

STEVENAGE BOROUGH COUNCIL

CABINET MINUTES

Date: Wednesday, 14 January 2026

Time: 2.00pm

Place: Council Chamber

Present: Councillors: Richard Henry (Chair) (Chair), Myla Arceno, Rob Broom, Coleen De Freitas, Jackie Hollywell, Tom Plater, Loraine Rossati, Simon Speller and Nigel Williams

Start / End Time: Start Time: 2.00pm
End Time: 3.50pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

There were no apologies for absence.

Councillor Coleen De Freitas declared an interest in Item 5 – Housing Revenue Account Draft Budget and Rent Setting 2026/27 as a Stevenage Borough Council tenant.

At this juncture, the Leader of the Council advised that he had consented to consideration of an urgent report relating to Local Government Reorganisation and the May 2026 Local Elections for the reasons set out in the report.

Post Meeting Note:

The Chair of the Overview and Scrutiny Committee agreed to disapply call-in on 14 January 2026 in relation to Item 8 – Local Government Reorganisation and the May Elections, in accordance with the Overview and Scrutiny Procedure Rules under the Constitution on the basis that the decision was reasonable in all the circumstances and should be treated as urgent.

2 MINUTES - CABINET 10 DECEMBER 2025

It was **RESOLVED** that the Minutes of the meeting of the Cabinet held on 10 December 2025 be approved as a correct record for signature by the Chair.

3 MINUTES OF THE OVERVIEW AND SCRUTINY AND SELECT COMMITTEES

Cabinet received a summary of the issues covered at the most recent meeting of the Environment and Economy Select Committee including the draft recommendations and report on the review into recycling in flat blocks. It was noted that a final report would be circulated to Members for sign off before circulating to the Cabinet Portfolio Holder for Environment.

Members expressed their thanks to the Scrutiny Members in particular relating to their work on the changes around food waste collections which was due to start on 2 March. It was also agreed that the proposal for labelling individual bins would be helpful to ensure that recycling was disposed of correctly. Members were also pleased to report that Stevenage Borough Council would not be charging for recycling, encouraging residents to be engaged as much as possible.

Members agreed the importance of the recycling champions initiative and the Portfolio Holder for Equalities and Young people advised that increasing recycling was a priority for all schools in Stevenage.

It was **RESOLVED** that the Minutes of the Environment and Economy Select Committee meeting be noted.

4 **HOUSING REVENUE ACCOUNT FINAL BUDGET AND RENT SETTING 2026/27**

Cabinet received a report updating Members on the proposals for the Housing Revenue Account (HRA) budgets and rent setting for 2026/27, to be considered by Council on 21 January 2026.

In presenting the report, the Portfolio Holder for Housing advised that the proposed 4.8% rent increase from April 2026 equating to an average weekly rise of £5.89 for social rents, £8.85 for affordable rents and £7.29 for shared ownership homes and remained far below private rents. She advised that the budget ensured protection for tenants and home improvements would continue. The budget also included targeted growth for regulatory compliance, such as implementing Awaab's Law to ensure safe living conditions and tackling damp and mould and funding for enhanced tenant engagement and adaptations to support independent living.

The Portfolio Holder for Resources advised that in addition to the inflation identified in the HRA report for 2026/27 there was a further amount of salary costs that needed to be included in next year's budget and she proposed that recommendation 4 be amended to request approval to the HRA budget for 2026/27 as set out in Appendix A but as amended for additional salary costs of £385,020. This would mean that the HRA budget for 2026/27 was a deficit of £243,120 rather than a surplus of £141,900.

The Portfolio Holder advised that the measures outlined would provide resilience and ensure that the Council could continue to deliver high-quality homes and services for residents.

The Leader of the Council advised Members that through the Warm Homes Programme, hundreds of properties would be retrofitted by 2028 and by 2030 the aim was for every home to meet EPC-C standards, subject to grant funding being made available by the Government. The initiative aimed to combat fuel poverty and lower energy bills. The Leader also spoke about the Council's ambitious new homes plan and the Council's long-term commitment to enhance the quality of life for its tenants.

Members made the following comments including:

- The recent meet the builder event for officers, members and residents relating to the redevelopment of the oval was welcomed. The project was an ambitious but exciting initiative which would regenerate the area and would provide great places to live and which were also meeting climate standards. The regeneration of the area would also include a new Community Centre;
- The warm homes initiative would ensure the retrofit of hundreds of properties and would help combat fuel poverty and lower energy bills;
- Compliance measures were being introduced to protect residents from damp and mould;
- The Council had an ambitious programme to deliver 325 new homes in the next five years and 1470 homes over the next 30 years.

It was **RESOLVED**:

1. That HRA dwelling rents be increased (week commencing 1 April 2026) by 4.8%. This equates to an average increase of £5.89 for social rents, £8.85 for affordable rents and £7.29 for Low Start Shared Ownership homes per week (based on a 52-week year), subject to the Government not publishing rent regulations on rent convergence allowing an additional £1 per week for un-converged homes.
2. That the implementation of rent convergence for 2026/27 rents (as set out in the December Draft Budget report and paragraph 4.1.6 of this report), be approved if regulations are published by the date of the Full Council meeting in January 2026;
3. That the 2026/27 service charges be approved as set out in paragraph 4.2.
4. That the HRA budget for 2026/27, set out in Appendix A, be approved and as amended for additional salary costs of £385,020;
5. That the 2026/27 growth options as set out in section 4.4 be approved;
6. That the changes from the draft budget in section 4.6 be approved;
7. That the 2026/27 Fees and Charges as set out in Appendix B be noted.
8. That the revised minimum levels of balances for 2026/27 shown in Appendix C be approved.
9. That the Rent Increase Equalities Impact Assessments (EqIA) appended to this report in Appendix D be approved;
10. That the Capital Strategy detailed in Appendix E be approved, including total spend for 2026/27 of £75.6Million and borrowing to finance capital schemes of £35.6Million.
11. That an additional £1.5Million budget be added to the 2025/26 capital programme, detailed in section 4.8.3, to enable the purchase of 5 additional homes in the Shephall View scheme, to be funded by a budget virement of £330K from the Oval scheme and the remainder from grant from Homes England.

12. That delegated authority be given to the Strategic Director (RP), following consultation with the Portfolio Holders for Housing and Housing Development and Resources & Performance, to complete final negotiations for the purchase of the additional properties, within the agreed total budget.
13. That the contingency sum of £500K, within which the Cabinet can approve supplementary estimates, be approved for 2026/27.
14. That the comments made by the overview and Scrutiny Committee as part of its work in accordance with the Budget and Policy Framework rules in the Council's Constitution be noted.

Reason for Decision: As contained in the report

Other Options Considered: As contained in the report

5

DRAFT GENERAL FUND AND COUNCIL TAX SETTING 2026/27

Cabinet considered a report setting out the Council's draft 2026/27 General Fund Budget, Council Tax Support Scheme and draft proposals for the 2025/26 Council Tax. The report also updated Members on the three-year Fair Funding settlement for the Council which was an improvement on the medium-term financial assumptions by circa £1million.

The Portfolio Holder for Resources and Performance advised that next year's proposed budget assumed a 2.99% increase in council tax which equated to a 14pence increase per week on a band D property. She also advised that the report identified the opportunity to approve a further £600thousand of one-off growth and that Officers would be working with Portfolio Holders to agree a set of options.

Cabinet were pleased to note that a further £600,000 of one-off growth had been identified and that Officers would be working with Portfolio Holders to agree a set of options.

Members agreed that the proposed budget put the Council in a strong financial position going into LGR. A number of other comments were also made by Members including:

- Members and Officers were thanked for their work on producing this positive budget and were particularly pleased with the continued investment into the regeneration of the Town which would improve the economy and provide skills, training and opportunities for the residents of Stevenage;
- The investment into the Town's 80th anniversary celebrations, including events across community and business groups was welcomed;

It was **RESOLVED**:

1. That the 2025/26 revised net expenditure on the General Fund of **£10,540,490** be approved as set out in paragraph 4.8.1.

2. That for 2025/26 the sum of £250,000 be transferred to the Capital earmarked reserve to support the Draft Capital Strategy as set out in paragraphs 4.2.5-4.2.7.
3. That the draft General Fund Budget for 2026/27 of **£13,586,060** be proposed (subject to additional growth of £800,000 as set out in section 4.9) for consultation purposes, with a contribution to balances of **£1,581** and a Band D Council Tax of **£253.78**, (assuming a 2.99% Council Tax increase).
4. That the updated position on the General Fund Medium Term Financial Strategy (MTFS) as summarised in section 4.11 be noted.
5. That the minimum level of General Fund reserves of **£3,648,355**, based on the 2026/27 risk assessment of balances, as shown at Appendix C to this report, be approved.
6. The contingency sum of **£500,000** within which the Cabinet can approve supplementary estimates (in addition to the General Fund net budget), be approved for 2026/27 (reflecting the level of balances available above the minimum amount). With a further £500,000 approved specifically for additional Local Government Reorganisation transition costs.
7. The 2026/27 Balancing the Budget options as set out in section 4.5 and Appendix A, totalling **£84,640** for the General Fund, be included into the Council's budget setting processes for consideration by the Overview & Scrutiny Committee.
8. That the pressures identified in sections 4.2 and 4.7 to the report be noted.
9. That the 2026/27 Balancing the Budget growth options as set out in section 4.6 and Appendix B, totalling **£145,140 (and £95,140 from 2027/28)** for the General Fund, be included into the Council's budget setting processes for consideration by the Overview & Scrutiny Committee.
10. That the sum set aside of Local Enterprise Board (LEP) loans of **£500,000** be approved for 2026/27 and for future years as a minimum as set out in paragraph 4.2.2 for subsequent years.
11. That for 2026/27 the sum of **£1,200,000** be approved to support the Draft Capital Strategy as set out in paragraphs 4.2.5-4.2.6.
12. That for 2026/27 the use of **£500,000** Extended Producer Responsibility (EPR) funding for the purchase of two new freighters as set out in paragraph 4.1.13 be approved.
13. That the sums included in the 2026/27 Budget for Local Government Reorganisation (LGR) transition budgets of **£560,000** be approved and for future years as set out in paragraph 4.2.4.
14. That the approach to additional growth of **£600,000** as set out in section 4.9 of the report be approved and be included into the Council's budget setting processes for consideration by the Overview & Scrutiny Committee.

15. That the ringfencing of **£2,000,000** of Business Rates gain reserves for the repayment of LEP loans as set out in paragraph 4.11.5 be approved.
16. That the Section 25 Statement on Robustness of Estimates and Adequacy of Reserve as set out in Appendix D be approved.
17. That the Equalities Impact Assessment (EQIA) for the council tax increase of 2.99% be noted, (Appendix E)
18. That the decisions taken on recommendations 2.3 – 2.17 above be referred to the Overview and Scrutiny Committee for consideration in accordance with the Budget and Policy Framework rules in the Council's Constitution.
19. That approval be granted for engagement to take place with key partners and other stakeholders in order for their views to be considered as part of the 2026/27 budget setting process.

Reason for Decision: As contained in the report

Other Options Considered: As contained in the report

6

DRAFT GENERAL FUND CAPITAL STRATEGY 2025/26 TO 2029/30

Council considered a report relating to revisions to the 2025/26 Capital Programme and Strategy and requesting approval to the draft 2026/27 Capital Programme for consideration by the Overview & Scrutiny Committee.

The Portfolio Holder for Resources and Performance advised that the investments detailed in the report would deliver asset renewal and enhancements such as £1.8Million for fleet replacements, £535K for Stevenage Arts and Leisure Centre upgrades, £1Million to repurpose the sports hall, and £500K for Ridlins track renewal. There were also additional allocations including £490K for green space improvements and £650K for a deferred works reserve to manage urgent asset needs.

Members noted that the Council would maintain quarterly reviews to manage risks associated with realising capital receipts, cost volatility in construction and the impact of delayed maintenance.

The following comments were made by Members:

- Reassurance was given that the existing Sports and Leisure Centre would have a life of at least 10 years and that the Gordon Craig Theatre would also continue with improvements to the infrastructure of the Theatre;
- The additional funding for the Council's environmental work was welcomed including renewing parks and green spaces for the enjoyment of all communities;
- The impact of the changes referred to on the youngest people in the town was a positive step forward in future planning and making the town better for future generations;

- Stevenage was a dementia and age friendly accredited town and the budget would enable more resources for all activities such as the dementia festival;
- The work of the cross party Council's Financial Security Group (CFSG) was acknowledged in the Budget process.

It was **RESOLVED**:

1. That the General Fund growth bids identified for inclusion in the Capital Strategy (section 4.2, and Appendix A to the report) be approved in principle, including the proposed budget level in the deferred works reserve budget of £650K.
2. That the virements in paragraph 4.3.5 of the report be approved.
3. That the work of the Council's Financial Security Group (CFSG) in reviewing all General Fund capital bids prior to inclusion in the final 2026/27 Capital Strategy to the February 2026 Cabinet be noted.
4. Draft General Fund Capital Budget for 2025/26 to 2029/30 of £117Million, as set out in Appendix B to the report, be included into the Council's budget setting processes for consideration by the Overview & Scrutiny Committee.
5. That the approach to resourcing the General Fund capital programme as outlined in the report (Paragraph 4.4) be approved.
6. That the revenue contribution to capital, 2026/27 to 2028/29 as set out in table 2, paragraph 4.2.1 be included into the Council's budget setting processes for consideration by the Overview & Scrutiny Committee.
7. That the approved revenue surplus in any year of up to £500K that can be allocated to the capital reserve to support capital expenditure be noted.
8. That the proposed use of Community Infrastructure Levy (CIL), and Biodiversity Net Gain (BNG) contributions as set out in section 4.6 be included into the Council's budget setting processes for consideration by the Overview & Scrutiny Committee.
9. That the legal implications of Section 24 of the Local Government and Public Involvement in Health Act 2007 in relation to financial decisions (capital) made by a council that is due to be abolished or reorganised in section 5.2 be noted.

Reason for Decision: As contained in the report

Other Options Considered: As contained in the report

7

2025 RESIDENTS SURVEY FINDINGS

Cabinet received a report providing an overview of the key findings from the 2025 Residents Survey, which was undertaken independently by an external research agency over a five-week period between May and June 2025.

The report summarised the headline results and their implications, with the full

survey report, methodology and detailed analysis set out in Appendix A to the report.

The Leader of the Council reported that the results were encouraging and demonstrated that, despite the challenging national context for local government, Stevenage continued to perform strongly. He advised that the results showed that the Council's co-operative approach and Corporate Plan priorities were making a real difference even as councils nationally faced declining satisfaction scores. Areas for improvement were highlighted, however, including perceptions of safety after dark and value for money which would be addressed through targeted action with partners.

The following comments were made:

- Members were proud of the improvements made by the Council and were pleased that the community was more aware of the services that were offered;
- The findings showed that the Council listened to its customers and residents and acted accordingly gave Members confidence that the Council's priorities were the right ones;
- The Council was working hard with partners to address crime and the fear of crime with a number of recent county line arrests. It was agreed that it was essential to continue to communicate these achievements to residents;
- Members were pleased to note that for the first time, the highest number of respondents within age groups were those between 18 and 25 years of age;
- The report highlighted the importance of the tenant survey measures to the Council and also to the Social Housing Regulator.

It was **RESOLVED**:

1. That the results from the latest Residents Survey, set out in Appendix A to the report be noted.
2. That it be noted that the results compare very favourably with both the latest national benchmark Local Government Association (LGA) Resident Satisfaction Survey and previous Stevenage Residents Surveys across a number of areas.
3. That it be approved that the 2025 Residents Survey findings be shared with all Members through the Co-operative Neighbourhood Strategic Board in March 2026, so that the results be used to inform ongoing neighbourhood priorities.

Reason for Decision: As contained in the report

Other Options Considered: As contained in the report

8

URGENT PART 1 BUSINESS

The Leader updated Cabinet on two good news stories which he was proud to share including:

- A new leukaemia therapy available in the UK changing lives and benefitting many patients, had been developed and produced by the Stevenage based

- company Autolus.
- Stevenage Borough Council and the English Cities Fund had signed a development agreement to start the Stevenage Station Gateway, a billion pound project which would fundamentally change the station and surrounding areas.

The Leader then presented an Urgent Part I report, which addressed a significant matter arising from the Government's ongoing programme of Local Government Reorganisation (LGR) following the publication of the English Devolution White Paper in December 2024.

The Leader advised that the report was urgent as the Government's letter on local elections and Local Government Reorganisation required a response by 15 January and that this meeting was the first available opportunity for Cabinet to consider the matter. Additional guidance and FAQs were also published by Government on 6 January, which informed this report, alongside legal advice on the appropriate decision-making process.

The Leader advised that the Minister had written to councils in areas where local elections were scheduled for May 2026, inviting them to submit their views on whether postponing elections by one year could help release capacity to deliver reorganisation effectively. The Leader reminded Cabinet that the elections would not be postponed until the Government had made the decision to do so.

The report set out the implications for governance, capacity and the delivery of both LGR and the Council's ambitious making Stevenage Even Better Corporate Plan including major regeneration projects, housing investment and service transformation.

Members made a number of comments on the report:

- It would be the Government's decision to postpone the local elections not Stevenage Borough Council;
- It was noted that across the country, whenever councils were being replaced by another authority, the elections to a local council in the year before elections to a new council were usually postponed;
- Councils from a number of the major political parties were asking for postponement;
- Postponing the elections would let the council focus on delivering services, and prepare for the transfer to the new authority instead of running an election that would engage up to 200 council staff members who would be working on delivering this change;
- Elections would take up three or four months when the work to reorganise 11 councils in terms of the financial, staffing and service complexity should be underway;
- No councillor of any party would be getting their term extended beyond a four year term, so there would continue to be full and fair representation for residents;
- Concern was expressed for Council teams including IT who would have to support the transition as well as the day-to-day running of the councils;

- County services such as Education and SEN would be coming under the remit of the new Unitary authorities and it was essential that children had access to the opportunities available to them, holding the elections could impact on the transfer of these services.

Following further debate, the Leader summarised the points raised by Members and it was **RESOLVED**:

1. That the letter from the Minister of State for Local Government and Homelessness on 18 December 2025, inviting councils in reorganisation areas where elections are planned for 2026 to give their views on potential postponement of local elections in their areas be noted.
2. That a response be submitted with comments on the capacity to manage the transition to new unitary authorities by April 2028 and a request that the local elections scheduled for May 2026 be postponed by one year.
3. That authority be delegated to the Leader of the Council to submit a response to the Minister's invitation by 15 January 2026.

Reason for Decision: As contained in the report

Other Options Considered: As contained in the report

9 EXCLUSION OF PUBLIC AND PRESS

It was **RESOLVED**:

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

10 PART II MINUTES - CABINET 10 DECEMBER 2025

It was **RESOLVED** that the Part II Minutes of the Cabinet held on 10 December be approved as a correct record and signed by the Chair.

11 URGENT PART II BUSINESS

There was no urgent Part II Business.

CHAIR