Baroness Taylor's consistency, integrity, and dedication to the town.

A number of other tributes were given by Members who expressed their appreciation for Baroness Sharon Taylor's enduring commitment to Stevenage. They shared personal anecdotes about Baroness Taylor's unwavering work ethic, principled stance on public service, and her ability to remain calm and focused under pressure. She was also commended for mentoring younger councillors and officers, and for always ensuring residents' voices were heard at every level.

Alderman Michael Downing commended Baroness Taylor's dedication to Stevenage and in particular the Symonds Green Ward and her ability to balance national responsibilities with grassroots service.

Former Councillor and Mayor, John Lloyd shared recollections from his time serving alongside Baroness Taylor at both Stevenage Borough and Hertfordshire County Councils. He paid tribute to her dedication to veterans, and in championing the Royal Anglian Regiment's march through Stevenage, supporting the creation of a Veterans' Champion role, refurbishing the Town's War Memorial, and funding commemorative railings and benches. Mr. Lloyd offered thanks on behalf of the armed forces and the Royal British Legion.

A number of speakers from the public gallery including Kevin Bonavia, MP for Stevenage, Jim Callaghan from the Labour Party, Adrian Hawkins on behalf of the Local Enterprise Partnership paid tribute to the Baroness. They recalled her proactive approach and collaborative spirit, crediting her influence for the town's advancement and national recognition and considered the Freeman recognition to be a thoroughly deserved tribute.

A framed scroll was then presented by the Mayor to Baroness Taylor.

Baroness Taylor then read out the Freedom of the Borough Oath and responded with a speech thanking the council, her colleagues, the people of Stevenage and her family. She reflected on her deep-rooted pride in the town and acknowledged the importance of collaborative leadership. She expressed particular pride in initiatives that had improved lives for vulnerable people, including housing and domestic abuse support. She concluded by reaffirming her ongoing commitment to Stevenage in her new role as a Government Minister in the Ministry

of Housing, Communities and Local Government.

Baroness Taylor concluded with gratitude for the support shown throughout her journey and thanked the Council for presenting her with the award of Freedom of the Borough.

CHAIR

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Part I – Release to Press



Agenda item:

Meeting Council

Portfolio Area

Date 15 October 2025



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

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1. PURPOSE

- 1.1. To seek Council's approval, in accordance with section 85(1) of the Local Government Act 1972, of Councillor Barr's non-attendance at meetings of the Council for a further period of 6 months.

2. RECOMMENDATIONS

- 2.1. That Council agree, in accordance with Section 85 of the Local Government Act 1972, to approve Councillor Barr's non-attendance at meetings for a further six months, until 15 April 2026, on the grounds of ill health, and that the Council's best wishes be conveyed to her.

3. BACKGROUND

- 3.1. Councillor Barr has been unable to attend any qualifying meetings on ill-health grounds, having last attended at the Licensing Committee on 19 December 2024. A 6 month extension was granted at the Annual Council meeting on 22

May 2025 and although her recovery is going well, it is requested that Council approve her continuing absence for a further period of 6 months.

3.2. If approved this extension would not prevent Councillor Barr from returning to meetings at any time within the 6 month extension period.

3.3. An extension is permitted under section 85 of the Local Government Act 1972 but must be approved within 6 months of Councillor Barr's last qualifying meeting to prevent her from being disqualified.

4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1. Unless Council approve Councillor Barr's continued absence she will be disqualified from serving as a Councillor on 22 November 2025, as an extension was granted to her on 22 May 2025.

5. IMPLICATIONS

Financial Implications

5.1. None

Legal Implications

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

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

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

Policy Implications

5.3. None.

Planning Implications

5.4. None.

Climate Change Implications

5.5. None.

Equalities and Diversity Implications

5.6. None.

Meeting:	AUDIT COMMITTEE/ CABINET / COUNCIL	Agenda Item:	
Portfolio Area:	Resources and Performance		
Date:	3 September 2025 / 17 September 2025 / 15 October 2025		

ANNUAL TREASURY MANAGEMENT REVIEW 2024/25 AND PRUDENTIAL INDICATORS

NON-KEY DECISION

Author – Rhona Bellis
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Lead Officer – Clare Fletcher
Contact Officer – Clare Fletcher

1 PURPOSE

- 1.1 Note the annual Treasury Management Report for 2024/25.
- 1.2 Approve the actual 2024/25 prudential and treasury indicators in this report.

2 RECOMMENDATIONS

2.1 Audit Committee

That, subject to any comments by the Audit Committee to the Cabinet, the 2024/25 Annual Treasury Management Review be recommended to Council for approval.

2.2 Cabinet

That, subject to any comments made by the Audit Committee to the Cabinet, the 2024/25 Annual Treasury Management Review be recommended to Council for approval.

2.3 Council

That, subject to any comments from the Audit Committee and the Cabinet, the 2024/25 Annual Treasury Management Review be approved.

3 BACKGROUND

3.1 Regulatory Requirement

3.1.1 The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2024/25. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

3.1.2 During 2024/25 the minimum reporting requirements were that the Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 21 February 2024)
- a mid-year treasury update report (Council 18 December 2024)
- an annual review following the end of the year describing the activity compared to the strategy (this report).

3.1.3 In addition the Prudential Indicators update at Q1 was reported to Cabinet in the Revenue and Capital Monitoring report – General Fund and HRA Q1, 18 September 2024.

3.1.4 In December 2017, 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; and
- 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 The regulatory environment places responsibility on Members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by Members.

3.1.6 This report summarises:

- Capital activity during the year;
- Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement);
- The actual prudential and treasury indicators;
- Overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances;
- Summary of interest rate movements in the year;
- Detailed debt activity; and

- Detailed investment activity.

3.1.7 Officers confirm that they have complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Audit Committee and the Cabinet before they were reported to the Council.

3.1.8 Member training on treasury management issues was undertaken during the year on 26 November 2024 in order to support members' scrutiny role.

3.2 Executive Summary

3.2.1 During 2024/25, the Council complied with its legislative and regulatory requirements as outlined in paragraph 3.1.1 above. These requirements include:

- The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
- The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

3.2.2 The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Table 1

Prudential and treasury indicators £000	31/3/2024 Actual	2024/25 Original Budget	31/03/2025 Actual
Capital expenditure			
GF	8,880	33,558	13,347
HRA	37,568	54,831	31,074
Total	46,448	88,389	44,421
Capital Financing Requirement			
GF	58,643	63,370	61,998

Prudential and treasury indicators £000	31/3/2024 Actual	2024/25 Original Budget	31/03/2025 Actual
HRA	272,384	284,060	272,356
Total	331,027	347,430	334,354
Gross borrowing¹	242,057	291,063	254,057
Investments			
Longer than 1 year	0	0	0
Under 1 year	25,202	42,151	46,132
Total	25,202	42,151	46,132
Net borrowing	216,855	250,125	227,057

- 3.2.3 There was reprofiling of planned capital expenditure from 2024/25 into future years resulted in an overall reduction in the use of borrowing to finance capital expenditure. Not all capital expenditure is funded from borrowing so the reduction in the capital financing requirement (the councils need to borrow) does not match the reduction in capital expenditure.
- 3.2.4 Other prudential and treasury indicators are to be found in the main body of this report. The Chief Finance Officer also confirms that borrowing (internal and external) was only undertaken for a capital purpose and the statutory borrowing limit (the authorised limit) was not breached.
- 3.2.5 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. During the year the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement for 2024/25.
- 3.2.6 All treasury management operations have also been conducted in full compliance with the Council's Treasury Management Practices.

4 THE COUNCIL'S CAPITAL EXPENDITURE AND FINANCING

- 4.1.1 Capital expenditure² can be financed either by capital resources the Council has on its balance sheet (e.g. capital receipts and capital grants) or by making a revenue contribution to capital. If sufficient capital resources are not available to fund the expenditure the Council would need to borrow to meet the funding gap. This borrowing may be taken externally in new loans or internally from cash balances held by the Council. The need to borrow is measured and reported through the Prudential Indicators.

¹ Excludes Finance Leases

² Council expenditure can be classified as capital when it is used to purchase assets with a life of more than one year, exceeds £10,000 in value and meets the guidelines laid out in CIPFA accounting practices.

- 4.1.2 The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

Table 2

Capital Expenditure and Financing £000	2023/24 Actual	2024/25 Original Budget	2024/25 Actual
General Fund			
Capital Expenditure:	8,880	33,558	13,347
Financed excluding borrowing	(4,700)	(32,492)	(9,167)
Unfinanced capital expenditure (borrowing)	4,180	1,066	4,060
HRA			
Capital Expenditure:	37,569	54,831	31,074
Financed excluding borrowing	(29,722)	(46,644)	(31,074)
Unfinanced capital expenditure (to be met from borrowing)	7,847	8,187	-

4.2 THE COUNCIL'S OVERALL BORROWING NEED

- 4.2.1 The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR). It represents the amount of debt it needs to/has taken out to fund the capital programme (and includes both internal and external borrowing). The CFR is then reduced as debt repayments are made, and Minimum Revenue Provisions are made. A separate CFR is calculated for the General Fund and Housing Revenue Account and any transfers of assets (such as land or buildings) between the two accounts will impact on each fund's CFR. The CFR will go up on the fund "receiving" the assets and go down (by the same amount) on the fund "giving" the asset. There were no transfers of assets in 2024/25.
- 4.2.2 Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies, (such as the Government, through the Public Works Loan Board [PWLb], or the money markets), or utilising temporary cash resources within the Council.

- 4.2.3 Reducing the CFR – the Council's (non HRA) underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision – MRP, to reduce the CFR. This is effectively a repayment of the non-Housing Revenue Account (HRA) borrowing need, (there is no statutory requirement to reduce the HRA CFR). This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.
- 4.2.4 The total CFR can also be reduced by:
- the application of additional capital financing resources, (such as unapplied capital receipts); or
 - charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).
- 4.2.5 The Council's 2023/24 Minimum Revenue Provision Policy (MRP), as required by MHCLG Guidance, was approved as part of the Treasury Management Strategy Report for 2024/25 on 21 February 2024.

The MRP charged to the General Fund in 2024/25 was £453,961 of which:

- £35,119 is funded from investment property
 - £41,000 if funded by the new multi storey car park (Railway North)
 - £128,261 is funded by the Garage Improvements Programme
 - £130,703 is a net cost to the General Fund
 - £118,878 charged for improvements to leisure facilities
- 4.2.6 The Council's CFR for the year is shown below and represents a key prudential indicator. It includes finance leases included on the balance sheet, which increase the Council's borrowing need. No borrowing is actually required against these schemes as a borrowing facility is included in the contract.

Table 3

CFR £000	31/03/2024 Actual	2024/25 Q3 Budget	31/03/2025 Actual
General Fund			
Opening balance	55,513	58,643	58,643
Add: unfinanced capital expenditure (as above)	4,180	5,375	4,060
Increase in finance lease obligations	-	-	1,121

CFR £000	31/03/2024 Actual	2024/25 Q3 Budget	31/03/2025 Actual
Less:			
Unfinanced capital expenditure from prior years now financed	(418)	(11)	(11)
Repayment of external borrowing	-	(1,000)	(1,000)
MRP / VRP	(374)	(454)	(454)
Finance lease repayments	(258)	(361)	(361)
Closing balance	58,643	62,192	61,998
Closing balance excluding finance lease	42,160	46,078	44,762
CFR (£000): HRA			
Opening balance	264,537	272,384	272,384
Add: Unfinanced capital expenditure (as above)	7,847	-	-
Finance lease repayments	-	-	(28)
Closing balance	272,384	272,384	272,356
Closing balance excluding finance lease³	271,051	271,051	271,051

4.2.7 Borrowing activity is constrained by prudential indicators for gross borrowing and the CFR, and by the authorised limit.

4.3 Limits to Borrowing Activity

4.4 Gross borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2023/24) plus the estimates of any additional capital financing requirement for the current (2024/25) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs in 2024/25. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

Table 4

³ HRA leases 10 residential properties from Marshgate Ltd a wholly owned subsidiary of the council.

Limits to Borrowing £000	31/03/2024 Actual	2024/25 Budget	31/03/2025 Actual
Gross borrowing position	242,057	291,063	254,057
Finance Leases	17,808	17,419	18,540
CFR	(331,027)	(347,430)	(334,354)
(Under) / over funding of CFR – Internal Borrowing	(71,162)	(39,948)	(61,757)

- 4.5** The **authorised limit** - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2024/25 the Council has maintained gross borrowing within its authorised limit.
- 4.6** The **operational boundary** – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached.
- 4.7** **Actual financing costs as a proportion of net revenue stream** - this indicator identifies the trend in the cost of capital, (borrowing and other long term obligation costs net of investment income), against the net revenue stream.

Table 5

Authorised limits	Operational Boundary £'000	Authorised Limit £'000	Actual External Debt 30/09/2022 £'000
Borrowing	354,503	362,503	246,849
Less Investments			(63,425)
Total	354,503	362,503	183,424

- 4.7.1** The ratio of financing costs to net revenue stream is equal to General Fund interest costs divided by the General Fund net revenue income from Council tax, Revenue Support Grant and retained business rates. For the HRA the net revenue stream is the income shown in the council’s accounts – rents, service charges and other income. The ratio of financing costs to net revenue stream reflects the relatively high level of debt as a result of the HRA self-financing deal with the government in 2012.
- 4.7.2** Fluctuations in external debt are not significant in 2024/25. The balance at the end of the year is materially lower than both the operational and authorised limits, thus the average and maximum debt balances are not recovered minimal,

external debt at the start of the year is, for 2024/25 the maximum debt outstanding end of the year is for 2024/25 is £1,000 lower than the maximum debt external outstanding debt in in the year.

4.8 TREASURY MANAGEMENT ACTIVITIES

TREASURY POSITION AS AT 31 MARCH 2025

4.8.1 The Council's treasury management debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through Member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices.

4.8.2 At the end of 2024/25 the Council's treasury position (excluding finance leases), was as follows:

Table 6

Treasury Position (Excludes Finance Leases)	31/03/2024 Principal £000	Rate / Return 2023/24 %	Average Life 2023/24 (Yrs.)	31/03/2025 Principal £000	Rate / Return 2024/25 %	Average Life 2024/25 (Yrs.)
PWLB Borrowing	234,987	3.26	11	247,987	3.60	11
Other Borrowing (LEP)	7,070	-	6	6,070	-	5
Total External Debt	242,057	-	-	254,057	-	-
Capital Financing Requirement	(313,218)	-	-	(315,813)	-	-
Total Treasury Investments	25,202	5.19	<1	46,132	4.95	<1
Over/(Under) borrowing	(45,959)	-	-	(45,452)	-	-

The maturity structure of the external debt portfolio was as follows:

Table 7

Debt Maturity Structure £000	31.3.24 Actual	2024/25 Authorised Limit	31.3.25 Actual
Within 1 Year	-		500
Over 1 not over 2 years	500		8,000
Over 2 not over 5 years	28,056		30,656
Over 5 not over 10 years	55,100		84,400
Over 10 not over 20 years	145,821		106,431
Over 20 not over 30 years	5,510		18,000
Total PWLB Debt	234,987		247,987
LEP Loan:			

Debt Maturity Structure £000	31.3.24 Actual	2024/25 Authorised Limit	31.3.25 Actual
Within 1 Year	1,000		-
Over 1 not over 2 years	-		-
Over 5 not over 10 years	6,070		6,070
Total LEP Loan	7,070		6,070
Total Debt	242,057	391,764	254,057

4.8.3 The General Fund loan from the Local Enterprise Partnership (LEP) is in relation to regeneration activities.

The Councils Investment portfolio (Treasury and non-treasury investments) is as follows:

Table 8

Treasury investments (all managed in house)	31.3.24 Actual £000	31.3.24 Actual %	31.3.25 Actual £000	31.3.25 Actual %
Banks and Building Societies	19,499	77%	17,000	38%
Local authorities	5,300	21%	10,000	23%
Money Market Funds	403	2%	17,196	39%
Total treasury investments	25,202	100%	44,196	100%
Non-Treasury investments				
Subsidiaries (para 4.8.4)	11,931	100%	14,077	97%
Subsidiary Equity (Marshgate)	-	-	418	3%
Municipal Bond	10	-	10	-
Total Non-Treasury Investments	11,941	100%	14,505	100%
Treasury investments	25,202	68%	44,196	75%
Non-Treasury investments	11,941	32%	14,505	25%
Total of all Investments	37,143	100%	58,701	100%

The maturity structure of the investment portfolio is as follows:

Table 9

Investment Maturity Structure £000	31.3.24 Actual	31.3.25 Actual
Within 1 Year	34,164	56,316
Longer than 1 year	2,979	2,385
Total Investments	37,143	58,701

4.8.4 The non-treasury loans to the subsidiaries are made up of:

- Marshgate LTD (WOC), for the purchase and development of housing within the Borough in 2021/22 and 2022/23 £12,120K
- Swingate Developments LLP - £1,850K
- Hertfordshire Building Control Ltd - £107K

4.8.5 The equity investment in Marshgate Ltd reflects the equity element of member agreed funding that was formalised in 2024/25.

4.8.6 The increase in the treasury investment balances of £19Million between 31 March 2024 and 31 March 2025 reflects lower than expected capital expenditure in 2024/25 and the replenishment of HRA internal borrowing by £13Million additional borrowing from PWLB.

4.9 TREASURY MANAGEMENT STRATEGY 2024/25

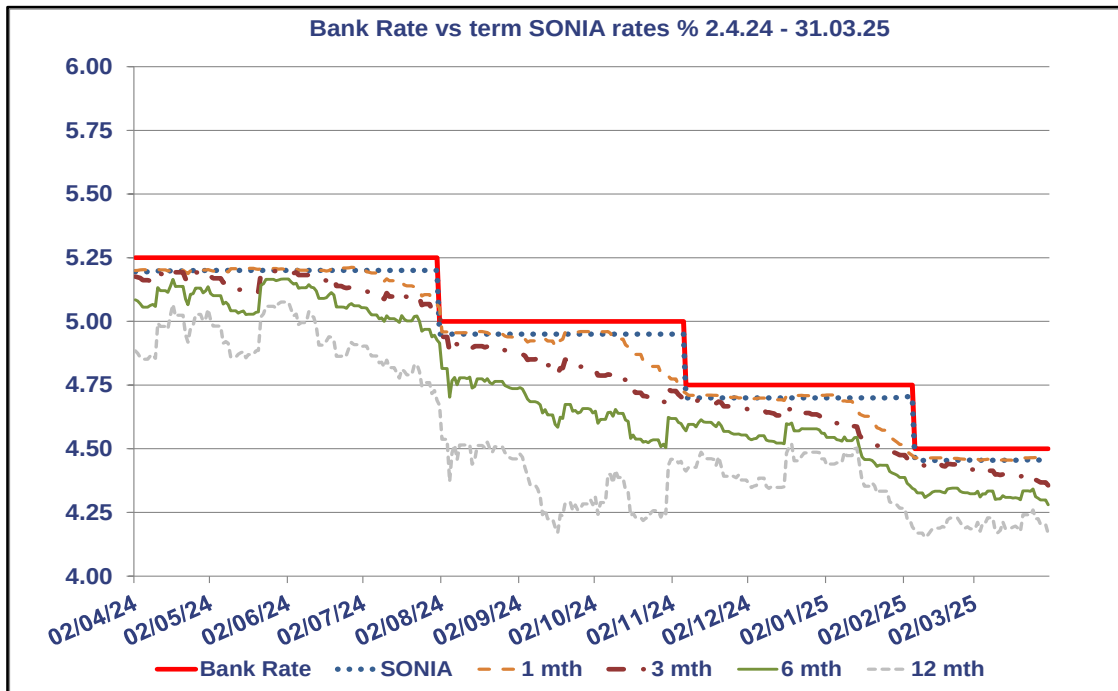
4.9.1 The Treasury Management Strategy was approved by Council on 21 February 2024.

There are no policy changes to the TMS; the details in this report update the position in the light of the updated economic position and budgetary changes already approved.

4.10 Investment strategy and control of interest rate risk

4.10.1 Investment returns remained robust throughout the course of 2024/25 with bank rates reducing steadily through the course of the financial year from 5.25% to 4.5% as at 31 March 2025. Concerns over rising inflation led to reduced expectations for the Bank Rate to fall in the last half of the year.

4.10.2 Investment Benchmarking Data – Sterling Overnight Index Averages (Term) 2024/25



4.11 Borrowing strategy and control of interest rate risk

4.11.1 During 2024/25, the Council maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as although near-term investment rates were equal to, and sometimes higher than, long-term borrowing costs, the latter are expected to fall back through 2025 and 2026 in the light of economic growth concerns and the eventual dampening of inflation. The Council has sought to minimise the taking on of long-term borrowing at elevated levels (>5%) and has focused on a policy of internal borrowing, supplemented by short-dated borrowing (<5 years) as appropriate. risk. Although no short-term borrowing was taken out in 2024/25.

4.11.2 The policy of avoiding new borrowing by running down spare cash balances has served the Council well over the last few years. However, this has been kept under review to avoid incurring higher borrowing costs in the future when the Council may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt. The Council has taken some limited borrowing in 2024/25 to ensure the Council's cashflow position is resilient and to ensure that if interest rates increase, large amounts of borrowing required are not all taken at higher rates.

4.11.3 At the start of April 2025, following the introduction of President Trump's trade tariffs policies, the market now expects Bank Rate to fall to 3.75% by the end of March 2026.

Interest Rate Forecasts								
Bank Rate	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27
MUFG CM	4.25%	4.00%	3.75%	3.75%	3.75%	3.50%	3.50%	3.50%
Cap Econ	4.00%	3.75%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
5Y PWLB RATE								
MUFG CM	4.80%	4.70%	4.60%	4.50%	4.40%	4.40%	4.30%	4.20%
Cap Econ	4.80%	4.70%	4.60%	4.50%	4.50%	4.40%	4.40%	4.40%
10Y PWLB RATE								
MUFG CM	5.10%	5.00%	4.90%	4.80%	4.70%	4.70%	4.60%	4.50%
Cap Econ	5.20%	5.10%	5.00%	5.00%	4.90%	4.80%	4.80%	4.80%
25Y PWLB RATE								
MUFG CM	5.60%	5.50%	5.40%	5.30%	5.20%	5.10%	5.00%	5.00%
Cap Econ	5.70%	5.40%	5.30%	5.20%	5.10%	5.00%	5.00%	5.00%
50Y PWLB RATE								
MUFG CM	5.30%	5.20%	5.10%	5.00%	4.90%	4.80%	4.70%	4.70%
Cap Econ	5.50%	5.20%	5.20%	5.10%	5.00%	4.90%	4.90%	4.90%

4.11.4 The PWLB certainty rate is gilts plus 80bps. Gilt yields have generally been on a continual rise since early 2022, remaining elevated throughout 2024/25 due to both the impacts of global and domestic economic conditions.

4.11.5 There is likely to be a fall in gilt yields and PWLB rates across the whole curve over the next one to two years as Bank Rates falls and inflation (on the CPI measure) moved closer to the Bank of England's 2% target.

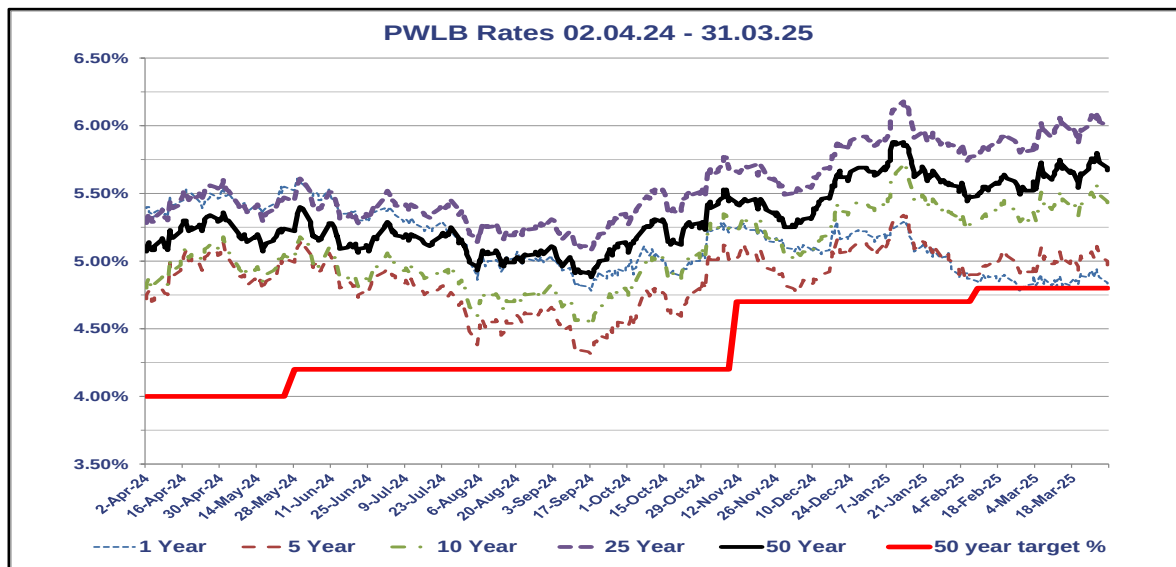
4.11.6 As a general rule, short-dated gilt yields will reflect expected movements in Bank Rate, whilst medium to long-dated yields are driven primarily by the inflation outlook.

4.11.7 The Bank of England is continuing on a process of Quantitative Tightening. The gradual reduction of the Bank's original £895Billion stock of gilt and corporate bonds will be sold back into the market over several years (currently c£623Billion). The impact this policy will have on the market pricing of gilts, while issuance is markedly increasing, is an unknown at the time of writing.

4.11.8 The Chart below shows the volatility of the PWLB borrowing rates from 1 April 2023 to 31 March 2025.

PWLB RATES 2024/25

Chart 1



4.12 BORROWING OUTTURN

4.12.1 Two new loans were taken out in the year. These were to refinance HRA internal borrowing, details being:

- £7.5Million loan taken from 17 April 2024 to 16 April 2045 at an annual interest rate of 4.87% and
- £5.5Million loan taken from 2 July 2024 to 1 July 2045 at an annual interest rate of 4.88%.

4.12.2 Interest paid on PWLB borrowing during the year was £ 8.3Million – Housing Revenue Account (HRA) and £40K - General Fund (GF). This was against an original budget of £8.9Million. The favourable variance of £0.6Million is due to reduced capital expenditure in year against plan as well as the use of internal resources to fund capital expenditure while still overachieving on investment income versus latest budget.

4.13 INVESTMENT OUTTURN

4.13.1 Investment Policy – the Council's investment policy is governed by MHCLG investment guidance, which has been implemented in the annual investment strategy approved by the Council on 21 February 2024. This 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, (such as rating outlooks, credit default swaps, bank share prices etc.).

4.13.2 The investment activity during the year conformed to the approved strategy, and the Authority had no liquidity difficulties.

4.13.3 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.

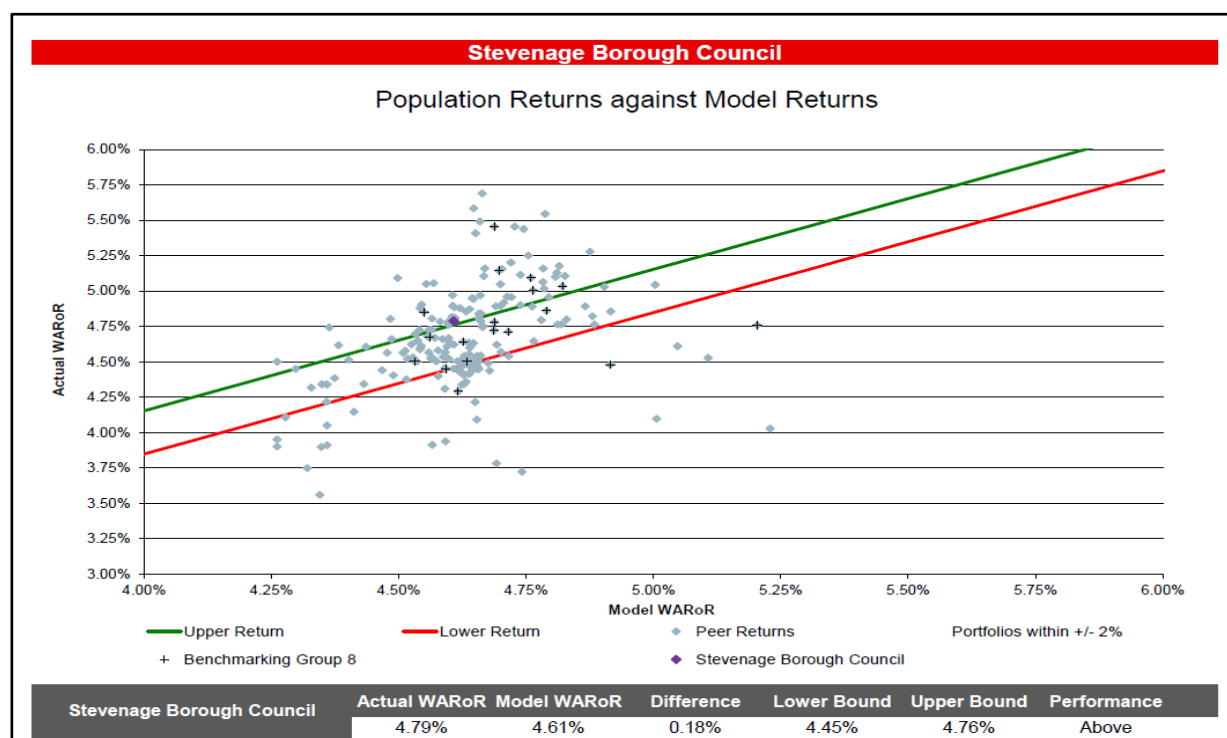
4.14 Treasury Investment performance year to date as of 31 March 2025

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

4.14.2 Average level of funding available for investment purposes during the year was £50Million, earning an average interest rate of 4.95%. Interest earned to 31 March 2025 was £2.3Million on treasury investments, against the working budget of £2.3Million.

4.14.3 The council's treasury advisors (MUFG), provide regular benchmarking analysis of the performance of the council's investments against a group of 20 other local authorities. The March 2025 report shows performance of the portfolio held at 31 March 2025 being in the upper return range against model returns. This performance is consistent across the year.⁴

Chart 2



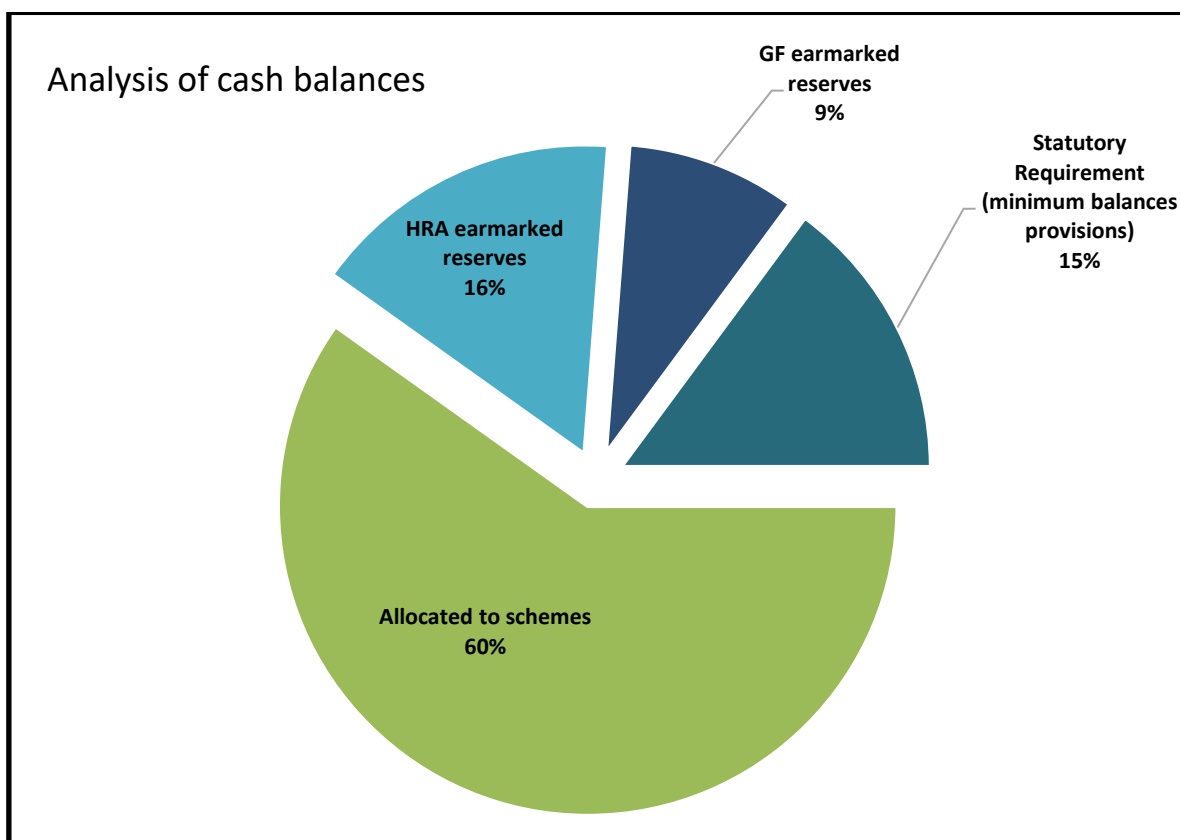
⁴ WARoR = Weighted average rate of return on investments

4.14.4 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.

4.14.5 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 5 years and the HRA Business Plan (HRA BP) a planned use of resources over a 30-year period, which means, while not committed in the current year, they are required in future years.

4.14.6 The following chart shows the planned use of cash balances as at 31 March 2025.

Chart 3



4.14.7 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 £46Million as at 31 March 25 is not available to fund new expenditure.

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. Any consequential financial impacts identified in the Capital strategy and Revenue budget monitoring reports have been incorporated into this report.
- 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. Officers will ensure that any changes to the Prudential and Treasury Management codes from 2025/26 are reflected in treasury operations and reporting requirements.

5.3 Risk Implications

- 5.3.1 The current policy of minimising external borrowing internally where appropriate, taking advantage of the benefits differentials between investment income and borrowing rates is kept under ongoing review as these conditions change. This policy only remains financially viable while cash balances are high. Capital investment, not funded by capital receipts and grant funding reduce these balances if not supported by additional borrowing. The risk is that the Council may need to take borrowing at higher rates than budgeted which would increase revenue costs.
- 5.3.2 The Council's Treasury Management Strategy is based on limits for counterparties to reduce risk of investing with only a small number of institutions.
- 5.3.3 The thresholds and time limits set for investments in the Strategy are based on the relative ratings of investment vehicles and counter parties. These are designed to 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.
- 5.3.4 There is a risk to the HRA BP's ability to fund the approved 30-year spending plans if interest rates continue at the current high level, although currently it is anticipated that rates will reduce. This will be included in the HRA MTFS forecast in 2025.

5.4 Equalities and Diversity Implications

5.4.1 This report is technical in nature and there are no implications associated with equalities and diversity within this report. In addition to remaining within agreed counterparty rules, the council retains the discretion not to invest in countries that meet the minimum rating but where there are concerns over human rights issues. Counterparty rules will also be overlaid by any other ethical considerations from time to time as appropriate.

5.4.2 The Treasury Management Policy does not have the potential to discriminate against people on grounds of age; disability; gender; ethnicity; sexual orientation; religion/belief; or by way of financial exclusion. As such a detailed Equality Impact Assessment has not been undertaken.

5.5 Climate Change Implications

There are no specific climate change implications resulting from this report.

BACKGROUND PAPERS

- BD1 Treasury Management Strategy including Prudential Code Indicators 2024/25 (Council 21 February 2024)
- BD2 2024/25 Mid-Year Treasury Management Review and Prudential Indicators (Council 18 December 2024)

APPENDICES

- Appendix A - Investment and PWLB Debt Portfolio

Appendix A

Portfolio Summary for Stevenage Borough Council

Show in Excel, hide from Web

Investments

Institution	Principal
Australia and New Zealand Banking Group Ltd. (3)	£9,000,000
Basildon District Council (1)	£5,000,000
Landesbank Hessen-Thüringen Girozentrale (2)	£6,000,000
Lloyds Bank Plc (RFB) (1)	£2,000,000
MMF Aberdeen (1)	£10,000,000
MMF CCLA (1)	£8,100,000
MMF Morgan Stanley (1)	£340,000
North Northamptonshire Council (1)	£5,000,000
HSBC	£692,000
	£46,132,000

Debt

HRA or GF	Loan Type	Principal
GF	PWLB > Maturity	£1,755,950
	Total	£1,755,950
HRA	PWLB > Maturity	£246,231,150
	Total	£246,231,150
Total	Total	£247,987,100

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STEVENAGE BOROUGH COUNCIL

AUDIT COMMITTEE MINUTES

Date: Wednesday, 3 September 2025

Time: 6.00pm

Place: Council Chamber

Present: Councillors: Carolina Veres (Chair), Lloyd Briscoe (Vice-Chair), Philip Bibby, Mason Humberstone, Ceara Roopchand and Tom Wren

Independent Member: Syed Uddin

Start / End Time: Start Time: 6.00pm
End Time: 6.30pm

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

Apologies for absence were received from Councillors Tom Plater and Anne Wells.

There were no declarations of interest.

2 **MINUTES OF PREVIOUS MEETING**

The minutes of the Audit Committee held on 3 June 2025 were approved as a correct record and signed by the Chair.

3 **SHARED INTERNAL AUDIT SERVICE - PROGRESS REPORT**

Simon Martin (SIAS) presented the first internal audit progress report for 2025/26. He summarised work completed between April and August, including three finalised audits with positive assurance levels and two new medium priority recommendations. He confirmed there were no high priority recommendations outstanding and that performance indicators showed no risks to delivering an annual assurance opinion.

Members asked questions regarding the scope of the garages audit, particularly whether cleaning charges and validation of service delivery were included. Simon Martin agreed to confirm details outside of the meeting and provide further information for circulation to all Members.

Further questions concerned audit delivery progress and potential resourcing issues. Simon Martin advised that SIAS was currently at full establishment, and that delivery was scheduled flexibly throughout the year. He confirmed no risks to plan delivery.

It was **RESOLVED** that the Internal Audit Progress Report be noted, along with the status of critical, high and medium priority recommendations.

4 **ANNUAL TREASURY MANAGEMENT REVIEW OF 2024/25 INCLUDING PRUDENTIAL INDICATORS**

The Assistant Director (Finance) presented the report, highlighting that all statutory and regulatory requirements had been met. Capital expenditure was £44.4m, lower than the £88.4m budget due to reprofiling, which also reduced borrowing requirements. General Fund borrowing was £4m and HRA borrowing nil. Investments totalled £46.1m, earning an average return of 4.95% and £2.3m in interest.

Members asked questions on:

- Potential increases in PWLB rates – the Assistant Director confirmed this was possible and would be monitored.
- Minimum Revenue Provision (MRP) for the new multi-storey car park – the Assistant Director would confirm usage income outside of the meeting
- Strong investment performance – attributed to higher returns, reduced borrowing and prudent treasury management.
- Financing of capital expenditure – clarified that £9m of General Fund expenditure was met from grants and contributions rather than borrowing.

It was **RESOLVED** that the 2024/25 Annual Treasury Management Review, including the prudential indicators, be recommended to Cabinet for onward recommendation for approval by Council.

5 **URGENT PART 1 BUSINESS**

There was no Urgent Part I Business.

6 **EXCLUSION OF PUBLIC AND PRESS**

It was **RESOLVED**:

1. That, under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information.
2. That having considered the reasons for the following items being in Part II, it be determined that maintaining the exemption from disclosure of the information contained therein outweighed the public interest in disclosure.

7 **Q1 CORPORATE RISK REPORT**

The Corporate Performance and Improvement Officer presented the Q1 Corporate Risk Report.

Members asked questions that were responded to by the Corporate Performance and Improvement Officer.

8 **URGENT PART II BUSINESS**

There was no Urgent Part II Business.

At this juncture a Member commented that a number of Audit Committee Members were regularly offering apologies for lateness. The Member requested that consideration be given to starting Audit Committee meetings at a later time. The Chair agreed to consider the request.

CHAIR

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