Public Document Pack

OVERVIEW AND SCRUTINY COMMITTEE

Date: Wednesday, 25 November 2026
Time: 6.00pm,
Location: Council Chamber - Daneshill House, Danestrete
Contact: committees@stevenage.gov.uk

Members: Councillors: Ellie Plater (Chair), Matthew Hurst CC and Rob Henry (Vice-Chair), Jim Brown, Andy McGuinness, Phil Bibby, Jeff Bullock, Leanne Brady, Peter Clark, Claire Parris, Jackie Hollywell, Ricki Rands, Jade Woods and Tom Wren

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AGENDA

PART 1

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

2. MINUTES OF THE PREVIOUS MEETING
To approve as a correct record the minutes of the meetings of the Overview and Scrutiny Committee held on 13 October 2026.
5 - 10

3. PART I DECISION OF THE CABINET - 2ND QUARTER REVENUE AND CAPITAL MONITORING REPORT 2026/27 – GENERAL FUND AND HRA
To consider the decision of the Cabinet on the update on the projected General Fund (GF), Housing Revenue Account (HRA) and Capital 2026/27 net expenditure and seek approval to amend the General Fund, HRA and Capital budgets as part of the quarterly revenue monitoring review.

Notice of Decisions to follow in separate document.
11 - 42

4. PART I DECISION OF THE CABINET - MID YEAR TREASURY MANAGEMENT REVIEW 2026/27 AND PRUDENTIAL INDICATORS
To consider the decision of the Cabinet on an update on the Treasury Management activities in 2026/27 and review effectiveness of the 2026/27 Treasury Management and Investment Strategy including the 2026/27 prudential and treasury indicators.

Notice of Decisions to follow in separate document.
43 - 66

5. PART I DECSION OF THE CABINET - HOMELESSNESS & ROUGH SLEEPER STRATEGY AND ACTION PLAN 2025-2030
To consider the decision of the Cabinet to approve the updates to the Homelessness and Rough Sleeper Strategy 2025–2030, following a review of the Strategy and changes in legislation, including the Renters' Rights Act 2025; as well as to reflect developments in the Council's approach to homelessness prevention, rough sleeping and support for

vulnerable residents.

Notice of Decisions to follow in separate document.
67 - 120

6. PART I DECISION OF THE CABINET - STEVENAGE BOROUGH NEW LOCAL PLAN

To consider the decision of the Cabinet to seek an agreement to formally begin preparing a new Local Plan for Stevenage under the reformed plan-making system introduced by the Planning and Infrastructure Act 2025 and the Town and Country Planning (Local Planning) (England) Regulations 2026.

Notice of Decisions to follow in separate document.
121 - 152

7. PART I DECISION OF THE CABINET - SHARED ICT STRATEGY 2027–2029

To consider the decision of the Cabinet to consider the Shared ICT Strategy 2027–2029.

Notice of Decisions to follow in separate document.
153 - 178

8. PART I DECISION OF THE CABINET - BALANCING THE BUDGET GENERAL FUND 2027/28

To consider the decision of the Cabinet to receive an update on the Balancing the Budget priority and the 2027/28 onwards options that meet the required General Fund requirement.

Notice of Decisions to follow in separate document.
179 - 216

9. PART I DECISION OF THE CABINET - BALANCING THE BUDGET HRA 2027/28

To consider the decision of the Cabinet to update Members on the Balancing the Budget priority and the 2027/28 onwards options that meet the required HRA requirement.

Notice of Decisions to follow in separate document.
217 - 252

10. URGENT PART I DECISIONS AUTHORISED BY THE CHAIR OF THE OVERVIEW AND SCRUTINY COMMITTEE

To consider any urgent Part I Decisions authorised by the Chair of the Overview and Scrutiny Committee

11. URGENT PART I BUSINESS

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

12. EXCLUSION OF PRESS AND PUBLIC

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.

13. PART II DECISION OF THE CABINET - APPROVAL OF PROCUREMENT ROUTE FOR VOID WORKS CONTRACT.

To consider the decision of the Cabinet to seek approval of the proposed procurement approach for the award of a contract for void works via a mini competition through the Procurement for Housing: Responsive Repairs, Disrepair Works and Void Services Framework.

Notice of Decisions to follow in separate document.
253 – 216

14. PART II DECISION OF THE CABINET - HIGH RISE STOCK INVESTMENT AND DEVELOPMENT ANALYSIS

To consider the decision of the Cabinet for the outcome of an assessment of the investment options available for the Council's five high-rise residential buildings, having regard to building safety and other regulatory requirements.

Notice of Decisions to follow in separate document.
317 - 356

15. URGENT PART II DECISIONS AUTHORISED BY THE CHAIR OF THE OVERVIEW AND SCRUTINY COMMITTEE

To consider any urgent Part II Decisions authorised by the Chair of the Overview and Scrutiny Committee

16. URGENT PART II BUSINESS

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

Agenda Published 17/11/26

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STEVENAGE BOROUGH COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE
MINUTES

Date: Tuesday, 13 October 2026
Time: 6.00pm
Place: Council Chamber - Daneshill House, Danestrete

Present: Councillors: Matthew Hurst CC (Chair), Jim Brown, Andy McGuinness, Philip Bibby, Jeff Bullock, Peter Clark, Jackie Hollywell, Ricki Rands, Jade Woods, Tom Wren and Lynda Guy

Start / End Time: Start Time: 6.00pm
End Time: 7.20pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillor Leanne Brady, Ellie Plater and Claire Parris.

Councillor Lynda Guy was in attendance as substitute for Councillor Claire Parris.

Councillor Matthrew Hurst was in attendance as Chair for the meeting.

Councillor Andy McGuinness declared an interest in Item 6 due to working for Arthritis UK.

Councillor Matthrew Hurst declared an interest in Item 5 due to being a tenant of Stevenage Borough Council.

At this juncture, the Committee was updated on the Government's intention to close the Novotel asylum accommodation hotel by Christmas 2026. The Council reiterated its opposition to the use of both the Novotel and Ibis hotels for asylum accommodation, citing the impact on local services, community cohesion and residents.

The Council welcomed the planned Novotel closure but sought clarification on the future of the Ibis hotel. Officers confirmed that responsibility for relocating asylum seekers rested with the Home Office. In response to a question about potential enforcement action, officers confirmed that options had been investigated in relation to the Novotel, but no investigations were currently underway regarding the Ibis hotel, and were awaiting clarification from the Home Office on its intended closure.

2 MINUTES OF THE PREVIOUS MEETING

The Minutes of the Overview and Scrutiny Committee Meeting held on 15 September 2026 were agreed as a correct record and signed by the Chair.

3 **PART I DECISION OF THE CABINET - REVIEW OF FEES AND CHARGES**

The Committee received an update on the proposed fees and charges for 2027/28, which formed part of the Council's annual budget-setting process and covered both the General Fund and Housing Revenue Account (HRA).

The proposed changes were expected to generate approximately £240,000 in additional General Fund income, representing an increase of just under 2%, and £12,000 for the HRA, an increase of approximately 1.56%. These increases were below the latest Consumer Prices Index (CPI) inflation rate of 3.1%.

A number of charges were proposed to remain unchanged, including off-street parking for up to one hour, on-street town centre parking, trade waste and selected season tickets. The additional General Fund income would help address the projected £350,000 budget gap for 2027/28 identified in the Medium-Term Financial Strategy presented to Cabinet in September.

Members questioned why the fees and charges proposals had not been considered through the Financial Security Group. It was noted that arrangements were now being made for the Group to consider capital bids and undertake further work on the budget.

Members questioned the differences in on-street parking permit charges between areas, and questioned whether the cost of additional permits could be increased. Officers response explained that permit schemes were based on cost recovery, and were not intended to generate a profit. It was further noted that Officers regularly reviewed permit arrangements and Traffic Regulation Orders (TROs) where parking was causing local issues.

Questions were raised whether a licensing fee could be introduced for the use of Council grass verges to store construction materials for extended periods. Officers confirmed that this suggestion would be considered with the relevant services to establish whether a charge could be introduced.

Members asked whether consideration had been given to introducing a short period of free parking in the town centre and old town car parks to encourage visits and support local businesses. Officers explained that providing one hour of free parking would result in an estimated loss of approximately £433,000 in income. It was emphasised that parking charges were intended to help balance the Council's budget and fund services that did not generate income, rather than to maximise commercial returns.

Members discussed the proposal for a free hour of parking at Westgate and whether Westgate representations had been fully considered. Officers confirmed that discussions had been ongoing since July, but the examples given did not include sufficient evidence to demonstrate the benefits of the proposal. Officers had assessed the potential costs and wider impact of introducing free parking, including the displacement of vehicles from other town centre car parks. It was noted that the matter would be discussed further at a meeting with Westgate in November.

Officers advised that a free parking trial would require evidence of its benefits and long-term affordability, noting that research did not consistently show increased local spending. The proposed 2027/28 charges aimed to balance the Council's budget while limiting increases where possible. Officers also highlighted ongoing partnership work with Westgate, including environmental improvements, the £1 million investment in the centre and opportunities to encourage college students to spend locally.

Members suggested exploring a scheme offering free parking to customers spending a specified amount at town centre businesses. Officers noted that any scheme would need to be fair, consider potential legal implications and be explored through town centre partnership discussions.

In response to a question about the principles guiding decisions on which charges to freeze or increase, officers explained that different considerations applied to different services. This included cost recovery, competition with the private sector, and the current cost-of-living.

Discussions took place regarding the impact of larger vehicles on parking capacity and suggested that free bus passes could provide an alternative way of supporting town centre access and wider Council objectives. It was noted that bus passes were the responsibility of the County Council, rather than the Borough Council.

It was **RESOLVED** that the Committee noted the decisions of Cabinet.

4 **PART I DECISION OF THE CABINET - CLIMATE CHANGE - ANNUAL UPDATE OCTOBER 2026**

The Committee considered the Climate Change Annual Update for 2025/26, which reported reductions in both town-wide and Council emissions, and outlined proposed actions for the following year.

Members questioned the environmental standards applied to new residential and commercial developments, including the installation of solar panels. Officers explained that standards were influenced by national building regulations, but the Local Plan set policies on energy efficiency and renewable energy.

Members also asked for clearer information on the progress towards the Council's 2030 net zero target. The updated baseline was approximately 2,714 tonnes of CO_2 equivalent, with emissions having reduced by 9.5% compared with the previous year. Officers acknowledged that achieving net zero by 2030 would be challenging and would require increased interventions, including National Government support.

Members questioned the accuracy of the tree-planting map in the report, noting that most of the trees appeared to be located outside Stevenage's boundary. In response, it was noted that although some trees had been planted outside the boundary, they were located close to Stevenage. It was also noted that the Community Infrastructure Levy funding had also supported the planting of several Miyawaki woods within the town's urban area.

Officers also explained that future planning policies could help reduce transport emissions by directing development towards sustainable locations. Officers also agreed to consider drinking fountains and shaded areas as part of the development of the Council's climate change adaptation strategy.

It was **RESOLVED** that the Committee noted the decisions of Cabinet.

5 **PART I DECSION OF THE CABINET - HOUSING INCOME AND ARREARS RECOVERY POLICY 2026 - 2028**

The Committee noted the draft Housing Income and Arrears Recovery Policy 2026-28, which updated the previous policy to reflect legislative changes and emphasised early intervention and support for tenants experiencing financial difficulties.

No questions were raised by the Committee.

It was **RESOLVED** that the Committee noted the decisions of Cabinet.

6 **PART I DECISION OF THE CABINET - HEALTHY STEVENAGE STRATEGY 2026 - 2031**

The Committee received an update on the Healthy Stevenage Strategy 2026–2031, which was replacing the original strategy launched in 2018.

The refreshed strategy was informed by the Joint Strategic Needs Assessment (JSNA), resident consultation and partner engagement, and identified five strategic priorities to address local health inequalities. Members were advised that the focus would now be on developing an action plan with partners to strengthen prevention and deliver targeted interventions.

Members questioned how the success of the strategy would be measured, noting that Stevenage's health profile had shown limited improvement. Officers explained that individual initiatives could be monitored, although measurable improvements in population health would take longer to develop.

Members questioned the homelessness figure of '17 per 1,000 people', which appeared to indicate that approximately 1,530 people in Stevenage were homeless, and sought clarification on the accuracy of this figure. In response, it was noted that Officers check and review, and respond back to the Committee.

Members highlighted the need to address health inequalities in areas of deprivation across Stevenage. The importance of housing conditions, environmental health, pollution, noise, falls prevention and promoting physical activity were also discussed. Officers advised that targeted interventions would be developed with partners to address the specific needs of areas experiencing greater deprivation.

Members also raised the importance of access to GPs and the relationship between health and employment, including occupational health support for businesses. Officers noted that the Council worked with local Primary Care Networks and Stevenage Works, although opportunities to influence GP access were limited.

Members felt that the links between employment and health could be strengthened within the strategy.

The Committee discussed the need to improve communication with residents about available health and wellbeing services. Officers acknowledged this and were working towards improved communication, partnership working and a ‘no wrong door’ approach as key priorities.

Members also asked whether specific support could be provided for carers under the mental health and emotional wellbeing priority. Officers agreed to take this away for further consideration with partners.

It was **RESOLVED** that the Committee noted the decisions of Cabinet.

7 URGENT PART I DECISIONS AUTHORISED BY THE CHAIR OF THE OVERVIEW AND SCRUTINY COMMITTEE

There was no Urgent Part I Decisions authorised by the Chair of the Overview and Scrutiny Committee.

8 URGENT PART I BUSINESS

There was no Urgent Part I Business.

9 EXCLUSION OF PRESS AND PUBLIC

It was **RESOLVED**:

1. That, under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as described in paragraphs 1 to 7 of Part 1 of Schedule 12A of the Act, as amended by SI 2006 No. 88.

2. That having considered the reasons for the following item being in Part II, it be determined that maintaining the exemption from disclosure of the information contained therein outweighed the public interest in disclosure.

10 PART II MINUTES OF THE PREVIOUS MEETING

It was **RESOLVED** that the Part II minutes of the Overview and Scrutiny Committee meeting held on 15 September 2026 be agreed as a correct record and signed by the Chair.

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

There were no Urgent Part II Decisions authorised by the Chair of the Overview and

Scrutiny Committee.

12 **URGENT PART II BUSINESS**

There was no Urgent Part II Business.

CHAIR

Meeting: **CABINET** **Agenda Item:**

Portfolio Area: Resources and Performance

Date: **19 November 2026**

2ND QUARTER REVENUE AND CAPITAL MONITORING REPORT 2026/27 – GENERAL FUND AND HRA

KEY DECISION

Author – Veronika Mendy/Keith Reynoldson/Rhona Bellis
Contributor – Atif Iqbal, Finance Team and Budget Managers
Lead Officers – Atif Iqbal
Contact Officer – Atif Iqbal

1. PURPOSE

1.1 To update Members on the projected General Fund (GF), Housing Revenue Account (HRA) and Capital 2026/27 net expenditure and seek approval to amend the General Fund, HRA and Capital budgets as part of the quarterly revenue monitoring review.

1.2 To update Members on the reserves and balances available to support revenue expenditure and seek approval for revisions to the allocated reserves.

2. RECOMMENDATIONS

General Fund

2.1 That the 2026/27 second quarter projected net increase in General Fund expenditure of £425,290 be approved as set out in section 4.1.

2.2 That Members note the proposed movement on reserves as detailed in paragraph 4.3.1.

Housing Revenue Account

2.3 That the 2026/27 second quarter projected net increase in HRA expenditure of £373,570 be approved.

Capital Programme

2.4 That the General Fund capital budget re-phasing of £4Million from 2026/27 to future years be approved.

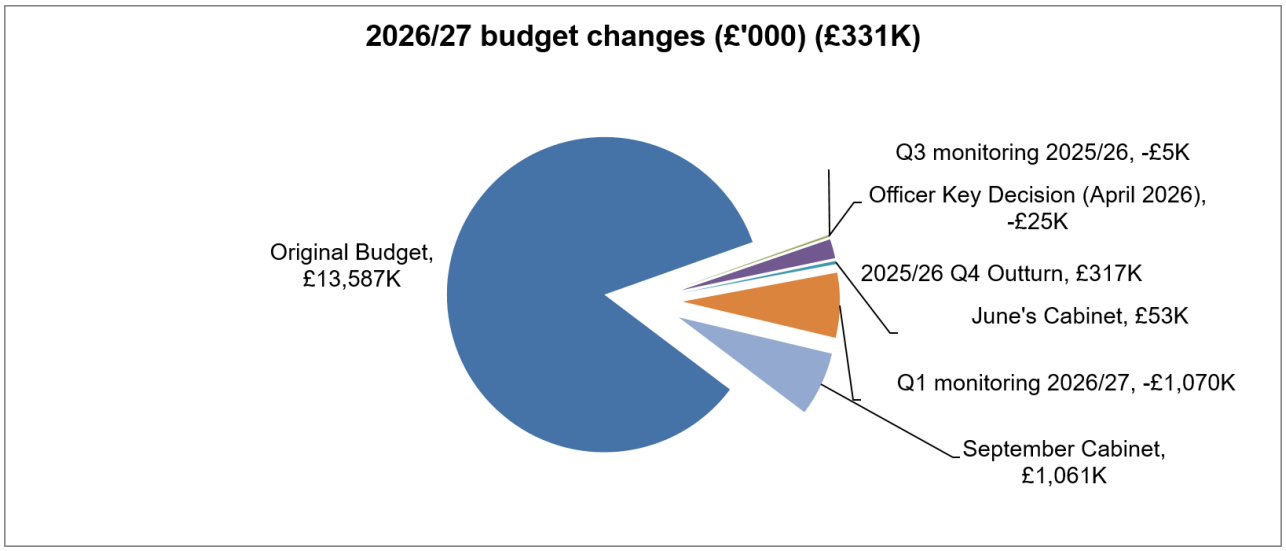
2.5 That the Housing Revenue Account capital budget re-phasing of £394K to/from 2026/27 to future years be approved.

2.6 That General Fund capital virements of £216K in paragraph 4.11 be approved.

2.7 That the proposed changes to the funding of the General Fund and HRA capital budgets in section 4.12 be approved.

3. BACKGROUND - GENERAL FUND

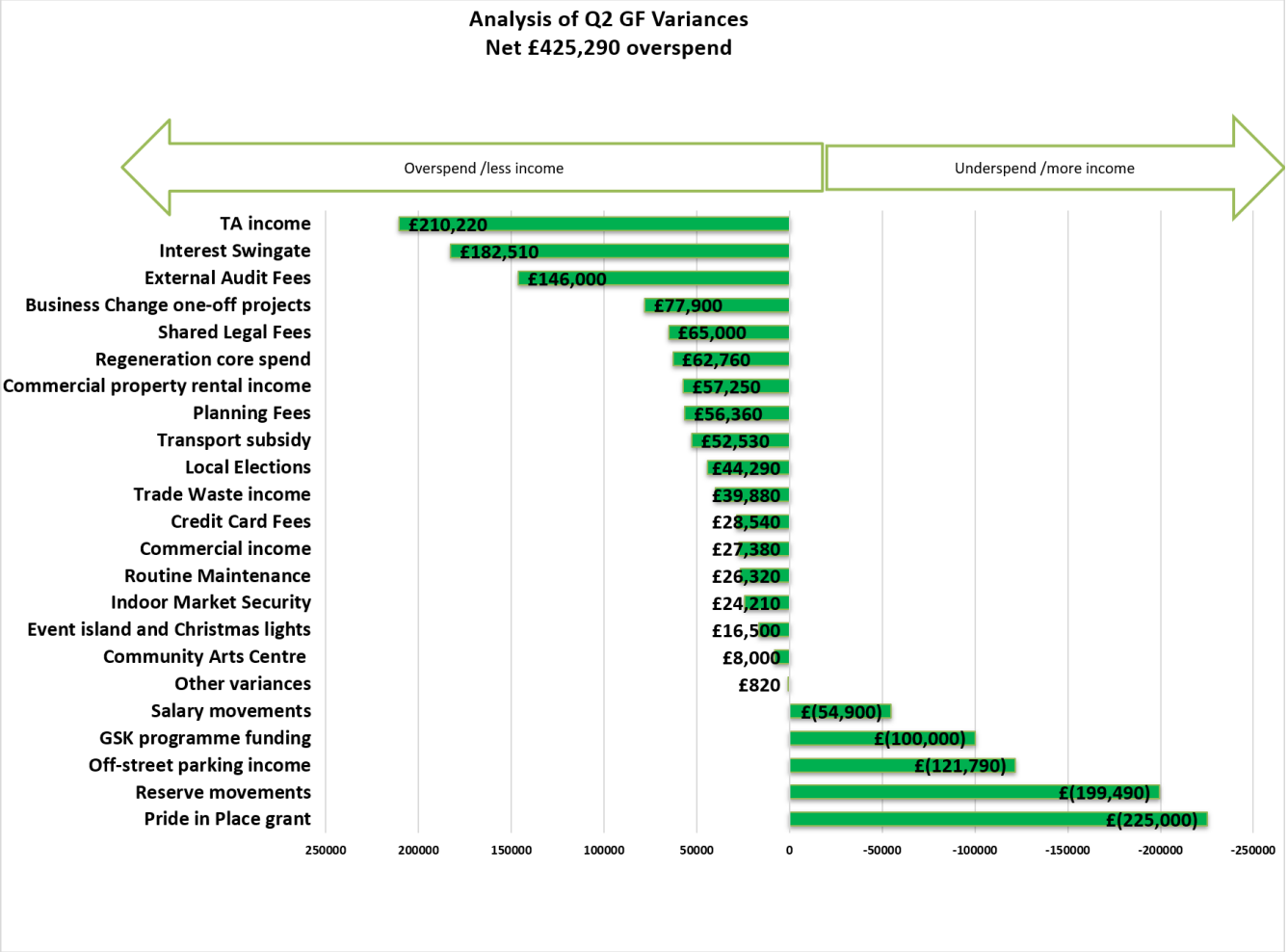
3.1. Since the General Fund net budget of £13,587,330 was approved at February 2026 Council, Members have since authorised further net budget changes of £330,950 as detailed in the chart below:



4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1 General Fund – Budget Review

4.1.1 Following the second quarter review of the General Fund budgets officers are projecting a net increase in the forecast budget spend for the year of £425,290.



4.1.2 The reasons for the overspend or less income are detailed below:

a. **Technical Accounting (TA) income £210K (Reduced Income) –** some of the Councils teams work on capital projects and part of their salaries are therefore charged to capital schemes and are not a cost to the General Fund, however a projection of current workloads means activity is more revenue focused within the Regeneration team which means costs of £181K are now funded from revenue. Similarly, a further £29K of ICT staff time is also revenue rather than capital based. To mitigate the cost to the General Fund there are regeneration salary savings of £69K and a use of the earmarked reserve of £56K are recommended (para 4.3.1 e), leaving a net pressure of £85K.

Service	Cost £
Regeneration TA	181,000
ICT TA	29,000
Regen salary savings	- 69,000
Regen reserves	- 56,000
Total	**85,000**

b. **Interest Swingate £183K (Reduced Income) –** a detailed explanation provided in paragraph 4.3.1 a.

c. **External Audit Fees £146K (Increased Expenditure) –** the first quarter monitoring report recognised £100K cost for Audit Build Back costs as a result of nationwide delays in the completion of external audits, however this was insufficient to cover the whole amount. A further pressure is now forecast following an updated review of all external audit costs, which includes further build back costs associated with the 2025/26 audit and additional 2024/25 audit expenditure. Across the General Fund and HRA, the updated position represents a further £261K pressure in addition to the £100K reported at Quarter one, taking the total projected pressure to £361K.

d. **Business Change one off projects £78K (Increased Expenditure)** – a drawdown of the earmarked Business Change reserve is projected to deliver agreed projects including £17K for Phase one Payment Card Industry (PCI) compliance testing, £31K for website development and £30K for additional IT resource to provide capacity while existing resources support the PCI work. The Business Change has a reserve which is used to pump prime deliver of their projects.

e. **Shared Legal Fees £65K (Increased Expenditure) –** demand for legal services across the shared legal partnership remains higher than budgeted, alongside the requirement for specialist legal support in some cases has meant the budget is insufficient and a further pressure has been identified in Quarter two, reflecting the continuation of the pressures reported in Quarter one. This is projected to be an on-going increased cost and included in the Balancing the Budget reports to this Cabinet.

f. **Regeneration spend £118K (Increased Expenditure) –** this relates to offsetting the Regeneration TA pressure set out in paragraph 4.1.2 (a) with the remaining amount funding current projects funded using their earmarked reserve as detailed in paragraph 4.3.1 (e).

g. **Commercial Property rental Income £57K (Reduced Income) –** this is primarily due to delays affecting the commencement of rental income across two separate lettings. Of this, £37.5K relates to a planning delay, with rental income now forecast to commence from October 2026. A further £20K relates to a separate letting, where delays in completing fit-out works resulted in a two-month delay in rental income. This delay was not reflected in the budget setting and is projected to be not ongoing.

h. **Planning Fees £56K (Reduced Income) –** wider economic conditions, including the cost of living and borrowing costs, may be impacting development activity, with planning application numbers currently around 10% lower than at the same point last year. This is also reflected nationally whereby application numbers are down year-on-year. In addition, Planning is a demand-led service, and fee income depends on the applications submitted.

i. **Transport Subsidy £53K (Reduced Income) –** this is due to a change in the green waste disposal location to a facility closer to Stevenage. As the subsidy received from Hertfordshire County Council (HCC) is linked to transport

distances, the shorter journey has resulted in a reduction in the level of subsidy receivable. The revised arrangements are delivering some operational efficiencies, which have been accounted for within this pressure. The projected ongoing pressure for next year is £15K.

j. **Local Elections £44K (Increased Expenditure)** the budget for local elections has not been sufficient to cover the whole cost and £50K was added to the 2026/27 budget, based on the May 2026 election a further £44K is required taking the total cost of an election to £200K, which will be an on-going pressure.

k. **Trade Waste Income £40K (Reduced Income)** – this is primarily due to a combination of customer losses and existing customers reducing the frequency of their collections. While new customers have been secured during the year, this has not been sufficient to offset the overall reduction in income.

l. **Credit Card Fees £29K (Increased Expenditure) –** these are forecast to be above the budget, reflecting higher transaction volumes due to higher parking income (see paragraph 4.1.3 c). The card fees budget was reduced by £18.5K part of savings programme during 2026/27 budget setting (see para 4.4.1 c), but higher parking income has increased costs.

m. **Commercial Income £27K (Reduced Income) –** this is reflecting lower than anticipated income from filming and advertising opportunities. The commercial team continues to promote Stevenage as a filming location, however, income generated to date remains below the budgeted level. Advertising opportunities in the local newspaper have also not generated the level of income anticipated in the budget.

n. **Routine Maintenance £26K (Increased Expenditure) –** routine maintenance spend continues to exceed budget for works at Cavendish Road depot. The majority of this spend relates to day to day repairs, materials, and safety checks.

o. **Indoor Market £24K (Increased Expenditure) –** The market budget had assumed a reduction due to revised regime for on-site presence and security. However, the revised arrangements are now expected to start at the end of October 2026 resulting in a one-off pressure.

p. **Event Island and Christmas Lights £17K (Increased Expenditure) –** relates to a purchase of radios (£8.5K funded from Event Island reserve, see para 4.3.1 f) and a further £8K to provide and install a new remote-control system to switch on clock tower lights which failed last year and would require a contractor to be stationed inside the clock tower for the Christmas light switch on each year.

q. **Community Arts Centre £8K (Increased Expenditure) –** estimated cost of dilapidations schedule apportioned following the break clause in the contract actioned by the landlord requiring the Council to relinquish the building.

r. **Other Variances £1K (Increased Expenditure) –** a combination of small variances across the service.

4.1.3 The reasons for the underspend or increased income are detailed below:

a. **Salaries £55K (Reduced Expenditure) –** salary variances across the services reflect a combination of vacancy savings and additional staffing requirements. Underspends have arisen within Policy and Performance and Regeneration due to vacant posts, with the Regeneration saving being used to partially offset the capital TA pressure (para 4.1.2 a). The additional staffing costs within Refuse and Recycling where needed primarily to maintain service delivery during periods of sickness absence and meet seasonal operational requirements. Property Services is also forecasting an underspend as recruitment to the new staffing structure is not completely in place. The resulting salary variances are summarised below.

Service	Cost £
Policy & Performance	- 14,740
Regeneration	- 69,480
Environment & Leisure	129,320
Property Services	- 100,000
Total	**- 54,900**

b. **GSK Programme Funding £100K (Increased Income) –** a contribution from Herts Futures has been received towards the GSK programme works. This will contribute towards the budget pressure identified in Quarter one Cabinet report.

c. **Off Street Parking Income £122K (Increased Income) –** income performance is predicted to exceed the budget across the Council's car parks, which represents 2.75% increase against approved budget. Based on performance to date, this higher level of income is expected to continue for the remainder of 2026/27.

d. **Reserves Movements £199K (Increased Expenditure) –** a detailed explanation of the underlying reserve movements provided in paragraph 4.3.

e. **Pride in Place Grant £225K – (Increased Income) –** additional £135K of grant funding has been received, giving a total grant income budget for 2026/27 of £285K. Based on current projections £60K is expected to be spent in 2026/27 with the remaining £225K transferred to reserves to support future ongoing Pride in Place expenditure (para 4.3.1 g).

The cumulative changes made to the General Fund net budget, remain within the £500,000 increase variation limit for General Fund and £500,000 for LGR delegated to the Cabinet as shown in the table below.

Cabinet Delegation - General Fund	£'000
Original Net General Fund Budget	**13,587**
Previously approved Budget Changes (GF)	**(429)**
Previously approved Budget Changes (LGR)	**451**
Revised GF Budget agreed	**13,609**
Quarterly monitoring Q2 projection (GF)	**425**
Updated GF Budget	**14,034**
Increase Variation Limit Delegated (GF)	**500**
Increase Variation Limit Delegated (LGR)	**500**
Variations to date (GF)	**(3)**
Variations to date (LGR)	**451**
Remaining Delegation Within Cabinet Delegated Limit (GF)	**503**
Remaining Delegation Within Cabinet Delegated Limit (LGR)	**50**

4.2 Collection Fund

4.2.1 The Council is responsible for the collection of both Council Tax and Business Rates, also known as National Non-Domestic Rates (NNDR), which are administered through the Collection Fund. Income from these sources is monitored throughout the year and compared against the anticipated levels set during the budget-setting process.

4.2.2 Although the income credited to the Council's General Fund revenue account is determined through the annual Council Tax precept (approved each February) and the NNDR1 government return (which sets the Council's share of business rates income), any difference between actual and budgeted income is held within the Collection Fund. These variances are then carried forward as either a surplus or deficit and subsequently released to, or recovered from, the General Fund in future financial years.

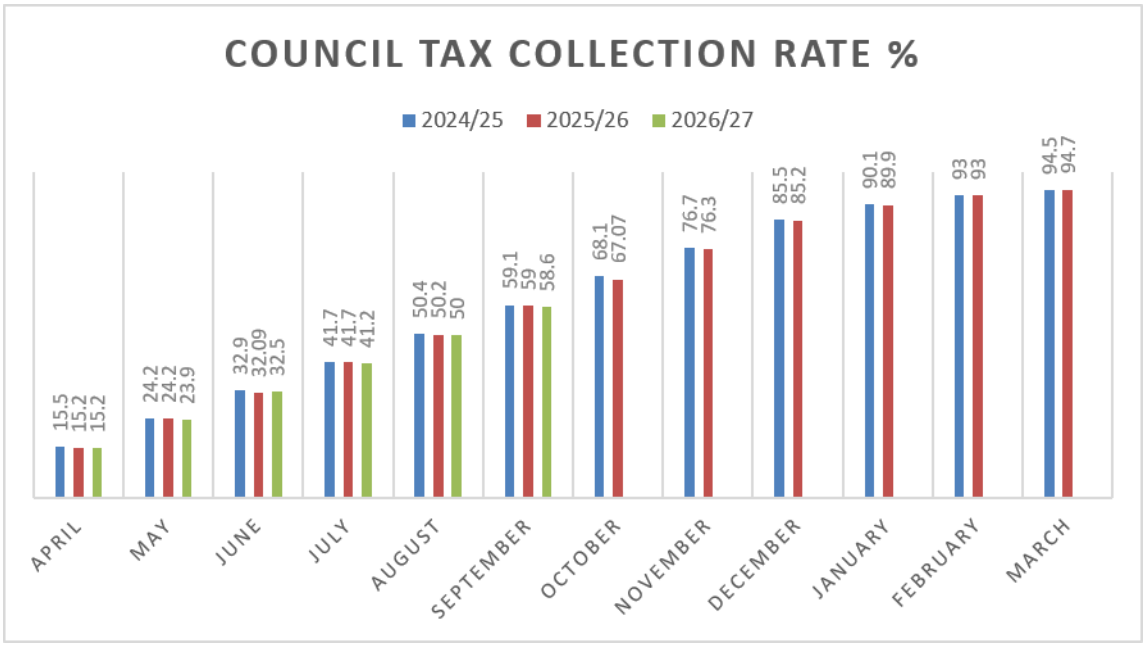
4.2.3 Council Tax Receipts

4.2.4 Council Tax income is collected on behalf of all precepting bodies (Stevenage Borough Council, Hertfordshire County Council, and the Hertfordshire Police Authority) and distributed in accordance with the approved precepts.

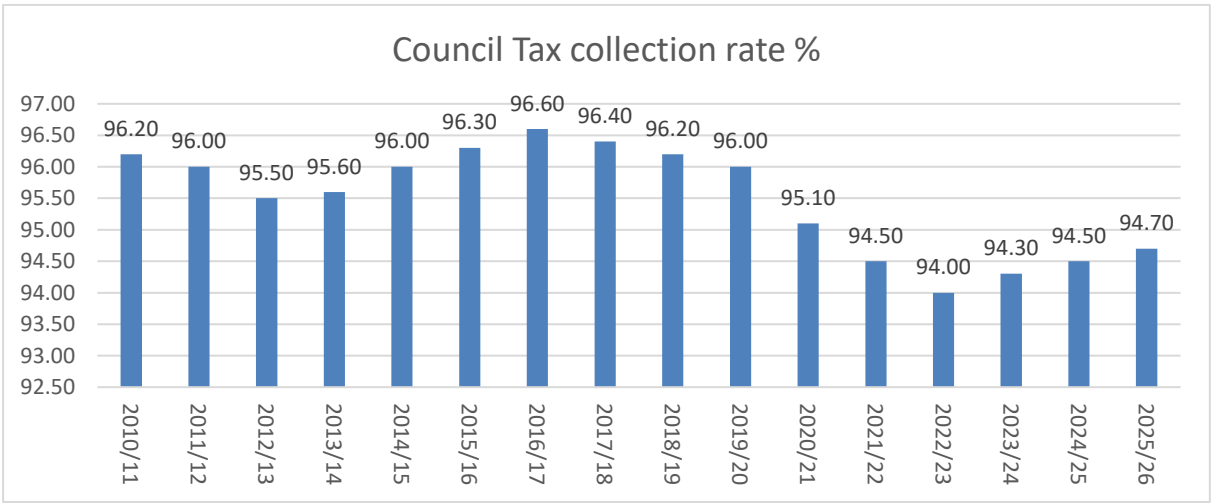
4.2.5 For 2026/27, the total Council Tax liability raised for collection (after allowing for discounts, exemptions, and reductions) amounts to £70 Million, of which £7.33Million (10.61%) represents the Council's share.

4.2.6 Collection performance is monitored throughout the year by comparing the proportion of Council Tax collected at the same point in previous years. This provides an early indication of whether collection rates remain in line with expectations and helps identify any emerging trends.

4.2.7 The graph below compares the cumulative Council Tax collection rate with the same point in the previous two financial years:



4.2.8 As at the end of September 2026, 58.6% of the annual Council Tax liability had been collected, compared with 59% at the same point in 2025/26 and 59.1% in 2024/25. It is worth noting the Council's Quarter two collection rate was the highest when compared with other Hertfordshire District Councils, however a circa 94% collection rate is low. To improve the collection performance by the year end which has reduced over the years (particularly post COVID) and as shown in the chart below, Finance and Shared Revenues and Benefit team are currently working together and looking at implementing initiatives to improve the position.



4.2.9 **Council Tax – Tax Base**

4.2.10 The Council Tax Base represents the estimated number of chargeable properties within the Borough, adjusted for discounts, reliefs, and exemptions, and expressed as a number of band D equivalent properties. This figure is further adjusted to reflect the assumed collection rate, accounting for potential bad debts.

4.2.11 For 2026/27, the approved tax base was 28,884.46 Band D equivalent properties (after adjustments for non-collection). This estimate carries an inherent level of risk, as any variation between the forecasted and actual number of chargeable dwellings will result in either a surplus or deficit within the Collection Fund which will impact on the Council's Medium Term Financial Strategy.

4.2.12 Monitoring as at end of September 2026 indicates a current tax base of 29,106.49 which is above the budgeted tax base as a result of more dwellings on valuation list and changes in discounts. Further information can be found in Balancing the Budget report also included in this Cabinet agenda.

4.2.13 **Council Tax Forecast**

4.2.14 Taking the above matters into account and projecting to the end of the financial year, early indications suggest that the Collection Fund in respect of Council Tax is forecast to deliver a surplus of £0.913 Million in 2026/27. Although the current in-year collection rate of 58.6% is slightly below the 60% target, this shortfall is offset by an increase in number of chargeable properties and a reduction in discounts. Based on the latest tax base and bad debt provision, this has resulted in an overall improvement in the projected collection fund position. If the surplus is realised, the Council's share would be approximately £97K which would be credited to the General Fund in 2027/28.

4.2.15 **Business Rates**

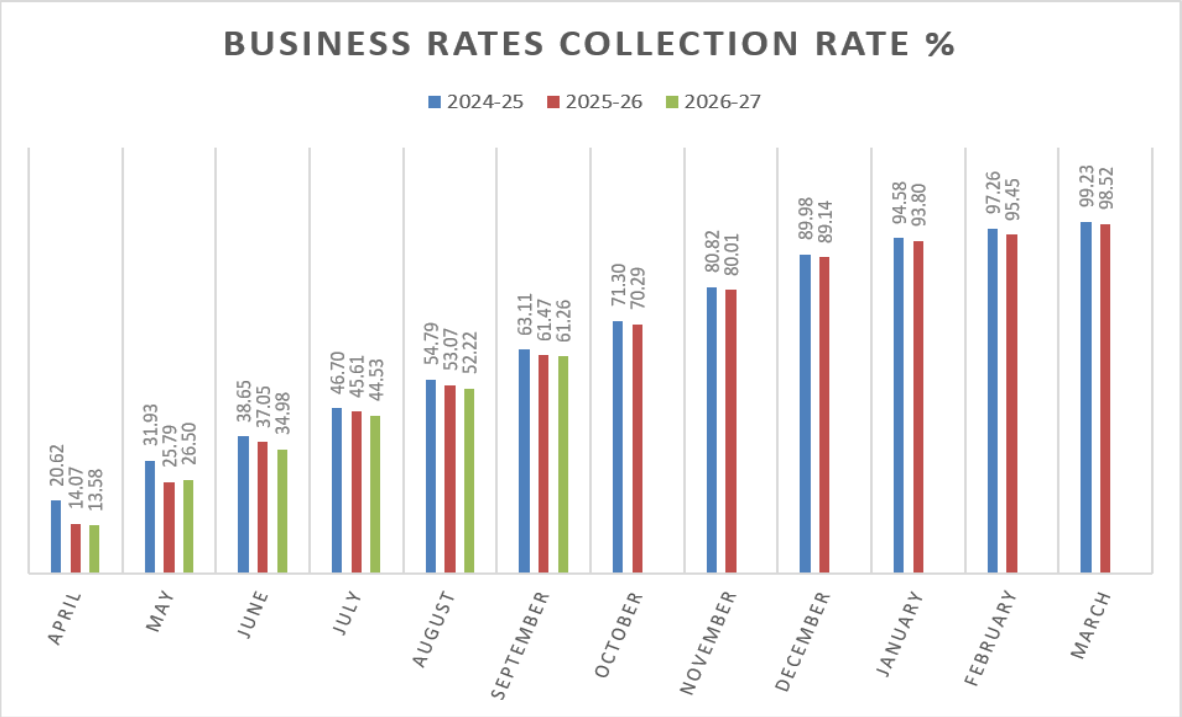
From 2026/27, the Government introduced changes to the Business Rates Retention Scheme, including a national reset and new funding baselines for local authorities. The new distribution of local government funding took into account the 'gains' Councils have kept since the last reset (2013/14). The result of this is that the level of Stevenage's retained rates is only at the level the government assumed in their base line funding, (the government's assessment of the Council's need).

4.2.16 The table below summarises the forecast business rates income for the year as at the end of September, compared with the original estimates set out in the NNDR1 return:

	2026/27 Original v Projected		
	Budget 2026/27 (NNDR 1) £	Forecast Year End Position £	Variance £
Net yield	(65,990,010)	(61,719,082)	4,270,928
Stevenage share of yield	(26,396,004)	(24,687,633)	1,708,371
Tariff	22,786,682	22,786,682	0
Share net of tariff	**(3,609,321)**	**(1,900,950)**	**1,708,371**
Baseline Funding Level	(3,609,322)	(3,609,322)	0
(Gains) /Losses	0	1,708,372	
Losses applicable for Safety Net (@ 100%)	0	1,708,372	
Retained Business Rates	**(3,609,321)**	**(3,609,322)**	**0**

Further details can be found in Balancing the Budget report also included in this Cabinet agenda.

4.2.17 The following table illustrates the business rates collection rate achieved to the end of September 2026, compared with the same period in previous years:



4.2.18 Analysis shows that the collection rate for September 2026 stands at 61.26%, compared with the Quarter two target of 60%. Although this is lower than the collection rates achieved at the same point in previous years (61.47% in 2025/26 and 63.11% in 2024/25), Stevenage's collection rate is the highest in Hertfordshire.

4.2.19 **Housing Benefit**

Based on the latest information available, the Housing Benefit budget is currently forecast to be broadly balanced overall. Whilst there are some emerging budget pressures within the service, these are currently being offset by favourable variances elsewhere, resulting in no significant change to the overall forecast position. As Housing Benefit remains a demand-led and volatile service area, the position will continue to be monitored closely, and any material changes will be reported through future budget monitoring reports.

4.3 **Review of General Fund Balances**

4.3.1 **Allocated Reserves** - these balances are 'ring fenced' and have been set aside for specific purposes. The estimated total value of (revenue) allocated reserves as at 31 March 2027 is £11,106,834 (31 March 2026, £13,950,263). During Quarter two the following movement between reserves have been recommended.

Reserves	Q2 To Be Approved
NNDR Reserve	182,510
ICT Reserve	74,070
Business Change	77,900
Town Square Reserve	(6,010)
Regeneration SG1	118,630
Event Island	8,500
Pride in Place Programme Reserve	(225,000)
Total	**230,600**

*() represents movement to reserves

a. **NNDR Reserve –** the forecast equity share interest income relating to Claxton House (Swingate) is lower than estimated based on current projections, however the overall return to the Council is higher compared to that contained in the last Companies report to the Cabinet in September 2026. The General Fund does not assume any gain from the cost of funding the Equity share or the resultant interest return and it is transferred to/from the NNDR reserve, a corresponding £183K drawdown from the reserve is now required to reflect the revised forecast.

b. **ICT Reserve** – increased forecast expenditure across ICT contracts, supplies and services, together with higher salary costs, has resulted in an in-year pressure. £74K of this pressure is proposed to be funded through a drawdown from this reserve.

c. **Business Change** – as detailed in paragraph 4.1.2 d.

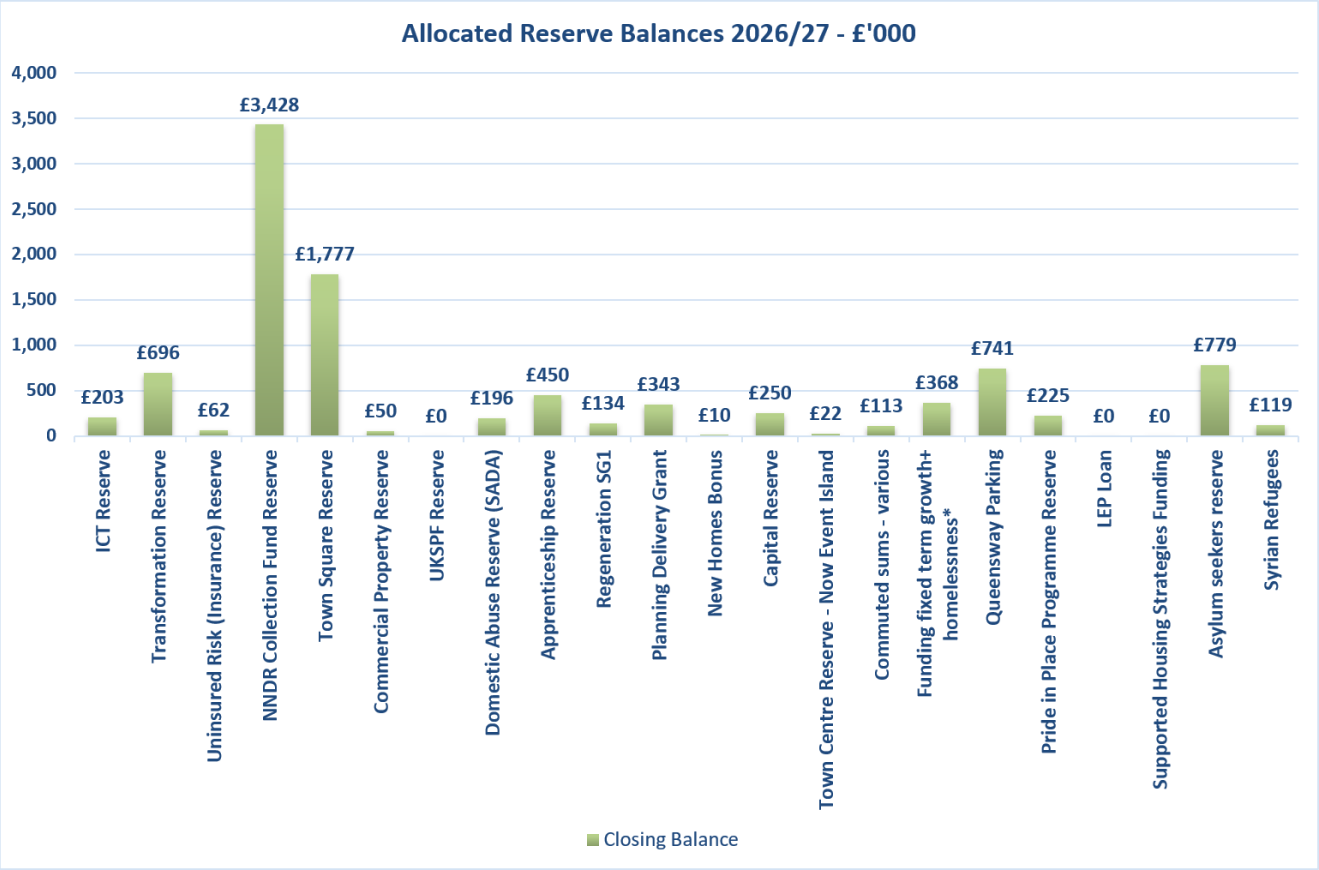
d. **Town Square Reserve –** the forecast transfer to reserves for the year is based on the latest activity profile for 2026/27. The net income/costs

relating to the Town Square assets are transferred to the earmark reserve to fund the holding costs of the assets prior to any regeneration.

e. **Regeneration Reserve –** is forecast to fund £63K of operational expenditure and £56K of the capital TA pressure, giving a net £118K drawdown from the reserve.

f. **Event Island Reserve –** a drawdown of £8.5K is proposed to fund the purchase of radios as set out in paragraph 4.1.2 p.

g. **Pride in Place Programme Reserve –** a £225K contribution to the Pride in Place Programme reserve is proposed, reflecting the grant funding position detailed in paragraph 4.1.3 e above.



4.3.2 General Fund Balance – Following the Quarter 2 review the General Fund balance as at the 31 March 2027 is now forecast to be £6.816 Million.

General Fund Balances	Working Budget £'000
Original Net General Fund Budget	**13,587**
Approved budget changes	331
Net Working budget approved to Date	**13,918**
2nd Quarter Review	425
Total Net Expenditure post Q1 review	**14,344**
Less core resources at Budget Setting Report	(13,587)
Transfer (to)/from General Fund balances	**756**
General Fund balance 31/3/26	**(7,572)**
Transfer (to)/from General Fund balances	**756**
Projected General Fund balance 31/3/27	**(6,816)**
Allocated Revenue Reserves (Paragraph 4.3.1)	(11,107)
Total General Fund Revenue balances (estimated 31/3/27)	**(17,922)**

4.4 **Review of Savings** – As part of the 2026/27 budget setting, the Council agreed savings of £1.281 Million. The table below represents the RAG rated delivery of those schemes.

Target	RAG		% of Target
- 1,281,064	Delivering	-1,121,524	88%
	Partially Achieving	121,500	-9%
	Not Achieving	38,040	-3%
- 1,281,064		-1,281,064	

4.4.1 Based on the second quarter position, the Council is forecast to achieve 88% of its approved savings programme, with only a small number of schemes currently forecast to be partially undelivered in 2026/27 as detailed below.

a. **Fees and charges savings of £84K** – fees and charges have all been implemented, however some areas are seeing income below the working budget as at Quarter two. Most of this pressure is driven from Trade Waste income, which is partly due to timing.

b. **Estates Opportunities £37.5K –** as detailed in paragraph 4.1.2 g delivery of this has been delayed due to the timing of the planning application. As a result, the associated income is not expected to be achieved in 2026/27.

c. **Credit Card Fees £18.5K** – these are directly linked to income levels and transaction volumes. As detailed in section 4.1.3 c, an increase in parking income has been reported, resulting in a corresponding increase in credit card transaction fees.

d. **Trade Waste new charges £6K** – the implementation of the new charges were delayed but now have gone live, resulting in a one-off shortfall against the associated savings target in 2026/27.

e. **Income from Billboards £11K** – this income is currently forecast to be below the budget target due to market conditions and delays in the rollout of new digital advertising sites. The Commercial team is working with advertising partners to maximise income from existing advertising assets and is exploring fixed-income digital advertising arrangements to provide a more stable income stream in future years.

f. **Introduction of Fast Track applications £3K –** the service was introduced from 1 April 2026; however, take-up has been lower than anticipated and the income target is currently not being achieved. This may be partly due to increases in statutory application fees, making applicants less willing to incur additional costs for a fast-track service. Forthcoming changes to the national scheme of delegation may also be influencing demand, with applicants potentially delaying applications until the new arrangements take effect.

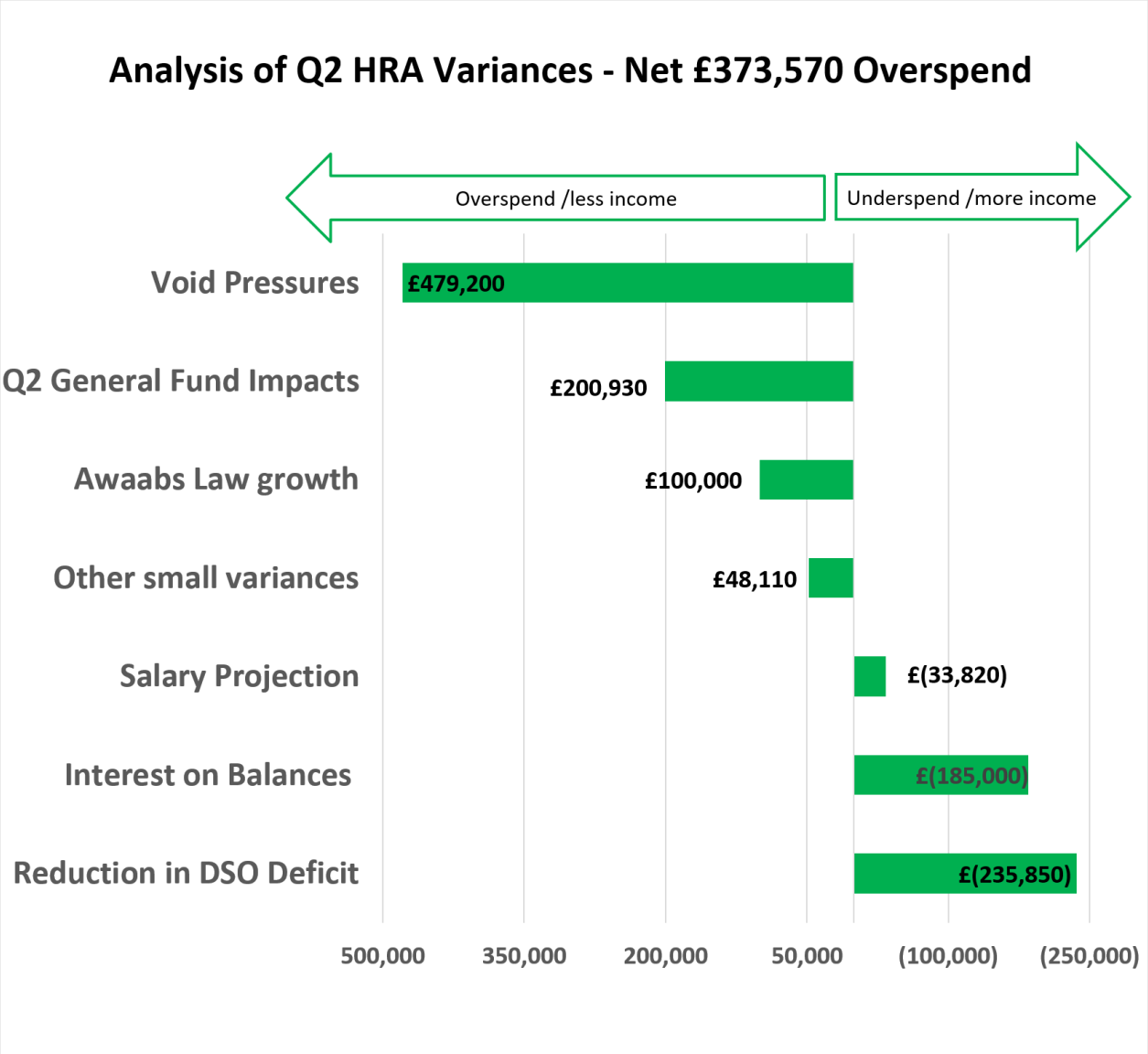
4.5 Housing Revenue Account

4.5.1 For 2026/27 the Housing Revenue Account (HRA) net budget deficit of £243K was approved at Council in January 2026, since then Members have further approved net budget changes of (£227K), as shown in the table below.

HRA Working Budget	£'000
Original Net Budget 2026/27	**243**
25/26 Q4 Carry Forwards	783
26/27 Q1 Net Projected Underspends	(1,124)
26/27 MTFS Report Changes	29
26/27 NEC to the Cloud - Officer Decision	85
Revised HRA Working Budget agreed	**17**

4.6 Housing Revenue Account - Budget Review

4.6.1 Following the second quarter review of revenue budgets officers have identified and projected the following budget movements.



4.6.2 **Void Pressure £479K (Increased Expenditure).** An original budget of just under £2.3 Million was allocated for repairs to vacant (void) properties. There are normally between 400 to 500 properties, used for secure tenancies, which become vacant in a year, but there are also around 200 units used for temporary accommodation that become void more regularly. There is some variability in both costs and numbers each year, depending on the condition of the properties and the number of tenants ceasing their tenancies. However, current projections indicate a £479K cost pressure for this year. There has been increased costs for void temporary accommodation, and officers are currently analysing the jobs to date to understand the increase. However, until this work is completed it has been assumed that current costs are likely to continue for the year.

4.6.3 **General Fund Impacts £201K (Increased Expenditure)**. This relates to three main areas the largest increase relates to the HRA's share of external audit fees that have seen an additional charge of £115K. There has also been an increase in shared legal costs of £35K, linked to increased work in repairs

related cases. There has also been a £31K increase in ICT related expenditure, due to a reduction salaries charged to capital projects, an increase in other salary budgets and some supplier cost pressures.

4.6.4 **Awaab's Law Growth £100K (Increased Expenditure).** From 30 November 2026, Phase two of Awaab's law is due to commence, and this will add another seven key safety hazards to the current damp and mould regulations. A cost of £100K has been identified to develop monitoring systems to manage cases and meet legislative requirements. The majority of the additional funds are to increase capacity in the customer service centre, with additional resources also required in the repairs team and to procure a specialist case management system. The HRA MTFS already includes an ongoing pressure of £200K from 2027/28 to manage this area of work.

4.6.5 **Other small variances £48K (Increased Expenditure).** A total of £48K of other small pressures have been identified as part of the quarter two monitoring process and have been included in the projected position for the year.

4.6.6 **Salary Projection £34K (Reduced Expenditure)**. The latest salary projections show a small reduction to the forecast outturn of £34K and this mainly relates to timing differences on recruiting to vacant posts.

4.6.7 **Interest on Balances £185K (Increased Income).** The latest projection of HRA balances and current interest rates on investments have led to increased interest on balances of £185K for the year.

4.6.8 **Reduction in net cost of Repairs and Voids DSO £235K (Reduced Expenditure).** At quarter two there are lower projected salary costs of £81K, mainly due to vacancy and lower agency costs, combined with additional income relating to void property repairs of £157K.

4.7 **Housing Revenue Account Balances**

4.7.1 Following the second quarter review, the HRA balance is now forecast to be £12.1 Million and is above minimum required balances.

HRA Account Outturn Position	£'000
Working Budget – MTFS Report	**17**
2nd Quarter Net Projected Overspend	374
Updated HRA Budget	**390**
HRA balance brought forward 01/04/2026	**(12,469)**
Deficit in year	390
Projected HRA balance 31/03/2027	**(12,079)**
Cabinet Delegation - HRA	
Increase Variation Limit Delegated	**500**
Variations to date	(636)
Remaining Variations within Cabinet Delegated Limit	**1,136**

4.8 **Capital Monitoring**

4.8.1 The 2026/27 approved budget for each fund is:

- General Fund £53 Million
- Housing Revenue Account £65 Million

4.8.2 The table below sets out the current projected position for the Capital programme 2026/27 and the proposed changes including rephasing of capital budgets at Q2 into future years.

	2026/27				2027/28		2028/29	
£000	**Actual Spend Q2**	**Q1 Capital Strategy**	**Q2 Revised Strategy**	**Variance Q1 v Q2**	**Movement**	**Revised Strategy**	**Movement**	**Revised Strategy**
Total GF Schemes	12,635	53,103	48,925	(4,178)	366	34,220	3,842	14,098
Total HRA Schemes	18,084	65,329	65,723	394	(394)	58,416	-	39,419
Total Capital Programme	**30,719**	**118,432**	**114,648**	**(3,784)**	**(28)**	**92,636**	**3,842**	**53,517**
Re-phase detail:								
Environment & Leisure				(1,619)	1,603		-	
Land, Development & Neighbourhood Regeneration				(2,322)	2,322		-	
Estates				30	-		-	
Technology				(12)	12		-	
Regeneration				(271)	(3,571)		3,842	
Deferred works reserve				16	-		-	
Total GF Movement including Re-phasing				**(4,178)**	**366**		**3,842**	
New Build (Housing Development)				400	(400)		-	
ICT				(6)	6		-	
Total HRA Re-phasing				**394**	**(394)**		**-**	

Re-phasing

4.8.3 Re-phasing (re-profiling) of budgets are changes regarding the forecast timing of expenditure from the approved programme, between financial years, with no reported increase or decrease in budget requirement.

4.8.4 Forecasting spend during the year involves making assumptions about future events that may be out of the control of service managers e.g. Weather, thus re-phasing is a normal part of capital monitoring.

4.9 **General Fund – re-phasing from 2026/27 to/from 2027/28-2028/29 £4 Million - the main items are explained below:**

a. Environment & Leisure £1.6Million, Garage improvement plan (GIP) – it is expected that £1.2Million of the GIP budget will now be spent in 2027/28 on bringing back the Sprayed Asbestos garage back into stock following

contract procurement works. Works to replace the asbestos roofs will be carried out using the income generated from the sprayed asbestos garages.

b. Land, Development & Neighbourhood Regeneration £2.3Million - £2.3Million of The Oval scheme costs have been delayed waiting for utility diversion works to be concluded.

c. Regeneration – Stevenage Sports & Leisure Hub – the revised expenditure profile aligns with the contractor's delivery programme and will be reviewed throughout the project. Forecasts are based on monthly valuations by the project's cost consultants against actual progress on site and may fluctuate as works are measured, certified and reforecast. At Quarter two, £271K of the budget has been re-phased into 2027/28 and £3.8Million into 2028/29.

4.10 **HRA – re-phasing £394K - the main items are explained below:**

a. Housing Development - £400K of slippage identified within the programme 2026/27 to 2027/28, to be utilised to secure homes under the Council's buy back policy in 2026/27, increasing the provision of larger family homes for Council tenants.

4.11 **Virements**

Members are asked to approve the following virements to and from the deferred works reserve:

a. Railway North Drainage £15K – this budget is for the installation of a linear drainage channel in the car park entrance to protect the stairwell and lift shaft from flooding.

b. Splash Pads FVP, an additional £50K is required (subject to final quotes), in addition to the approved budget of £35K to:
   - resurface the splash pads,
   - de stone the seating area,
   - add new layer of topsoil and reseeding

   This work needs to be completed before the splash pads can re-open to users in 2027. Costs have significantly increased since the budget was approved a few years ago.

c. Savings of £16K against the £47K budget for fuel pumps at Cavendish be transferred to the deferred works reserve. These works have now been completed – total costs £31K.

The deferred works reserve balance after these virements will be £380K. The level of deferred works reserve needed for 2027/28 will be considered as part of the Capital Strategy 2027/28 report (Council February 2027).

4.12 **Capital Financing**

4.12.1 The table below sets out the change in the Capital Financing position since Q1, because of changes to the expenditure phasing discussed above.

£000	2026/27			2027/28		2028/29	
	Q1 Capital Strategy	Q2 Revised Strategy	Variance Q1 v Q2	Movement	Revised Strategy	Movement	Revised Strategy
Total Capital Financing	**118,432**	**114,648**	**(3,784)**	**(28)**	**92,636**	**3,842**	**53,517**
Changes detail:							
Capital Receipts		(2,354)	(2,322)			3,842	
Grants and Contributions		(2,436)	2,577			-	
Short Term Borrowing		778	37			-	
Revenue contributions		(166)	74			-	
Total GF Financing changes		**(4,178)**	**366**			**3,842**	
Grants and Contributions		400	(400)			-	
RCCO		(6)	6			-	
Total HRA Financing changes		**394**	**(394)**			**-**	
Total Capital Financing		**(3,784)**	**(28)**			**3,842**	

4.13 Capital Receipts Forecast

4.13.1 The tables below summarises the current capital receipts forecasts for the General Fund.

Capital Receipts £000	Previous Forecast	Revised Forecast/Actual	Variance
Capital Receipts (GF)			
Year 2026/27 Forecast	21,972	14,131	(7,841)
Year 2027/28 Forecast	36,832	28,133	(8,699)
Year 2028/29 Forecast	-	17,224	17,224
Year 2029/30 Forecast	1,150	1,150	-
Year 2030/31 Forecast	1,150	1,150	-
Total Capital Receipts (GF)	**61,104**	**61,788**	**684**
2026/27 HRA Right to Buy Forecast	4,779	4,779	-
2026/27 Other Capital Receipts Forecast	500	500	-
Total Capital Receipts (HRA)	**5,279**	**5,279**	**-**

4.13.2 Until sold, the value of land sales can fluctuate from the forecast by value as well as timing. As capital receipts are commercially sensitive, only high-level forecasts are included above.

4.13.3 The largest component of the Council's forecast capital receipts is the Bragbury End disposal. The majority of the anticipated receipt is still expected to be realised; however, there remains a degree of risk regarding the timing of the receipt.

4.13.4 These relate primarily to S106 contributions from third parties which are currently being negotiated. The timings for the receipt are also impacted by the outcome of the Reserved Matters application for the site which cannot be progressed until the S106 is resolved.

4.13.5 Highways works to the site are also identified as a potential risk to the receipt timings. The risks are currently being mitigated through close working with external partners to secure a route forwards.

5 IMPLICATIONS

5.1 Financial Implications

5.1.1 This report is financial in nature and therefore financial implications are included within the main body of the report. The impact of these changes for future years will be incorporated into the budget setting process.

5.2 Legal Implications

5.2.1 The purpose of this report is to present the forecast General Fund net expenditure, Housing Revenue Account (HRA) position and Capital Programme for 2026/27, together with the projected impact on General Fund and HRA balances. Whilst there are no direct legal implications arising from the recommendations at this stage, Members are reminded of their statutory duty to set and maintain a balanced budget.

5.3 Equalities and Diversity Implications

5.3.1 This report summarises the external and internal factors affecting approved budgets and recommends in-year budget adjustments where necessary. Any budget changes identified for future years that may have an adverse impact on groups protected under the Equality Act 2010 will be considered through the Council's budget-setting process, including the completion of Equality Impact Assessments (EqIAs) where appropriate. None of the budget changes reported are expected to result in changes to existing equalities and diversity policies.

5.4 Risk Implications

5.4.1 A risk-based assessment of reserves and balances is undertaken as part of the General Fund budget-setting process and is reported to Council accordingly. Current projections indicate that both General Fund and Housing Revenue Account (HRA) balances will remain above the approved minimum levels, providing an appropriate level of financial resilience against identified risks.

5.5 Policy Implications

5.5.1 The budget framework reflects the Council's policy-led approach to financial planning and resource allocation across all services. It supports the delivery of corporate priorities and forms an integral part of the Council's Medium Term

Financial Strategy (MTFS), ensuring that resources are aligned with agreed policy objectives and strategic outcomes.

5.6 Climate Change Implications

5.6.1 The Budget and Policy setting process prioritised growth for climate change. The process should have due regard for climate change implications based on the Council's Climate Change Strategy. There are no direct climate change implications from the budget changes in this report.

6. BACKGROUND PAPERS

BD1 – Q1 GF & HRA Revenue and Capital Monitoring Report 2026/27 (Cabinet 10 September 2026)

BD2 – Housing Revenue Account Budget and Rent Setting 2026/27 (Council 21 January 2026)

BD3 – General Fund and Council Tax Setting 2026/27 and Capital Strategy 2025/26 to 2029/30 (Council 25 February 2026)

BD4 – Outturn Q4 Monitoring Report for General Fund, Housing Revenue Account, Capital and Group Companies 2025/26 (Cabinet 15 July 2026)

Appendices

A General Fund Capital Strategy Q2 (2026/27)

B HRA Capital Strategy Q2 (2026/27)

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GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2026/27 Actual Costs £	2026/27 Q1 Capital Strategy £	2026/27 Q2 Capital Strategy £	2026/27 Variance £	2027/28 Q1 Capital Strategy £	2027/28 Q2 Capital Strategy £	2027/28 Variance £	2028/29 Q1 Capital Strategy £	2028/29 Q2 Capital Strategy £	2028/29 Variance £	2029/30	2029/30 Q2 Capital Strategy £	
	General Fund - Schemes													
	Environment & Leisure	966,554	7,941,836	6,323,016	(1,618,819)	2,945,000	4,547,783	1,602,783	1,823,000	1,823,000	0		2,316,000	
	Land, Development & Neighbourhood Regeneration	908,925	13,525,279	11,203,418	(2,321,861)	8,211,788	10,533,649	2,321,861	2,750,000	2,750,000	0		0	
	Estates	542,053	2,647,913	2,677,913	30,000	200,000	200,000	0	0	0	0		0	
	Technology	(124,991)	126,380	114,167	(12,213)	78,960	91,173	12,213	78,960	78,960	0		0	
	Regeneration	10,193,776	26,919,558	26,648,817	(270,741)	21,934,457	18,363,516	(3,570,941)	5,461,651	9,303,332	3,841,681		0	
	Planning & Regulation	148,236	1,512,799	1,512,799	0	234,354	234,354	0	142,500	142,500	0		97,500	
	Deferred Works Reserve	0	429,073	445,109	16,036	250,000	250,000	0	0	0	0		0	
	Total Schemes	**12,634,554**	**53,102,837**	**48,925,238**	**(4,177,598)**	**33,854,559**	**34,220,475**	**365,916**	**10,256,111**	**14,097,792**	**3,841,681**		**2,413,500**	
	General Fund -Resources													
BG902	Capital Receipts		6,307,688	5,581,665	(726,023)	1,772,960	1,654,976	(117,984)	991,960	991,960	0		0	
	SG1 Receipts		0	0	0	0	0	0	0	0	0		0	
BG905	Ringfenced receipts		4,046,171	2,408,149	(1,638,022)	20,933,269	19,241,378	(1,691,891)	4,683,819	8,525,501	3,841,682		0	
BG904	Towns Fund		18,023,281	18,023,281	0	0	0	0			0		0	
BG904	Other Grants and other contributions		8,744,347	6,318,996	(2,425,351)	104,854	2,680,715	2,575,861	28,000	28,000	0		5,000	
BG862	S106		319,116	319,116	0	0	0	0	0	0	0		0	
BG904	Contractors Deposits		49,666	49,666	0	0	0	0	0	0	0		0	
BG936	Priorities – Strategic CIL		4,608,216	4,096,447	(511,769)	990,068	990,068	0	777,832	777,832	0		0	
BG937	Local – Neighbourhood CIL		888,620	888,620	0	108,620	108,620	0	97,500	97,500	0		97,500	
BG903	Capital Reserve (Housing Receipts)		0	0	0	0	0	0	0	0	0		0	
-	RCCO		2,286,503	1,854,968	(431,535)	1,438,000	1,438,000	0	254,000	254,000	0		78,000	
VAR	Revenue Reserves				0	0	0	0	0	0	0		41,000	
BG916	Capital Reserve (Revenue Savings)		325,281	590,760	265,479	0	74,553	74,553	0	0	0		0	
	EPR		1,859,805	1,859,805	0			0			0			
-	Prudential Borrowing Approved		1,289,427	2,579,050	1,289,624	8,506,788	4,717,165	(3,789,624)	3,423,000	3,423,000	0		2,192,000	
-	Short Term borrowing and funded from private sale		4,354,717	4,354,717	0	0	3,315,000	3,315,000	0	0	0			
-	Funding Gap		0	0	0	0	0	0	0	0	0		0	
	Total Resources (General Fund)		**53,102,837**	**48,925,240**	**(4,177,597)**	**33,854,559**	**34,220,475**	**365,916**	**10,256,111**	**14,097,793**	**3,841,682**	**0**	**2,413,500**	
			0											
BG902	**General Funds Receipts**													
	Unallocated B/fwd		(1,968,311)	(1,968,311)	0	(82,279)	(672,935)	(590,656)	(11,644,667)	(2,252,770)	9,391,898		(7,735,931)	
	In Year Receipts for CAPEX		(4,083,586)	(2,956,072)	1,127,514	(2,963,883)	(3,901,356)	(937,474)		(7,792,000)	(7,792,000)		(1,150,000)	
	In Year receipts for repay STD				0	(11,690,000)	(2,448,000)	9,242,000		(2,000,000)	(2,000,000)			
	Swingate Demo Excess		49,960	(375,000)	(424,960)	0	49,960	49,960			0			
	Brabgury excess					(6,187,218)	0			(883,121)				
	New Garage Sales (£2250k predicted from 26/27 to 31/32 - for GIP)		(100,000)	(700,000)	(600,000)	(450,000)	(650,000)	(200,000)	(200,000)	(300,000)	(100,000)		(300,000)	
	Used in Year for capital financing		6,274,875	5,581,665	(693,210)	1,772,960	1,654,976	(117,984)	991,960	991,960	0		0	
	2526 funding correction		(255,217)	(255,217)	0			0			0			
	Receipts Used to Repay ST Borrowing				0	7,955,752	3,714,586	(4,241,166)	3,045,000	4,500,000	1,455,000		0	
	General Fund Receipts Unallocated C/fwd	**0**	**(82,279)**	**(672,935)**	**(590,656)**	**(11,644,667)**	**(2,252,770)**	**3,204,680**	**(7,807,707)**	**(7,735,931)**	**954,898**		**(9,185,931)**	
BG905	**Ringfenced regeneration receipts**													
	Unallocated B/fwd		(2,317,673)	(2,317,673)	0	(16,354,951)	(4,307)	16,350,644	(1,217,868)	(1,742,929)	(525,061)		(484,307)	
	In Year Receipts		(18,338,666)	(350,000)	17,988,666	(12,003,404)	(21,000,000)	(8,996,596)	(3,536,009)	(8,150,000)	(4,613,991)			
	2526 funding correction		255,217	255,217							0			
	Bragbury Excess					6,187,218				883,121				
	Growth					20,000	20,000		0	0	0			
	Used in Year		4,046,171	2,408,149	(1,638,022)	20,933,269	19,241,378	(1,691,891)	4,683,819	8,525,501	3,841,682			
	Reserve Unallocated C/fwd	**0**	**(16,354,951)**	**(4,307)**	**16,350,644**	**(1,217,868)**	**(1,742,929)**	**5,662,157**	**(70,058)**	**(484,307)**	**(1,297,370)**		**(484,307)**	
Memo														
SG1 Receipts	Unallocated B/fwd		383,521	383,521	0	0	433,728	433,728	0	50,208	50,208		50,208	
	In Year Receipts		(333,561)	(9,625,000)	(9,291,439)	(9,725,000)	(333,561)	9,391,439	0	0	0		0	
	Swingate excess		(49,960)	9,300,207			(49,960)							
	Used in Year		0	375,000	375,000	9,725,000	0	(9,725,000)	0	0	0		0	
	Reserve Unallocated C/fwd	**0**	**0**	**433,728**	**(8,916,439)**	**0**	**50,208**	**100,167**	**0**	**50,208**	**50,208**		**50,208**	
BG904	**Grant Contributions Unapplied**													
	Unallocated B/fwd		(19,732,514)	(19,732,514)	0	(798,087)	(3,109,438)	(2,311,351)	(798,087)	(705,723)	92,364		(705,723)	
	In Year Receipts		(8,201,983)	(8,087,983)	114,000	(104,854)	(277,000)	(172,146)	(28,000)	(28,000)	0		(5,000)	
	S106 spend		319,116	319,116										
	Used in Year		26,817,294	24,391,943	(2,425,351)	104,854	2,680,715	2,575,861	28,000	28,000	0		5,000	
	Receipts Unallocated C/fwd		**(798,087)**	(3,109,438)	**(2,311,351)**	**(798,087)**	**(705,723)**	**92,364**	**(798,087)**	**(705,723)**	**92,364**		**(705,723)**	

GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2026/27				2027/28			2028/29			2029/30		
		Actual Costs	Q1 Capital Strategy	Q2 Capital Strategy	Variance	Q1 Capital Strategy	Q2 Capital Strategy	Variance	Q1 Capital Strategy	Q2 Capital Strategy	Variance		Q2 Capital Strategy	
		£	£	£	£	£	£	£	£	£	£		£	
BG936 & BG937	**CIL**													
	Unallocated B/fwd		(4,293,981)	(4,197,716)	96,265	(5,213,605)	8,825	5,222,430	(11,332,362)	(81,398)	11,250,964		(129,741)	
	In Year Resource		(5,866,461)	(778,526)	5,087,934	(7,217,445)	(1,188,911)	6,028,534	(1,710,114)	(923,675)	786,439			
	Used in Year		4,946,836	4,985,067	38,231	1,098,688	1,098,688	0	875,332	875,332	0		97,500	
	CIL C/fwd	**0**	**(5,213,605)**	**8,825**	**5,222,430**	**(11,332,362)**	**(81,398)**	**11,250,964**	**(12,167,144)**	**(129,741)**	**12,037,403**		**(598,264)**	
BG936	**Priorities – Strategic CIL BG936**													
	Unallocated B/fwd		(3,521,910)	(3,440,845)	81,065	(3,853,871)	1	3,853,872	(8,941,651)	(11,119)	8,930,532		(11,119)	
	In Year Resource		(4,940,177)	(655,601)	4,284,576	(6,077,848)	(1,001,188)	5,076,660	(400,000)	(777,832)	(377,832)		(476,650)	
	Used in Year		4,608,216	4,096,447	(511,769)	990,068	990,068	0	777,832	777,832	0		0	
	Strategic CIL Unallocated C/fwd	**0**	**(3,853,871)**	**1**	**3,853,872**	**(8,941,651)**	**(11,119)**	**8,930,532**	**(8,563,820)**	**(11,119)**	**8,552,700**		**(487,770)**	
BG937	**Local – Neighbourhood CIL BG937**				0			0			0			
	Unallocated B/fwd		(772,070)	(756,870)	15,200	(1,359,734)	8,824	1,368,558	(2,390,710)	(70,278)	2,320,432		(118,622)	
	In Year Resource		(926,283)	(122,925)	803,358	(1,139,597)	(187,723)	951,874	(1,310,114)	(145,843)	1,164,271		(89,372)	
	Used in Year		338,620	888,620	550,000	108,620	108,620	0	97,500	97,500	0		97,500	
	Neighbourhood CIL Unallocated C/fwd	**0**	**(1,359,734)**	**8,824**	**1,368,558**	**(2,390,710)**	**(70,278)**	**2,320,432**	**(3,603,325)**	**(118,622)**	**3,484,703**		**(110,494)**	
BG916	**Capital Reserve Resource BG916 Revenue**													
	Unallocated B/fwd		(665,313)	(665,313)	0	(340,032)	(74,553)	265,479	(340,032)	0	340,032		0	
	In Year Resource		0	0	0	0	0	0	0	0	0		0	
	Used in Year		325,281	590,760	265,479	0	74,553	74,553	0	0	0		0	
	Capital Reserve Unallocated C/fwd	**0**	**(340,032)**	**(74,553)**	**265,479**	**(340,032)**	**0**	**340,032**	**(340,032)**	**0**	**340,032**		**0**	

GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2026/27				2027/28			2028/29			2029/30		
		Actual Costs	Q1 Capital Strategy	Q2 Capital Strategy	Variance	Q1 Capital Strategy	Q2 Capital Strategy	Variance	Q1 Capital Strategy	Q2 Capital Strategy	Variance		Q2 Capital Strategy	
		£	£	£	£	£	£	£	£	£	£		£	
	Parks & Open Spaces													
KC052	Shephalbury Park (floodlighting)	0	59,740	59,740	0			0						
KC075	Fairlands Valley Pk-improvemen	0	20,000	20,000	0			0						
KC210	Riddlins Track Works	0	100,000	100,000	0	400,000	400,000	0	0	0	0		0	
KC218	Hertford Road Play Area (S106 Funded)	0	25,000	25,000	0	0	0	0	0	0	0		0	
KC232	SALC and the Swim Centre Urgent and H&S Works includes roof	0	14,939	14,939	0	0	0	0	0	0	0		0	
KC237	Fire stopping works at SALC	0	296,644	296,644	0	0	0	0	0	0	0		0	
KC238	Lift replacement at SALC	19,778	0	0	0	0	0	0	0	0	0		0	
KC243	Leisure Roof works	4,115												
KC245	Toilets at TVP	0	52,738	52,738	0	0	0	0	0	0	0		0	
KC246	Aqua Park - Rubber crumb surface replacement	6,475	35,000	35,000	0	0	0	0	0	0	0		0	
KC253	Sailing Centre	0	2,152	2,152	0	0	0	0	0	0	0		0	
KC256	Valley School Playzone (s106)	0	94,408	94,408	0	0	0	0	0	0	0		0	
KC258	Repurpose SALC	3,450	25,000	25,000	0	975,000	975,000	0						
KC251	Repurpose SALC	20,550												
KC260	Carpet replacement -Theatre	0	100,000	100,000	0			0						
KC903	Golf course works	36,426	50,706	50,706	0	0	0	0	0	0	0		0	
KE118	Lighting Desk SALC - Equipmt & Tools / Sound system	38,938	328,000	328,000	0	0	0	0	145,000	145,000	0		0	
KE329	PLAY AREAS FIXED PLAY	1,143												
KE494	Green Space Access Infrastructure	36,844	69,517	69,517	0	50,000	50,000	0	0	0	0		0	
KE911	Play Area Improvement Programme	16,955	230,922	230,922	0	0	0	0	0	0	0		0	
KE041	Padel Courts	0	10,000	10,000	0	0	0	0	0	0	0		0	
KE611	New pumps/aerators to FVP lakes	16,294	12,000	12,000	0	0	0	0	0	0	0		0	
KE917	Ridlins Athletics Facility (boilers)	6,610	0	0	0	0	0	0	0	0	0		0	
KE097	Replacement Bins (EPR) - Houshold and Public	0	260,000	85,000	(175,000)	0	175,000	175,000	0	0	0		0	
KE542	Flat block waste management infrastructure	1,270	13,238	13,238	0	0	0	0	0	0	0		0	
KE543	Shrub bed programme	855	152,016	100,000	(52,016)	50,000	102,016	52,016	50,000	50,000	0		0	
KE603	Operational Vehicles	324,845	2,157,704	2,157,704	0	230,000	230,000	0	393,000	393,000	0			
KE606	Operational Plant	13,565	397,705	397,705	0	314,000	314,000	0	292,000	292,000	0		0	
KE925	Repair closed church wall St Nicholas church	0	37,107	37,107	0	0	0	0	0	0	0		0	
KE934	Receptacles for new rounds etc	0	160,000		(160,000)		160,000	160,000			0			
KE935	Westin Road ABS Pump	0	5,500	5,500	0			0			0			
KE942	Replace Water Bowers - TRK 16 and TRK25	0	15,000	15,000	0			0			0			
KE951	Domestic Recycling Collection Vehicles (x3)	134,000	111,096	111,096	0			0			0			
KE952	Flat block recycling (EPR & grant funded)	122,391	1,134,805	1,134,805	0	0	0	0	0	0	0		0	
KE954	Improve the vehicle/pedestrian movements at Cavendis	0	20,000	20,000	0			0	0	0	0		0	
KG002	Garages (GIP) 10 year plan (£250k/annum)	127,040	1,473,676	257,909	(1,215,767)	266,000	1,481,767	1,215,767	274,000	274,000	0		282,000	
KG040	Garages asbestos roof capital works	0	0	0	0	620,000	620,000	0	639,000	639,000	0		2,034,000	
KE609	Fuel pumps at Cavendish Road fuel station. manhole co	30,964	47,000	30,964	(16,036)	0	0	0	0	0	0		0	
KR182	EV Cavendish	0	300,000	300,000	0	0	0	0	0	0	0		0	
KC240	Replacement Camera programme	4,046	76,902	76,902	0	40,000	40,000		30,000	30,000	0		0	
KE604	CCTV Upgrade	0	53,322	53,322	0	0	0	0	0	0	0		0	
	Total Environment & Leisure	**966,554**	**7,941,836**	**6,323,016**	**(1,618,819)**	**2,945,000**	**4,547,783**	**1,602,783**	**1,823,000**	**1,823,000**	**0**	**0**	**2,316,000**	**0**

GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2026/27				2027/28			2028/29			2029/30		
		Actual Costs	Q1 Capital Strategy	Q2 Capital Strategy	Variance	Q1 Capital Strategy	Q2 Capital Strategy	Variance	Q1 Capital Strategy	Q2 Capital Strategy	Variance		Q2 Capital Strategy	
		£	£	£	£	£	£	£	£	£	£		£	
	Land, Development & Neighbourhood Regeneration													
KG035	Kenilworth - Community Centre	0	0	0	0	0	0	0	0	0	0		0	
KG026	Grarage Clearence	23,180	148,701	148,701	0	0	0	0	0	0	0		0	
KG042	The Oval (Redevelopment)	(20,344)	8,321,861	6,000,000	(2,321,861)	3,961,538	6,283,399	2,321,861	2,750,000	2,750,000	0		0	
KG036	Kenilworth - private sale (Malvern Close & Blocks A3&A	906,089	4,354,717	4,354,717	0	2,500,000	2,500,000	(0)	0	0	0		0	
Various	**Housing Development Schemes (Joint GF/HRA)**	**908,925**	**12,825,279**	**10,503,418**	**(2,321,861)**	**6,461,538**	**8,783,399**	**2,321,861**	**2,750,000**	**2,750,000**	**0**		**0**	
KG038	Marshgate Wholly Owned Housing Development Company (WOC)	0	700,000	700,000	0	1,750,250	1,750,250	0	0	0	0		0	
	Total Land, Development & Neighbourhood Regenera	**908,925**	**13,525,279**	**11,203,418**	**(2,321,861)**	**8,211,788**	**10,533,649**	**2,321,861**	**2,750,000**	**2,750,000**	**0**		**0**	
	Estates													
KE527	Depots: Planned Preventative Works (reroof) -	889	13,015	13,015	0	0	0	0	0	0	0		0	
KE536	Multi Storey Car Park - Installation of emergency lighting	2,347	130,006	130,006	0	0	0	0	0	0	0		0	
KE928	Health and Safety Works – Cavendish Depot	85,792	651,046	651,046	0	0	0	0	0	0	0		0	
KR150	Vacant Premises	0	0	0	0				0	0	0		0	
KR151	Daneshill: Urgent and H&S Works	1,558	64,070	64,070	0	0	0	0	0	0	0		0	
KR154	BTC Planned Works (combined)	152,813	340,247	340,247	0	0	0	0	0	0	0		0	
KR155	EPC Surveys	8,121	33,510	33,510	0	0	0	0	0	0	0		0	
KR156	EPC remedials	0	209,710	209,710	0	0	0	0	0	0	0		0	
KR179	Daneshill House boilers	1,583	53,443	53,443	0	0	0	0	0	0	0		0	
KR180	Fry Road Nursery	4,411	80,000	80,000	0	0	0	0	0	0	0		0	
KR181	All buildings across corporate estate	68	15,000	15,000	0	0	0	0	0	0	0		0	
KR171	Burwell Road shops - Reroofing,	2,186	125,000	125,000	0	0	0	0	0	0	0		0	
KR174	Commercial properties - General refurbishment (includes costs related to Stock Surveys)	15,886	274,045	274,045	0	200,000	200,000	0	0	0	0		0	
	Indoor Market Signage			30,000	30,000									
KE554	Bedwell N/hood Ctre Canopy Rep	1,086	58,122	58,122	0	0	0	0	0	0	0		0	
KR153	Shephalbury Depot Nursery site	2,037	100,000	100,000	0									
KR183	Homestart, 4-5 Bedwell Park. Replacement flat roof.	0	65,000	65,000	0									
KR918	Stock Condition survey	0	162,040	162,040	0									
KR916	Commercial Properties Refurbishment (MRC Programme)	263,277	273,657	273,657	0	0	0	0	0	0	0		0	
	Total Estates	**542,053**	**2,647,913**	**2,677,913**	**30,000**	**200,000**	**200,000**	**0**	**0**	**0**	**0**		**0**	
	Technology													
KS268	Infrastructure Investment	(133,223)			0	0	0	0	0	0	0		0	
KS320	Telephony Hardware Refresh 2425	0	75,638	75,638	0	0	0	0	0	0	0		0	
KS322	Hardware Replacement Program	8,232	38,529	38,529	0	78,960	78,960	0	78,960	78,960	0		0	
	Total IT General	**(124,991)**	**114,167**	**114,167**	**0**	**78,960**	**78,960**	**0**	**78,960**	**78,960**	**0**		**0**	
	Connected to Our Customer (CTOC)							0			0			
KS274	New CRM Technology	0	12,213	0	(12,213)		12,213	12,213	0	0	0		0	
	Total Technology	**(124,991)**	**126,380**	**114,167**	**(12,213)**	**78,960**	**91,173**	**12,213**	**78,960**	**78,960**	**0**		**0**	

GENERAL FUND CAPITAL STRATEGY

Cost Centre	Scheme	2026/27				2027/28			2028/29			2029/30		
		Actual Costs	Q1 Capital Strategy	Q2 Capital Strategy	Variance	Q1 Capital Strategy	Q2 Capital Strategy	Variance	Q1 Capital Strategy	Q2 Capital Strategy	Variance		Q2 Capital Strategy	
		£	£	£	£	£	£	£	£	£	£		£	
	Regeneration													
KE506	Public Sector Hub	0	1,558,149	1,558,149	0	0	0	0	0	0	0		0	
KE947	SG1 Joint Venture	7,540	0	0	0	0	0	0	0	0	0		0	
KE541	Railway MSCP	(23,080)	0	0	0	0	0	0	0	0	0		0	
KE566	Stevenage Sports & Leisure Club (not TF Funded element)		7,096,238	6,825,497	(270,741)	21,934,457	18,363,516	(3,570,941)	5,461,651	9,303,332	3,841,681		0	
KE251	Parkplace - works ahead of Indoor Market relocation	14,343	40,046	40,046	0	0	0	0	0	0	0		0	
	Towns Fund:	0						0			0			
KE538	Towns Fund	0	(271,331)	(271,331)	0	0	0	0	0	0	0		0	
KE560	Stevenage Enterprise Centre	0	1,857,099	1,857,099	0	0	0	0	0	0	0		0	
KE563	Marshgate Biotech	0	124,647	124,647	0	0	0	0	0	0	0		0	
KE564	Stevenage Innovation & Technology Centre (SITEC)	2,581,601	3,334,312	3,334,312	0	0	0	0	0	0	0		0	
KE565	New Towns Heritage Centre	0	1,979,820	1,979,820	0	0	0	0	0	0	0		0	
KE566	Stevenage Sports & Leisure Club	6,933,374	8,703,830	8,703,830	0	0		0	0	0	0		0	
KE567	Cycling & Pedestrian Connectivity	482,725	1,050,369	1,050,369	0	0	0	0	0	0	0		0	
KE568	Diversification of Retail & Garden Square		1,244,535	1,244,535	0	0	0	0	0	0	0		0	
KE568	Diversification of Retail & Garden Square (Boston House)	197,274	201,844	201,844	0	0	0	0	0	0	0		0	
Various	**Towns Fund**	**9,997,700**	**18,225,125**	**18,225,125**	**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**	
	Total Regeneration	**10,193,776**	**26,919,558**	**26,648,817**	**(270,741)**	**21,934,457**	**18,363,516**	**(3,570,941)**	**5,461,651**	**9,303,332**	**3,841,681**		**0**	
	Planning & Regulation					(2,199,136)	(3,570,941)							
KC244	Community Climate Change Fund	3,530	108,620	108,620	0	97,500	97,500	0	97,500	97,500	0		97,500	
KC262	Phase 1 CIL (CIL, BNG)	0	225,000	225,000	0			0			0			
KC264	Phase 2 CIL (CIL, BNG)		550,000	550,000										
KC263	Pride in place	0	35,750	35,750	0	81,854	81,854	0						
KC916	Street Scene UKSPF	7,829	39,839	39,839	0	0	0	0	0	0	0		0	
KE120	Park Place Remedials	17,715	49,666	49,666	0	0	0	0	0	0	0		0	
KE201	Hard standings	697	26,500	26,500	0	20,000	20,000	0	20,000	20,000	0		0	
KE217	Parking Restrictions	13,160	25,000	25,000	0	25,000	25,000	0	25,000	25,000	0		0	
KE531	Workplace Travel Plan	(38,129)	0	0	0	0	0	0	0	0	0		0	
KC918	MSCP Lift Reinstatement	21,952	79,500	79,500	0	0	0	0	0	0	0		0	
KC919	Car Parks Resurfacing	0	87,724	87,724	0	0	0	0	0	0	0		0	
KC920	Car Parks - Lighting Phased Replacement (2 years)	4,990	30,200	30,200	0	0	0	0	0	0	0		0	
KC918	MSCP Painting (westgate and st george's)		40,000	40,000	0	0	0	0	0	0	0		0	
KC918	MSCP Fire Alarm Upgrade (st george's)		25,000	25,000	0	0	0	0			0		0	
KC922	Replacing parking machines	80,065	80,000	80,000	0	10,000	10,000	0			0			
KE468	Town Square Improvements	0	30,000	30,000	0									
KC923	Christmas Decorations Phased Replacement	36,427	80,000	80,000	0									
	Total Planning & Regulation	**148,236**	**1,512,799**	**1,512,799**	**0**	**234,354**	**234,354**	**0**	**142,500**	**142,500**	**0**		**97,500**	
	Balance to review													
KR911	**Deferred Works Reserve**	0	**429,073**	445,109	**16,036**	**250,000**	**250,000**	**0**	**0**	**0**	**0**		**0**	

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APPENDIX B - HOUSING REVENUE ACCOUNT CAPITAL STRATEGY

		2026/27	2026/27	2026/27	2026/27	2027/2028	2028/2029	2029/2030	2030/2031
Cost Centre	Scheme	Actuals to date	Q1 Capital Strategy	Q2 Capital Strategy	Variance	Q2 Capital Strategy	Q2 Capital Strategy	Q2 Capital Strategy	Q2 Capital Strategy
		£	£	£	£	£	£	£	£
	SUMMARY								
	Capital Programme Excl New Build (Housing Inv)	6,361,674	32,085,210	32,085,210		28,075,000	31,632,000	27,946,420	26,733,840
	New Build (Housing Development)	11,577,970	32,798,578	33,198,578	400,000	29,145,415	6,500,000	11,000,000	8,400,000
	Other Capital Schemes	144,385	445,129	439,266	(5,863)	1,196,011	1,287,400	922,084	784,000
	TOTAL HRA CAPITAL PROGRAMME	**18,084,029**	**65,328,917**	**65,723,054**	**394,137**	**58,416,426**	**39,419,400**	**39,868,504**	**35,917,840**
	HRA USE OF RESOURCES								
BH930	MRR (Self Financing Depreciation)		13,894,231	13,894,231		14,241,587	14,553,431	14,836,863	15,120,295
BH902	Other Capital Receipts		500,000	500,000		-	-	-	-
BH906	Section 20 Contribution (leaseholders income)		3,841,040	3,841,040		3,453,760	3,714,160	2,900,800	942,460
BH901	(RTB) new Build provision		9,854,600	9,854,600		3,904,923	3,250,000	5,802,400	4,511,500
BH903	RTB - Debt Provision Receipts		285,100	285,100		285,077	293,600	-	-
	Borrowing Prudential		25,032,303	22,840,269	(2,192,034)	29,017,900	17,607,982	16,328,441	15,343,201
	Direct Revenue Financing (was RCCO)		604,643	598,780	(5,863)	1,590,179	227	-	384
BH905	Grant		11,317,000	13,909,034	2,592,034	5,923,000	-	-	-
	TOTAL HRA RESOURCES FOR CAPITAL		**65,328,917**	**65,723,054**	**394,137**	**58,416,426**	**39,419,400**	**39,868,504**	**35,917,840**
						(0)	0	0	0
BH930	Major Repair Reserve Bought Forward								
	Depreciation (increasing MRR)		(13,894,231)	(13,894,231)		(14,241,587)	(14,553,431)	(14,836,863)	(15,120,295)
	MRR Used (decreasing MRR)		13,894,231	13,894,231		14,241,587	14,553,431	14,836,863	15,120,295
	Major Repair Reserve Carried Forward								
	Total RTB Receipts Bought Forward	(6,974,610)	(12,436,229)	(12,436,229)		(7,074,995)	(4,644,637)	(2,929,362)	973,894
BH901 &	Total RTB Receipts Received	(12,388,737)	(4,778,466)	(4,778,466)		(1,759,642)	(1,828,324)	(1,899,145)	(1,972,167)
BH903	Total RTB Receipts Used HRA		16,575,750	10,139,700		4,190,000	3,543,600	5,802,400	4,511,500
	Total RTB Receipts Carried Forward	**(19,363,347)**	**(638,945)**	**(7,074,995)**		**(4,644,637)**	**(2,929,362)**	**973,894**	**3,513,226**

APPENDIX B - HOUSING REVENUE ACCOUNT CAPITAL STRATEGY

		2026/27	2026/27	2026/27	2026/27	2027/2028	2028/2029	2029/2030	2030/2031
Cost Centre	Scheme	Actuals to date	Q1 Capital Strategy	Q2 Capital Strategy	Variance	Q2 Capital Strategy	Q2 Capital Strategy	Q2 Capital Strategy	Q2 Capital Strategy
		£	£	£	£	£	£	£	£
BH902	Unpooled Receipts Bought Forward								
	Unpooled Receipts Received		(500,000)	(500,000)					
	Unpooled Receipts Used		500,000	500,000					
	Unpooled Receipts Carried Forward								
BH903	Debt Provision Receipts Bought Forward								
	Debt Provision Receipts Received 'Allowable Debt (F		(285,100)	(285,100)		(285,077)	(1,103,688)	(1,103,688)	(1,103,688)
	Debt Provision Receipts Used HRA		285,100	285,100		285,077	293,600		
	Debt Provision Receipts Carried Forward						**(810,088)**	**(1,103,688)**	**(1,103,688)**
	CAPITAL PROGRAMME EXCL. NEW BUILD								
	Planned Investment including Decent Homes								
Various	**Decent Homes - Internal/External Works**	**4,874,911**	**20,668,800**	**20,668,800**		**19,158,260**	**19,251,770**	**21,081,770**	**19,869,190**
KH141	Decent Homes Electrical	450,152	464,600	464,600		350,000	300,000	300,000	300,000
KH283	Housing Improvements								
KH298	Roofing		558,540	558,540		600,000	650,000	120,000	120,000
KH299	Insulation Measures	109,046	57,760	57,760		58,260	63,120	63,120	63,120
KH308	Decent Homes Internal/External Works Contractor 1	187,079							
New Code	Decent Homes - Extractor Fans		264,600	264,600		150,000	160,000	80,000	80,000
New Code	Decent Home External Works		423,300	423,300		600,000	860,000	2,500,000	2,500,000
KH310	Decent Homes Internal/External Works Voids		600,000	600,000		600,000	600,000	600,000	600,000
KH401	DH 1-Off Heating (Sureserve)	770,500	3,075,000	3,075,000		2,500,000	2,209,325	2,209,325	2,209,325
KH402	DH 1-off Heating (TSG)	717,033	3,075,000	3,075,000		2,500,000	2,209,325	2,209,325	2,209,325
KH403	DH Window/Door Replace (Etec)	393,853	3,575,000	3,575,000		3,600,000	3,600,000	4,000,000	4,000,000
KH404	DH Window/Door Replce (ChasB)	896,277	3,575,000	3,575,000		3,600,000	3,600,000	4,000,000	4,000,000
KH406	DH Kitchen & Bathroom (Pilon)	(45,632)	2,500,000	2,500,000		2,300,000	2,500,000	2,500,000	1,893,710
KH407	DH Kitchen&Bathrm (United Liv)	1,396,604	2,500,000	2,500,000		2,300,000	2,500,000	2,500,000	1,893,710
Various	**Decent Homes - Flat Blocks**	**(210,107)**	**2,889,831**	**2,889,831**		**2,577,080**	**5,960,070**	**1,010,000**	**1,010,000**
KH311	MRC Flat Blocks - Wates	(226,117)							
KH312	MRC Flat Blocks - Mulalley	(189,219)	1,058,300	1,058,300		Spend reprofiled to			
KH300	MRC Miscellaneous BUILDINGS	5,636							
KH313	MRC Flat Blocks - Misc	23,212	670,700	670,700		421,490	324,490	910,000	910,000
KH205	Communal Heating		97,540	97,540		116,520	126,250	100,000	100,000

APPENDIX B - HOUSING REVENUE ACCOUNT CAPITAL STRATEGY

		2026/27	2026/27	2026/27	2026/27	2027/2028	2028/2029	2029/2030	2030/2031
Cost Centre	Scheme	Actuals to date	Q1 Capital Strategy	Q2 Capital Strategy	Variance	Q2 Capital Strategy	Q2 Capital Strategy	Q2 Capital Strategy	Q2 Capital Strategy
		£	£	£	£	£	£	£	£
KH321	High Rises - Improvement Works	176,382	1,063,291	1,063,291		2,039,070	5,509,330		
KH332	New Schemes to be created								
	Health & Safety								
KH085	Fire Safety								
KH112	Asbestos Management	190,891	367,100	367,100		346,890	378,740	378,740	378,740
KH114	Subsidence	94,721	195,800	195,800		185,000	185,000	185,000	185,000
KH144	Contingent Major Repairs	113,584	688,850	688,850		582,590	631,240	631,240	631,240
KH327	Building safety	123,906	2,667,000	2,667,000		1,165,180	1,165,180	599,670	599,670
	Estate & Communal Area								
KH223	Asset Review - Challenging Assets	150,097							
Various	**Other HRA Schemes**	**1,023,669**	**4,607,829**	**4,607,829**		**4,060,000**	**4,060,000**	**4,060,000**	**4,060,000**
KH318	Stock condition Surveys	22,679	169,300	169,300		180,000	180,000	180,000	180,000
KH319	Decarbonisation (Equans)	404,663	3,136,829	3,136,829		2,650,000	2,650,000	2,650,000	2,650,000
KH094	Disabled Adaptations	596,327	1,270,000	1,270,000		1,200,000	1,200,000	1,200,000	1,200,000
KH016	Capital Equipment		31,700	31,700		30,000	30,000	30,000	30,000
	TOTAL CAPITAL PROGRAMME EXCL. NEW BUILD	**6,361,674**	**32,085,210**	**32,085,210**		**28,075,000**	**31,632,000**	**27,946,420**	**26,733,840**

APPENDIX B - HOUSING REVENUE ACCOUNT CAPITAL STRATEGY

		2026/27	2026/27	2026/27	2026/27	2027/2028	2028/2029	2029/2030	2030/2031
Cost Centre	Scheme	Actuals to date	Q1 Capital Strategy	Q2 Capital Strategy	Variance	Q2 Capital Strategy	Q2 Capital Strategy	Q2 Capital Strategy	Q2 Capital Strategy
		£	£	£	£	£	£	£	£
	CAPITAL PROGRAMME NEW BUILD								
KH233	Open Market Acquisitions (Social Rent) grant funded	122,689		400,000	400,000				
KH244	Twin Foxes								
KH245	March Hare in Burwell Road	500,637	1,203,168	1,203,168					
KH247	Kenilworth Close (105 units)	(294,200)							
KH303	Dunn Close (27 units, 21 main block SA)	(72,965)	128,674	128,674					
KH333	Brent Court Social Rent	466,789	9,000,000	9,000,000		21,335,607			
KH307	The Oval (70 Units)	6,328,054	15,397,989	15,397,989		7,809,808			
KH304	Shephall Social	4,047,076	4,081,240	4,081,240					
KH301	Redcar Drive aka Cartref	71,524	1,700,000	1,700,000					
KH314	Ellis Avenue	389,010	1,315,338	1,315,338					
KH334	Neighbourhood Centre Social Rent						3,250,000	5,500,000	4,200,000
KH335	Neighbourhood Centre Afford.Rent						3,250,000	5,500,000	4,200,000
	Burwell Bond Affordable Housing								
KH77	L.S.S.O. Buy Back	19,357	(27,831)	(27,831)					
	TOTAL CAPITAL PROGRAMME NEW BUILD	**11,577,970**	**32,798,578**	**33,198,578**	**400,000**	**29,145,415**	**6,500,000**	**11,000,000**	**8,400,000**
	OTHER CAPITAL SCHEMES								
	IT General (IT)								
KH268	Infrastructure Investment	144,385	280,596	280,596		733,148	760,000	748,000	764,000
KH283	Housing Improvements - Northgate online		118,670	118,670		360,000	503,400	138,084	
KH336	Core ICT Equipment Equipmt & Tools		40,000	40,000		97,000	24,000	36,000	20,000
	Total General IT	**144,385**	**439,266**	**439,266**		**1,190,148**	**1,287,400**	**922,084**	**784,000**
	Connected To Our Customers (CTOC)								
KH288	New CRM Technology (Digital Platform)		5,863		(5,863)	5,863			
	Total CTOC		**5,863**		**(5,863)**	**5,863**			
	TOTAL OTHER CAPITAL SCHEMES	**144,385**	**445,129**	**439,266**	**(5,863)**	**1,196,011**	**1,287,400**	**922,084**	**784,000**

Part I
Release to Press

AUDIT COMMITTEE/ CABINET / COUNCIL

Portfolio Area: Resources and Performance

Date: **10 November 2026 /**
19 November 2026 /
16 December 2026

MID YEAR TREASURY MANAGEMENT REVIEW 2026/27 AND PRUDENTIAL INDICATORS

NON-KEY DECISION

Author – Rhona Bellis
Lead Officer – Atif Iqbal
Contact Officer – Atif Iqbal

1 PURPOSE

1.1 To update Members on the Treasury Management activities in 2026/27 and review effectiveness of the 2026/27 Treasury Management and Investment Strategy including the 2026/27 prudential and treasury indicators.

2 RECOMMENDATIONS

2.1 **Audit Committee**

That subject to any comments by the Audit Committee to the Cabinet, the 2026/27 Mid-Year Treasury Management Review, revised Minimum Revenue Provision Policy and Prudential indicators report is recommended to Council for approval.

2.2 **Cabinet**

That subject to any comments made by the Cabinet, in addition to those made by the Audit Committee, the 2026/27 Mid-Year Treasury Management Review, revised Minimum Revenue Provision Policy and Prudential indicators report is recommended to Council for approval.

2.3 **Council**

That subject to any comments from the Audit Committee and the Cabinet, 2026/27 Mid-Year Treasury Management Review, revised Minimum Revenue Provision Policy and Prudential indicators report be approved by Council.

3 BACKGROUND

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

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

Accordingly, treasury management is defined as:

"The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

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

a. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.

b. Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.

c. Receipt by the full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a Mid-year Review Report and an Annual Report, (stewardship report), covering activities during the previous year.

d. Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.

e. Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council, the delegated body is the Audit committee.

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

a. a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services.
b. an overview of how the associated risk is managed.
c. 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 CIPFA has undertaken consultation on the Prudential Code for Capital Finance and Treasury Management (closed August 2026). At this stage, the outcomes are not yet known. Officers will provide an update on any material developments/changes in due course.

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

a. An economic update for the first half of the 2026/27 financial year.
b. A review of the Treasury Management Strategy Statement and Annual Investment Strategy.
c. The Council's capital expenditure, as set out in the Capital Strategy, and prudential indicators.
d. A review of the Council's investment portfolio for 2026/27.
e. A review of the Council's borrowing strategy for 2026/27.
f. A review of compliance with Treasury and Prudential Limits for 2026/27.

3.2 Economics and interest rates

3.2.1 Economics update.

3.2.2 The first half of 2026/27 saw:

a. Continued resilience in the face of the ongoing energy shock, with real GDP up 0.4% month/month in July, following on from GDP of 0.5% quarter/quarter (1.4% year/year) for the quarter ending 30 June 2026.
b. CPI inflation stuck at 2.8% in May, but is now ticking upwards, standing at 3.5% in September and forecast to rise to 4.3% by January 2027.
c. The Bank of England (BOE) left interest rates unchanged at 3.75% although it intimated in its September meeting that rates will be hiked in November or December if a resolution to the conflict in the Middle East is not forthcoming before then.

d. The 10-year gilt yield fluctuated between 5.43% and 4.69%, ending September at 5.43%.

3.2.3 Looking ahead on the economy, the economy's prolonged resilience is unlikely to last as the drag from rising energy prices (the January energy cap is projected to increase by circa 20%) and borrowing costs will be felt before long.

3.2.4 As the Council invests excess cash mainly with banks, the impact of changes in the BOE base rate directly impacts the interest earned on those investments over time.

3.2.5 **Interest Rate Forecasts**

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

3.2.7 The latest forecast (MUFG 23 October) sets out a view that short, medium, and long-dated interest rates will reduce gradually over the next year or two, as the Bank of England continues to prioritise controlling inflation.

3.2.8 More details of the Economic outlook from the Councils treasury advisors can be found in Appendix C

Chart 1

Interest Rate Forecasts								
Bank Rate	**Dec-26**	**Mar-27**	**Jun-27**	**Sep-27**	**Dec-27**	**Mar-28**	**Jun-28**	**Sep-28**
MUFG CM	4.00%	4.00%	4.00%	3.75%	3.50%	3.25%	3.25%	3.25%
Cap Econ	4.00%	4.25%	4.25%	4.25%	4.00%	3.75%	3.75%	3.50%
5Y PWLB RATE								
MUFG CM	5.60%	5.60%	5.30%	5.10%	4.70%	4.50%	4.50%	4.40%
Cap Econ	5.20%	5.10%	4.90%	4.80%	4.60%	4.60%	4.60%	4.60%
10Y PWLB RATE								
MUFG CM	6.00%	5.90%	5.60%	5.40%	5.00%	4.80%	4.80%	4.70%
Cap Econ	5.80%	5.70%	5.60%	5.40%	5.30%	5.30%	5.30%	5.30%
25Y PWLB RATE								
MUFG CM	6.50%	6.40%	6.10%	5.90%	5.60%	5.30%	5.30%	5.30%
Cap Econ	6.30%	6.20%	6.00%	5.90%	5.80%	5.80%	5.80%	5.80%
50Y PWLB RATE								
MUFG CM	6.10%	6.10%	5.80%	5.50%	5.30%	5.10%	5.00%	5.00%
Cap Econ	6.00%	5.80%	5.70%	5.60%	5.40%	5.40%	5.40%	5.40%

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

4 Treasury Management Strategy Statement and Annual Investment Strategy Update

4.1.1 The Treasury Management Strategy Statement (TMSS) was approved by Council on 25 February 2026.

4.1.2 Members are asked to approve revisions to the Council's MRP Policy for 2026/27, as set out in Appendix B. These amendments clarify and strengthen the Council's compliance with the revised framework relating to capital loans to third parties and the treatment of capital receipts financing.

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

4.2 The Council's Capital Position (Prudential Indicators).

4.2.1 This part of the report is structured to update:

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

4.2.2 Prudential Indicator for Capital Expenditure and changes to Financing

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

Table 1 Capital Expenditure and Financing

	Original Capital Strategy (Council February 2026) £'000	Revised Capital Strategy Q2 £'000	*Movement*[1] £'000
Capital Expenditure:			
General Fund Capital Expenditure	47,461	48,925	1,464
HRA Capital Expenditure	75,634	65,723	(9,911)
Total Capital Expenditure	123,095	114,648	(8,447)
Financed by:			
Capital Receipts	(19,548)	(18,630)	918
Capital Grants /Contributions	(41,180)	(47,446)	(6,266)
Capital Reserves	(338)	(591)	(253)
Revenue contributions & Reserves	(3,290)	(4,314)	(1,024)
Major Repairs Reserve	(13,630)	(13,894)	(264)
Total Financing	(77,985)	(84,875)	(6,890)
Borrowing requirement	45,110	29,773	(15,337)

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

4.2.4 The General Fund net reduction of £1.5 Million includes:

a. Re-phasing of £5 Million of 2025/26 budgets into 2026/27 across all services.

b. Re-phasing of £(4) Million capital budgets in from 2026/27 into future years.

c. Addition of fully funded (Grants / CIL) budgets £765K.

Details are included in the quarterly monitoring reports referred to below.

4.2.5 The HRA net reduction of £10 Million is mainly due to re-phasing of the Housing Development budgets into future years.

4.2.6 Reduced borrowing requirement of £15 Million is a result of expenditure slippage into future years combined with additional grants and contributions replacing borrowing to fund projects.

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

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

Prudential Indicator – Capital Financing Requirement

The Council is on target to be within 6% of the original forecast CFR.

Prudential Indicator - the Operational Boundary for external debt.

The Treasury Team is on target to be within the original limit for external borrowing. No revision to the limit is proposed.

Table 2 £000	2026/27 Original Estimate Council February 2026	2026/27 Revised Estimate Mid-Year
Prudential Indicator – Capital Financing Requirement CFR)		
CFR – non housing	66,748	65,110
CFR – housing	310,634	288,673
Total CFR (includes internal borrowing)	**377,382**	**353,783**
Net movement in CFR		**(23,599)**
Prudential Indicator – the Operational Boundary for external debt		
Borrowing	368,728	368,728
Other long-term liabilities[2]	15,654	15,654
Total debt (year-end position)	**384,382**	**384,382**
Net movement in OB		**(0)**

[2] Finance leases

4.4 Limits to Borrowing Activity

4.4.1 The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose. **Gross external borrowing** should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2026/27 and next two financial years.

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

Table 3 Authorised limits for external debt	Operational Boundary £'000	Authorised Limit £'000	Actual External Debt 30/09/2026 £'000
General Fund	71,747	78,747	25,019
HRA	312,634	323,634	281,611
Total Debt	**384,381**	**402,381**	**306,630**
CFR (projected year-end position)			**353,783**
Gross external debt less than CFR			**Yes**

4.4.3 A temporary breach of the operational boundary is permissible for short term cash flow purposes however a breach of the authorised limit would require a report to Council. There have been no breaches of either limit in the period for 2026/27.

4.5 Borrowing

4.5.1 The Council's capital financing requirement (CFR) for 2026/27 is forecast to be £354Million. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing), or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions.

4.5.2 Table three shows the Council has forecast borrowings of £306Million and is expected to utilise £57Million of cash flow funds in lieu of borrowing (Forecast CFR less total forecast debt effectively internal borrowing). This is a prudent and cost-effective approach in the current economic climate but will require ongoing monitoring in the event that any upside risk to gilt yields prevails.

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

4.5.4 No additional external borrowing has been taken out as at 30 September 2026.

4.5.5 It is anticipated that borrowing will be undertaken during the financial year in line with financing in table 1 above, this includes external and internal borrowing.

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

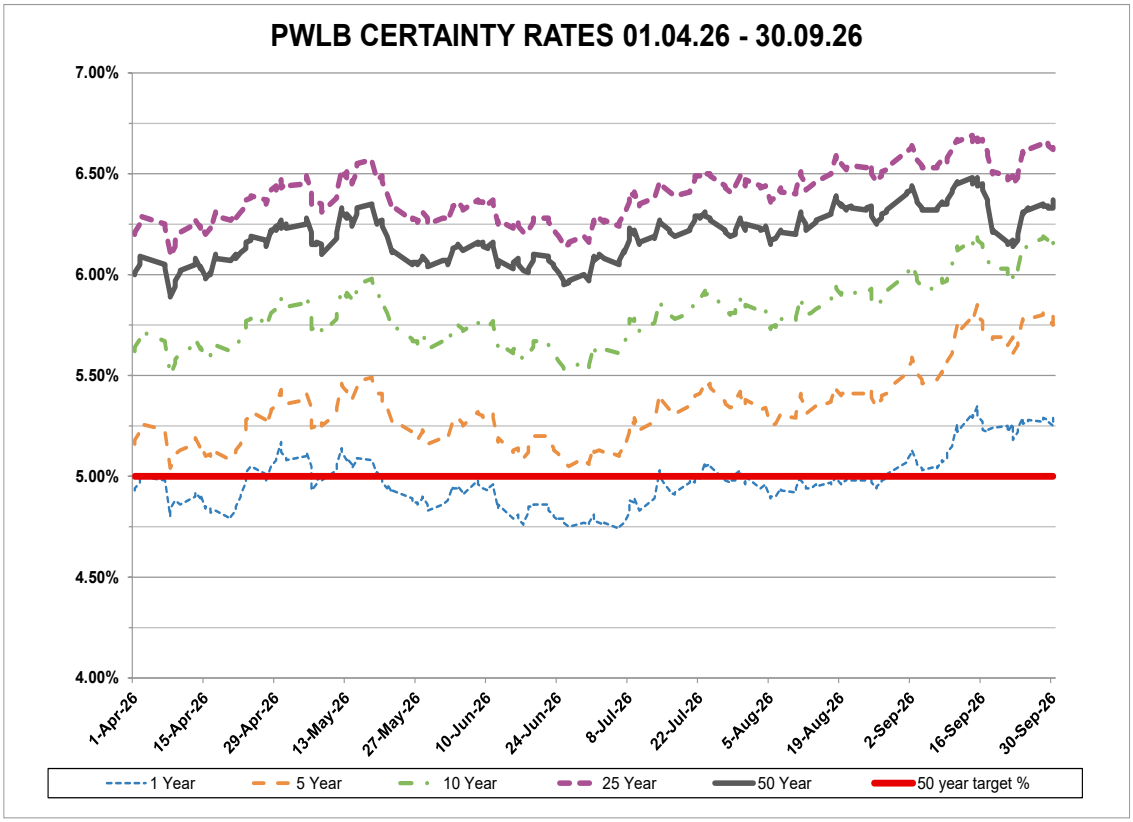
4.5.7 Gilt yields and PWLB certainty rates have remained relatively volatile throughout the six months under review, but the general trend has been for medium and longer dated parts of the curve to shift higher on the back of inflation concerns and a pessimistic outlook for fiscal aspects, both domestically and internationally

4.5.8 At this juncture, MUFG Corporate Markets forecasts rates to fall back over the next one to three years as inflation dampens, but in the near-term there are upside risks should the second-round effects of inflation, primarily from energy price shocks emanating in the Middle East, become embedded. That scenario could lead to wage increases becoming more challenging from an inflation-management perspective, resulting in monetary policy tightening further than currently forecast (one increase in Bank Rate of 0.25% in either November or December 2026).

4.5.9 Conversely, a swift resolution to the conflict in the Middle East could see energy prices fall back swiftly and, therein, an easing in inflation concerns and monetary policy, respectively. Currently, the CPI measure of inflation is expected to hit a high of 4.3% in early 2027 before falling back towards the 2% target rate by 2028.

4.5.10 The Chart below shows the volatility of the PWLB borrowing rates from April 2026 to September 2026.

Chart 2



4.6 Compliance with Treasury and Prudential Limits

4.6.1 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. During the half year ended 30 September 2026 the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement for 2026/27. The Chief Finance Officer reports that no difficulties are envisaged for the current or future years in complying with these indicators.

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

4.7 Annual Investment Strategy

4.7.1 The Treasury Management Strategy Statement (TMSS) for 2026/27, which includes the Annual Investment Strategy, was approved by the Council on 25 February 2026. In accordance with the CIPFA Treasury Management Code of Practice, it sets out the Council's investment priorities as being:

- Security of capital
- Liquidity
- Yield

4.7.2 The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite. In the current economic climate, it is considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months with high credit quality

financial institutions, using the MUFG Corporate Markets suggested creditworthiness approach, including a minimum sovereign credit rating and Credit Default Swap (CDS) overlay information.

4.7.3 There were no breaches to this policy in the year to 30 September 2026 with the investment activity conforming to the approved strategy. The Council had no liquidity difficulties, and no funds have been placed with the Debt Management Office (DMO), demonstrating that counterparty limits and availability for placing funds approved in the TM Strategy were working effectively. It is possible that surplus funds that may be borrowed during 2026/27 will be placed in the DMO temporarily, if PWLB borrowing rates are advantageous and cash balances due to timing of taking out new loans would breach other counterparty limits.

Creditworthiness

4.7.4 The UK's sovereign rating has proven robust through the first half of 2026/27. The Government is expected to outline in detail its fiscal proposals in the Budget scheduled for 28 November 2026.

Investment Counterparty criteria

4.7.5 The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function. It is noted that sentiment in the current economic climate can easily shift, so it remains important to undertake continual monitoring of all aspects of risk and return in the current circumstances.

4.7.6 Countries included are those where relevant banks are active in Sterling markets.

4.7.7 No counterparty amendments to the TMSS are proposed at this stage.

4.8 **Investment performance year to date as of 30 September 2026**

4.8.1 The Council's current investment portfolio consists of "conventional" cash investments: deposits with banks and building societies, Money Market Funds, and loans to other Local Authorities.

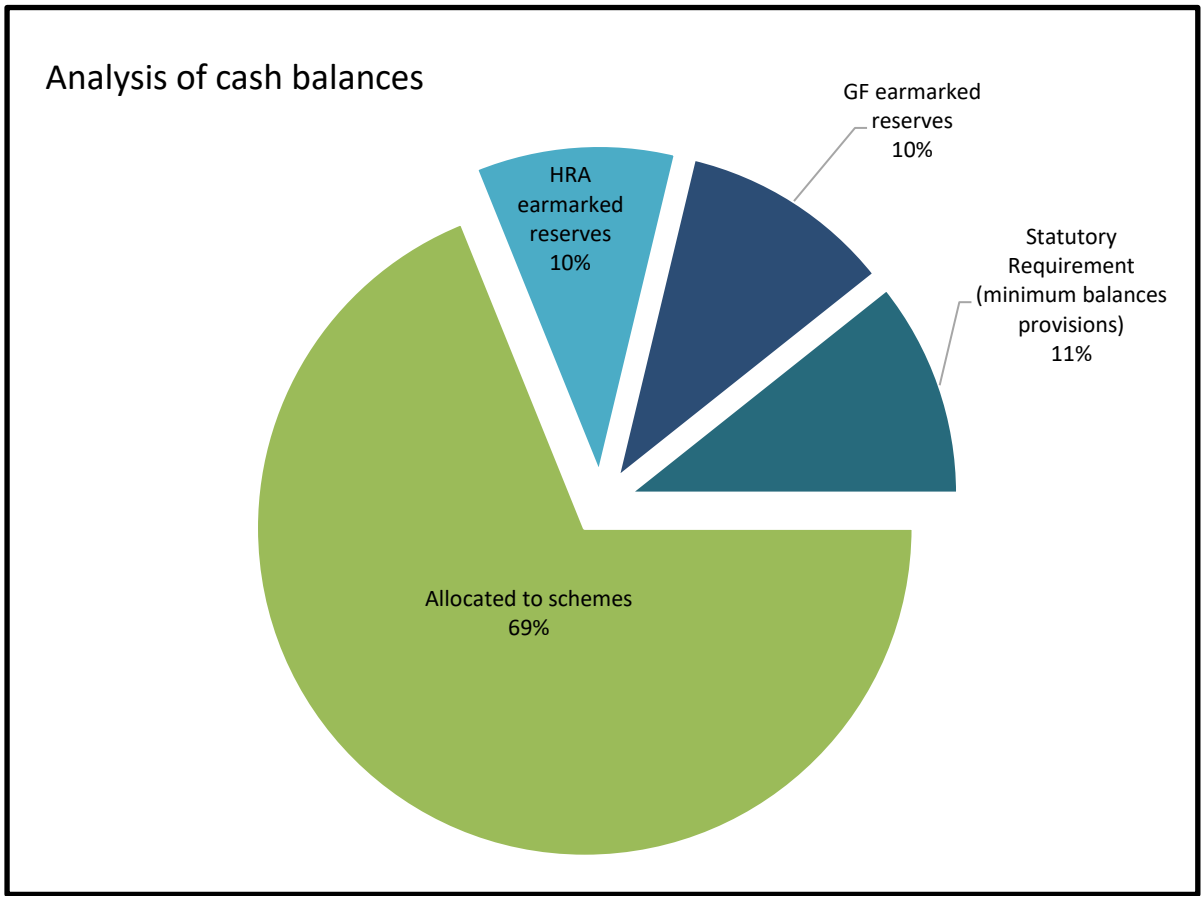
4.8.2 The average level of funds available for investment purposes during the first half of the financial year was £75Million, earning an average interest rate of 4.28%. Interest earned to 30 September 2026 was £1.6Million. Projected investment balances at 31 March 2027 are currently £41Million and forecast external interest receivable from investments is currently £2.8Million against a working budget of £2.8Million.

4.8.3 The Council's balances are made up of cash reserves e.g. HRA and General Fund balances, restricted use receipts e.g. right to buy one for one receipts and balances held for provisions such as business rate appeals and debt repayment.

4.8.4 In considering the Council's level of cash balances, Members should note that the General Fund MTFS and Capital Strategy have a planned use of resources over a minimum of five years and the HRA Business Plan (HRA BP) a planned use of resources over a thirty-year period, which means, while not committed in the current year; they are required in future years.

4.8.5 The following chart shows the planned use of cash balances held as at 30 September 2026.

Chart 5



4.8.6 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 £65Million as at 30 September 2026 is not available for 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 2026/27 to date. 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.

5.3 Risk Implications

5.3.1 The current policy of minimising external borrowing only remains financially viable while cash balances are high and the differentials between investment income and borrowing rates remain. As these conditions change the Council may need to take borrowing at higher rates which would increase revenue costs.

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

5.3.3 The thresholds and time limits set for investments in the Strategy are based on the relative ratings of investment vehicles and counter parties. These are designed to 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's ability to fund the approved thirty-year spending plans if interest rates rise above budgeted rates. Mitigation has been incorporated within the revised HRA Business Plan and HRA MTFS, including maintaining higher reserve levels and the continued use of internal borrowing where appropriate.

5.4 Equalities and Diversity Implications

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

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

5.5 Climate Change Implications

5.5.1 The council's investment portfolio is made up of short to medium term investments held to fund the council's activities. Ensuring these are secure, appropriately liquid and provide a return, aligns with the Councils ambition to attempt to be carbon neutral by 2030.

Part I
Release to Press

BACKGROUND PAPERS

- BD1 Annual Treasury Management Strategy including Prudential Code Indicators 2026/27 (Council 25 February 2026)
- BD2 Quarter 1 Revenue and Capital Monitoring Report 2026/27 – General Fund and HRA (Cabinet 10 September 2026)
- BD3 Quarter 2 Revenue and Capital Monitoring Report 2026/27 – General Fund and HRA (Cabinet 19 November 2026)

APPENDICES

- Appendix A Investment Portfolio
- Appendix B Minimum Revenue Provision Policy 2026/27 Revised
- Appendix C Economics Update (MUFG)

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Investment Portfolio 30 September 2026					Appendix A	
Institution	**Instrument Type**	**Start**	**Maturity**	**Yield**	**Principal**	
Landesbank Hessen Thuringen Girozentrale-Frankfurt	Fixed Term Deposit	20-May-26	20-Apr-27	4.38%	5,000,000	Banks
Harlow Council	Fixed Term Deposit	24-Sep-26	24-Nov-26	4.85%	2,000,000	LA
Manchester City Council	Fixed Term Deposit	01-Jun-26	27-May-27	4.65%	5,000,000	LA
Bristol City Council	Fixed Term Deposit	01-Jul-26	01-Oct-26	4.15%	5,000,000	LA
Aberdeen City Council	Fixed Term Deposit	14-Aug-26	26-Feb-27	4.25%	5,000,000	LA
ANZ Bank	Fixed Term Deposit	20-May-26	20-Apr-27	4.54%	10,000,000	Banks
Cornwall Council	Fixed Term Deposit	26-Jun-26	14-Dec-26	4.20%	5,000,000	LA
Lancashire County Council	Fixed Term Deposit	24-Mar-26	23-Mar-27	4.50%	5,000,000	LA
Landesbank	Fixed Term Deposit	27-Mar-26	25-Mar-27	4.55%	3,000,000	Banks
GOLDMAN SACHS INTERNATIONAL BANK - LONDON	Fixed Term Deposit	16-Jul-26	18-Jan-27	4.22%	5,000,000	Banks
Cambridgeshire County Council	Fixed Term Deposit	30-Jul-26	29-Jul-27	4.65%	5,000,000	LA
					55,000,000	
MMF Aberdeen	Money Market Fund				1,100,000	MMFs
MMF CCLA	Money Market Fund				100,000	MMFs
MMF JP Morgan	Money Market Fund				8,500,000	MMFs
MMF Morgan Stanley	Money Market Fund				100,000	MMFs
MMF HSBC	Money Market Fund				97,000	Banks
					9,897,000	
Total					**64,897,000**	
					23,097,000	Banks
					32,000,000	LA
					9,800,000	MMFs
					64,897,000	

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Appendix B (November 2026 Update)

Minimum Revenue Provision Policy

Minimum Revenue Provision Policy Statement 2026/27

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

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

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

voluntary MRP made	
	Regeneration
2012/13	£46,929.65
2013/14	£140,788.95
2014/15	£163,165.30
2015/16	£141,355.30
2016/17	£141,355.30
2017/18	£141,355.30
2018/19	£141,355.30
2019/20	£141,355.30
cumulative total	**£1,057,660.39**

Use of overpayment	
	Regeneration
2020/21	£193,703.12
2021/22	£193,703.12
2022/23	£193,703.12
2023/24	£193,703.12
2024/25	£193,703.12
2025/26	£89,144.79
cumulative total	**£1,057,660.39**

Capital expenditure financed by borrowing in 2026/27 will not be subject to an MRP charge until 2027/28, or in the financial year following the one which the asset first becomes available for use.

The Council will apply the asset life method for any expenditure capitalised under a Capitalisation Direction.

Leases - the adoption of International Financial Reporting Standard 16 has introduced a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months unless the underlying asset is low value.

Regarding MRP in respect of assets acquired either under leases where a right-of-use asset is on the balance sheet or where on-balance sheet PFI contracts are in place, the prudent charge to revenue is measured as being equal to the element of the rent/charge that goes to write down the balance sheet liability.

Investment property - MRP is chargeable in respect of investment properties where acquisition results in an increase to the CFR.

Capital Loans

Where the Council has issued capital loans that are categorised as **non-commercial**, and have not been subject to a recognised credit loss in the current or any previous financial year, the provision of MRP will not apply on the following basis:

(a) the loan is treated as capital expenditure in accordance with regulation 25(1)(b),
(b) the loan is not a commercial loan, and
(c) the local council has not recognised, in accordance with proper practices(c), any expected or actual credit loss in respect of that loan.

For capital loans which are classed as **commercial** then the Authority will provide MRP over a maximum of the useful life of the assets purchased by the third party. MRP will commence in accordance with the Regulations where MRP is required.

A commercial loan is defined in regulation 27(5) as a loan from the council to another entity for a purpose which, if the council were to undertake itself, would be primarily for financial return; or, where the loan is itself, capital expenditure undertaken primarily for financial return.

Capital receipts received from the non-commercial and commercial loan repayments in the financial year will be used to reduce the debt liability i.e. the capital receipts will be used in lieu of MRP to reduce the CFR. This applied only to where receipts are used to repay the principal of amounts borrowed to finance the same loan.

For capital loans to third parties granted before 7 May 2024 - Where those loans have been subject to an actual or expected credit loss in the current or any previous financial year then MRP will be provided over the useful life of the assets purchased by the third party.

For capital loans to third parties granted on or after 7 May 2024 - Where those loans are subject to an expected or actual credit loss, then the MRP charge will be at least the amount of the recognised credit loss for the financial year, after adjusting for any previous MRP or capital receipts applied to the loan. Capital receipts received in respect of that loan during the financial year will not reduce the element of MRP required for an expected or actual credit loss.

The Council will as part of the annual MRP assessment, for each capital loan individually to determine:

- if the loan is capital
- loan purpose and whether it is commercial or non-commercial
- determine what MRP treatment to apply
- how any repayment receipts have been used
- statutory basis is MRP is not charged
- evidence the basis for the conclusions drawn

The Council has determined that MRP is not required for borrowing or credit arrangements used to finance capital expenditure on housing assets and accounted for within the Housing Revenue Account (HRA) as it has determined, through its duty to charge depreciation and hold a Major Repairs Reserve, that prudent provision has been made.

Credit losses – the Council will assess annually, all capital loans for expected or actual credit losses recognised in accordance with proper practices and will document how any identified loss has been reflected in the MRP calculation.

Capital Receipts - for capital expenditure on loans to third parties where the principal element of the loan has been repaid in annual instalments, the capital receipts arising from the principal loan repayments will be used to reduce the CFR instead of MRP.

Where no principal repayment is made in a given year, MRP will be charged using the Asset Life Method.

Share Capital - where a Council incurs expenditure that is capitalised on or after April 2008, which is financed by borrowing for the acquisition of share capital, Regulation 25(1)(d) Acquisition of share capital sets out the maximum period for an council to provide MRP of 20 years.

MRP Overpayments - under the MRP guidance, charges made in excess of the statutory MRP can be made and are known as voluntary revenue provision (VRP).

VRP can be reclaimed in later years if deemed necessary or prudent. In order for these amounts to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year.

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- The first half of 2026/27 (April to September) saw:

- Continued resilience in the face of the ongoing energy shock, with real GDP up 0.4% m/m in July, following on from GDP of 0.5% q/q (1.4% y/y) for the quarter ending 30 June 2026.

- The 3myy rate of average earnings growth excluding bonuses remained stable throughout the period under review, initially stagnating at 3.4% in April and more latterly holding steady at 3.5% in July.

- CPI inflation stuck at 2.8% in May, but is now ticking upwards, standing at 3.1% in August and forecast to rise to 4.3% by January 2027.

- The Bank of England left interest rates unchanged at 3.75% although it intimated in its September meeting that rates will be hiked in November or December if a resolution to the conflict in the Middle East is not forthcoming before then.

- The 10-year gilt yield fluctuated between 5.43% and 4.69%, ending September at 5.43%.

- The economy has continued to surprise to the upside, with real GDP growth of 0.6% q/q for the period January to March, followed by a resilient 0.5% q/q rise through to the end of June. That has been followed by another strong monthly increase of 0.4% m/m in July. That marked the biggest rise since the Middle East conflict started and suggests the resilience of the economy in the first half of the year continued into the early stages of the second half. That rise in July was broad-based with services output up by 0.4% m/m, industrial production 0.2% m/m higher and construction output rising by 0.1% m/m. The Office for National Statistics also noted that businesses reported stronger activity related to AI and cloud computing.

- If real GDP were flat in both August and September, a further healthy rise of 0.6% q/q is anticipated. However, the economy's prolonged resilience is unlikely to last as the drag from rising energy prices (the January energy cap is projected to increase by c20%) and borrowing costs will be felt before long.

- The fall in the composite Purchasing Manager Index (PMI) from 49.7 in May to a 14-month low of 49.4 in June was entirely driven by services activity. Indeed, the services activity PMI fell from 49.3 to a 41-month low of 48.7 due to rising costs and political uncertainty weighing on consumer confidence. That weakness was partly offset by a rise in the manufacturing output for a third consecutive month but that was due to fears of shortages causing businesses to build stocks. Overall, the composite PMI suggested the strong start to the year would be followed by tepid growth at best.

- By September, the composite PMI stood at 52.0. While this was still indicative of expanding activity, it was weaker than August's 52.5 and the lowest level in three months, suggesting the latest leap in energy prices and the prospect of another tax-raising Autumn Budget are weighing on activity. Within the composite report, employment contracted (i.e., a reading below 50) for the twenty-fourth consecutive month while higher fuel and payroll costs contributed to the sharpest rise in prices charged since May. The services PMI fell from 52.5 to 52.1, reportedly due to subdued domestic economic conditions and ongoing geopolitical uncertainty. Meanwhile, weak consumer demand constrained production, bringing the manufacturing output subcomponent balance down from 52.1 to a six-month low of 51.5. The press release also noted that weaker consumer demand was partly offset by AI investment and greater defence spending.

- Retail sales volumes were up in every major category except "other stores" and fuel in August, leaving the headline figure up 0.5% m/m. That fully reversed the 0.5% m/m decline in July and left the level of retail sales 2.4% higher than last August. Even if retail sales volumes were flat in September, volumes for the quarter as a whole would still rise by 0.5% q/q, higher than the 0.2% q/q rise in the previous quarter. August's figure suggests that other factors are offsetting the drag on real incomes from higher energy prices and borrowing costs, or that households remain able and willing to reduce their saving rate to sustain recent spending growth. That said, with inflation yet to peak, the biggest drag on households' real income has yet to come.

- The public finances have been challenged for several months now. Public sector net borrowing of £23.3bn in May was above the Office for Budget Responsibility's (OBR's) forecast of £17.7bn and £5.4bn above the corresponding figure last year. The weak performance in May was mainly due to the strength of government spending, as the rise in Retail Prices Index inflation in March meant debt interest payments were £4.1bn higher than in May 2025, £3.3bn higher than the OBR anticipated in March and the highest in any May on record. Tax receipts of £85.5bn were also below OBR predictions.

- More recently, public sector net borrowing of £18.3 billion in August was once again higher than the OBR's forecast of £14.8 billion. It also marked the second highest August borrowing figure since records began in 1993. At £12.4 billion, current borrowing (i.e., excluding investments) which is important for the Chancellor's fiscal mandate, was also above the OBR's forecast of £10.4 billion. Higher central government tax receipts were not enough to offset the effect of higher government spending. Central government expenditure overshot the OBR's forecast by £2.3 billion, partly due to higher inflation pushing up debt interest payments and government spending on public services.

- Regarding employment, the latest PAYE employment figure for August saw a 26,000 fall, leaving employment 95,000 lower than before the start of the Iran War in February and 0.5% lower than a year ago. The number of job vacancies continued to fall, edging down from 706,000 in the three months to July to 702,000 in the three months to August. While alternative measures of employment show a slightly stronger picture, the unemployment rate stayed at 4.9% in July for the fourth consecutive month.

- That recent further weakening of the labour market continues to weigh on pay growth. The 3myy growth rate of average earnings including bonuses eased from 4.2% in June to 3.9% in July entirely off the back of a slowdown in private sector bonus growth. By contrast, a jump in public sector bonus growth meant that total public sector pay growth rose from 6.2% to 6.6%. The timelier HMRC median PAYE measure of pay tells a similar story, with the 3myy growth rate falling from 4.5% in July to a seven-month low of 4.1% in August. That points to a further fall in average earnings growth from 3.9% to around 3.6%.

- The knock-on impact from surging energy prices is now being felt, pushing CPI inflation up from 2.9% in July to 3.1% in August. That increase was entirely due to the 6.9% m/m rise in fuel prices, which lifted annual fuel inflation from 15.3% to 23.0%. Even so, higher energy costs do not yet seem to be boosting other items of the CPI just yet. For example, food and drink inflation stayed at 1.3%. That said, the combination of the current levels of energy prices, with brent crude still around $100pb, and the eventual "first-round" effect of businesses passing on some of their higher energy costs will likely result in CPI inflation rising to around 3.6% in September and to a peak of about 4.3% in January based on forecasts from Capital Economics.

- Regarding Bank Rate, the Bank of England will want to steer clear of allegations of taking too long to act as inflation picks up, and in September intimated that despite a 6-3 vote against increasing Bank Rate to 4%, four of the majority who voted for no change are minded to vote for a rate hike in November or December if the conflict in the Middle East remains unresolved.

- April through to September brought more volatility for the gilt market. For example, after ending March at 4.92%, the 10-year Gilt shot up to 5.18% in mid-May, its highest level since 2008. Its movement since has reflected sentiment in the Middle East, falling back to 4.7% in June but finishing September at 5.43% as US/Iran relations remain sour.

- The FTSE 100 started April below 10,200, below its record high of around 10,900 in late February. Nonetheless, the index surged to just shy of that level in late July. More recently, it has struggled, ending September at 10,606. Moreover, it materially underperformed the broader more domestic-focused FTSE 250 and most other international indices over this period, weighed down by weightings towards energy, mining, financials and pharmaceuticals and lack of exposure to tech stocks which generally outperformed globally.

MPC meetings: 30 April, 18 June, 30 July, 17 September 2026

- There were four Monetary Policy Committee (MPC) meetings held in the first half of the financial year. In April, the Committee voted 8-1 to keep rates at 3.75%, with one dissenter voting for 4%. By June, the split had become 7-2, with concerns that rising energy prices, emanating from the conflict in the Middle East, would lift inflation and potentially give rise to second round inflation effects reflected in higher wages.

- As the year has progressed, the split has grown further. The July and September meetings both recorded a 6-3 split, with Greene, Mann and Pill voting for a hike in rates to 4% at both meetings. As noted, several other members of the committee have intimated that they are likely to vote for an increase in November or December if there is no resolution to the conflict in the Middle East.

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Part I – Release to Press

Agenda item: ##

Meeting	Cabinet
Portfolio Area	Housing and Housing Development
Date	19th November 2026

HOMELESSNESS & ROUGH SLEEPER STRATEGY AND ACTION PLAN (2025-2030) - OCTOBER 2026 REVIEW

AUTHORS: SARAH PATEMAN
CONTRIBUTOR: WILL PETERS
LEAD OFFICER: KERRY CLIFFORD

KEY DECISION

1 PURPOSE

1.1 To seek Cabinet approval for updates to the Homelessness and Rough Sleeper Strategy 2025–2030 and its associated action plans, following a review of the Strategy to reflect recent legislative changes, including the Renters' Rights Act 2025, developments in the Council's approach to homelessness prevention, rough sleeping and support for vulnerable residents, and the Government's National Plan to End Homelessness, published in December 2025.

1.2 The Homelessness Act 2002 places a statutory duty on housing authorities to publish a homelessness strategy, based on the results of a homelessness review, every five years.

1.3 The proposed amendments will ensure the Strategy remains relevant, reflects the changing legislative landscape and supports the Council's priorities for preventing homelessness, improving access to suitable accommodation and helping residents sustain their housing.

2 RECOMMENDATIONS

2.1 Approve the proposed amendments to the Homelessness and Rough Sleeper Strategy 2025–2030 (Appendix A), the Homelessness and Rough Sleeper Action Plan 2026/27 (Appendix B), and the draft Ending Rough Sleeping Action Plan 2026/27 (Appendix C).

2.2 Approve the updated approach to homelessness prevention and support, including arrangements relating to care leavers and the Temporary Accommodation Notification Duty (TAND).

2.3 Note the Council's ring-fenced Rough Sleeping Programme grant allocation of £328,346 over three years, supporting the Government's ambition to end rough sleeping by enabling rapid access to accommodation and support, clear pathways into settled housing, and the wraparound support needed to help people sustain their accommodation and prevent a return to rough sleeping.

2.4 That the Strategy outcomes and associated Action Plans are reviewed annually by the Executive Housing Working Group.

2.5 That delegated authority be given to the Strategic Director after consultation with the Portfolio Holder for Housing and Housing Development, to approve any amendments to the strategy and action plans.

3 BACKGROUND

3.1 Local Authorities have a statutory duty, under the Homelessness Act 2002, to carry out a review of homelessness in their local area and to formulate a Homelessness Strategy every five years. Detailed guidance on this is provided in the Homelessness Code of Guidance for Local Authorities.

3.2 Homelessness strategies should also have regard to the Homelessness Reduction Act 2017, which introduced additional powers and duties for Local Authorities for the prevention and relief of homelessness and augmented the requirements of the Housing Act 1996 (as amended), including additional duties to prevent and relieve homelessness.

3.3 As part of any homelessness strategy, the Homelessness Code of Guidance says local authorities should have a homelessness action plan that underpins their strategy to ensure that the priorities set out are achievable.

3.4 The Councils Homelessness and Rough Sleeper Strategy 2025–2030, which was approved by Cabinet in December 2024 sets out the Council's approach to preventing homelessness, reducing rough sleeping and supporting residents to access and sustain suitable accommodation.

3.5 The Strategy was supported by a Homelessness and Rough Sleeper Action Plan 2024/25 with priorities to prevent and relieve homelessness as early as possible, provide good quality temporary accommodation, provide new and affordable social rented homes and to support homeless households.

3.6 Since the Homelessness and Rough Sleeper Strategy was published, the Council has progressed several projects, including;

- Introduction of a Triage Team within Housing Options to speed up the customer journey
- Opened the Homelessness Hub in the town centre
- Employed a dedicated support worker for Housing Futures customers
- Introduced an eviction portal with Public Health to provide early and holistic intervention for households with complex needs to get early and preventative support
- Introduced housing customer events in the town centre to promote the services offered and to capture those at risk of homelessness much earlier
- Launched a Temporary Accommodation project to help new tenants when they move into their own home
- Employed a Team Leader to support the Next Step Lets Teams with accessing private rented housing
- Continued with the AFEO (Accommodation for Ex-Offenders Scheme)
- Received funding for the Adult Offender Protocol scheme through Probation
- Expanded our training offer for Housing teams and other teams within SBC
- Embedded the Temporary Accommodation Notification Duty (TAND) Legislation
- Embedded Docusign into Housing Options, Temporary Accommodation and Allocations teams

3.7 In 2023 the Council developed and implemented a hybrid Housing First model called Housing Futures in line with the development of the Community Advice and Support business unit. The project provides independent, stable housing provision for non-priority homeless individuals who are rough sleepers, or at imminent risk of rough sleeping. The accommodation also provides wrap-around support provided jointly by the Council's Rough Sleeper team, the No More Service and external agencies such as Change Grow Live and MIND to help residents with issues surrounding substance misuse and mental health. This is used as a platform to enable individuals with multiple and complex needs to begin recovery and move away from a

cycle of homelessness and ultimately into permanent, secure, and safe housing.

3.8 Since the Council's Homelessness and Rough Sleeper Strategy was approved by Cabinet in December 2024, there have been significant legislative developments, particularly the introduction of the Renters' Rights Act 2025. These reforms will change the operation of the private rented sector which have implications for homelessness prevention, tenancy sustainment, landlord engagement and the Council's wider housing responsibilities.

3.9 The Renters' Rights Act 2025 is expected to influence homelessness prevention by strengthening tenant protections, changing the circumstances in which possession action can be taken and improving housing standards. In response the Council is adapting its prevention approach, strengthening landlord engagement and monitoring the impact of the reforms on private rented sector supply, affordability and homelessness risk.

3.10 The Government's *A National Plan to End Homelessness*, published on 11 December 2025, sets a long-term vision for homelessness in England to become rare, brief and non-recurring. The Plan sets out new expectations for local authorities, including the publication and regular review of homelessness action plans as a condition of relevant funding. It also identifies minimum requirements covering local targets, governance, partnership working and temporary accommodation policies. The plan places prevention at the centre of public services while also addressing the underlying causes of homelessness, including housing supply, poverty, insecure tenancies and barriers to accessing support.

3.11 The national approach is structured around five pillars: universal prevention; targeted prevention for people at greater risk; preventing homelessness from reaching crisis point; improving emergency responses; and supporting recovery to prevent homelessness recurring. Delivery is intended to be cross-government and locally led, with stronger collaboration between councils, health services, criminal justice agencies, children's services, housing providers and the voluntary, community and faith sector.

3.12 The Plan also establishes cross-government objectives to reduce homelessness among groups at particular risk, including prison leavers and care leavers, supported by clearer national and local accountability and a shift in focus and investment from crisis intervention towards earlier prevention.

3.13 The Government's headline commitments also include building 1.5 million homes, increasing the proportion of households helped to remain in their homes or secure alternative accommodation, ending the use of bed and breakfast accommodation for families except in very short-term emergencies, and halving long-term rough sleeping.

3.14 In August 2026, the Government announced a £442M Rough Sleeping Programme of funding over three years. Stevenage was subsequently confirmed an allocation of £328,346 over 2026/27 to 2028/29.

3.15 This funding is ringfenced to support the Government's ambition to provide people sleeping rough with a route off the streets through rapid access to

accommodation and support, alongside pathways into settled accommodation and wraparound support.

3.16 The additional grant is in addition to the core funding that the Council receives in the form of The Homelessness Prevention Grant (HPG) which is a ring-fenced or targeted financial resource provided by the Ministry of Housing, Communities and Local Government (MHCLG).

3.17 The Temporary Accommodation Notification Duty (TAND), introduced under the Children's Wellbeing and Schools Act 2026, came into effect on 1 September 2026. It requires local housing authorities to take reasonable steps, with parental or relevant young person's agreement, to notify the child's education provider, GP practice and health visiting service when a child is placed in temporary accommodation. The duty aims to strengthen information sharing and ensure children and families can access appropriate support.

3.18 In October 2026, Council agreed a motion that welcomed the Government's National Plan to End Homelessness and the additional national investment in homelessness prevention and rough sleeping services. It recognised the continuing high demand for homelessness advice and prevention in Stevenage, alongside the need to distinguish between rough sleeping and wider homelessness, while ensuring that both are addressed through coordinated, preventative and person-centred approaches. The motion also highlighted the particular risks and barriers faced by vulnerable groups, including women experiencing hidden homelessness, families with children, care-experienced people, Armed Forces veterans, older people and individuals leaving prison or other institutional settings.

3.19 The motion resolved that the Council committed to review its Homelessness Prevention Action Plan considering the Government's national strategy, with a renewed focus on early identification, prevention and making best use of available national funding. It also committed the Council to improving identification and support for women experiencing rough sleeping and hidden homelessness, strengthening support for people who have served in the Armed Forces, and reviewing housing allocation and homelessness policies to ensure appropriate recognition of care experience beyond the age of 25. In addition, the Council will work with the NHS, Hertfordshire County Council (HCC) and other partners to improve access to health and support services, strengthen hospital discharge pathways and promote a more joined-up approach to preventing homelessness across public services.

3.20 The Council already has strong foundations in place through its existing Homelessness and Rough Sleeper Strategy, established prevention activity and partnership arrangements. However, the changing national and legislative context provides an opportunity to build on these foundations and further strengthen the local approach. The refreshed Strategy and Action Plans will therefore place greater emphasis on early identification and prevention; strengthening pathways from public institutions; reducing reliance on unsuitable temporary accommodation; increasing access to settled, sustainable housing with appropriate support; and making greater use of data, performance insight and lived experience to improve outcomes and prevent repeat homelessness.

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1 The Government's National Plan to End Homelessness, published in December 2025, places new expectations on local authorities. In response, the Council has undertaken a mid-point review of its Homelessness and Rough Sleeper Strategy and Action Plan (Appendices A and B), building on the strong foundations already in place and taking into account the recent Council motion.

4.2 The revised Strategy and supporting Action Plan have been reviewed with the Ministry of Housing, Communities and Local Government (MHCLG) and subject to Cabinet approval, MHCLG has requested that each council submit its published Ending Rough Sleeping Action Plan, as seen in Appendix C, by 1 December 2026.

4.3 As a condition of relevant grant funding, the Council will be required to keep its Action Plans under review and demonstrate compliance with associated funding, reporting and expenditure requirements. Subject to MHCLG feedback, local targets and Key Performance Indicators will be developed in line with national practise and linked to the funding requirements.

4.4 The enhanced Strategy and Action Plans are intended to make a tangible difference to the people of Stevenage by ensuring that residents at risk of homelessness are identified and supported earlier, before their circumstances reach crisis point. Through stronger prevention, improved partnership working and clearer pathways into accommodation and support, more residents should be helped to remain safely in their existing homes where possible, spend less time in temporary or unsuitable accommodation, or move more quickly into settled and sustainable housing. For those experiencing rough sleeping or multiple disadvantage, the strengthened approach will provide more coordinated and responsive support, helping to address the underlying causes of homelessness and reduce the risk of people repeatedly returning to crisis. Ultimately, the aim is not simply to respond to homelessness, but to prevent it wherever possible and help residents achieve greater stability, independence and improved wellbeing.

4.5 The refreshed Strategy and Action Plans build on the Council's existing approach to homelessness prevention, including support for care leavers and new work undertaken through TAND to identify and respond to housing risks at an earlier stage.

4.6 The strategy review has provided an opportunity to strengthen this approach further, with greater emphasis on early identification and prevention, effective pathways from public institutions, reducing reliance on unsuitable temporary accommodation, and improving access to settled accommodation with the support needed to sustain it. It also strengthens the use of data, performance information and lived experience to understand outcomes, target interventions and reduce the risk of repeat homelessness.

4.7 The new Ending Rough Sleeping Action Plan provides a particular focus on people sleeping rough and supports the ambition of ensuring that everyone sleeping rough has a route off the streets before Christmas 2026, with rapid

access to appropriate accommodation and support and clear pathways towards settled housing.

4.8 Together, these build on the Council's existing service provision while responding to the changing national and legislative context. They provide a clearer framework for prevention, partnership working and targeted intervention, with a stronger focus on achieving sustainable outcomes for residents who are homeless or at risk of homelessness. The relationship between these areas of activity is summarised in the diagram below.

Homelessness and Rough Sleeper Strategy – Key Differences and Updates

Comparison of the published 2025–2030 strategy (on the council website) with the 2026 review

Area	Published version (2025–2030, Jan 2025)	2026 review (Nov 2026)	Key change / update
Legislation	Based mainly on the Homelessness Act 2002, Housing Act 1996 and Homelessness Reduction Act 2017.	Adds the Renters' Rights Act 2025 and its implications (e.g. abolition of Section 21, assured periodic tenancies, PRS Ombudsman/Property Portal, Decent Homes Standard/Awaab's Law, stronger tenant protections).	Updated for new PRS legislation and stronger tenant protections.
National policy	Predates the government's new national approach.	Aligns with the National Plan to End Homelessness, including a stronger focus on prevention and the ambition for homelessness to be "rare, brief and non-recurring".	Reflects the new national plan and prevention focus.
Children in temporary accommodation	Not specifically covered.	Introduces the Temporary Accommodation Notification Duty (TAND) following 2026 changes, including notification to schools, GPs and health visitors when children are placed in TA.	New duty to notify key services when children are in TA.
Care leavers / vulnerable groups	General support for homeless households.	Greater emphasis on care leavers, prison leavers/ ex-offenders and people with complex needs, linked to prevention and multi-agency working.	More targeted support for key vulnerable groups.
Rough sleeping	Vision to eradicate rough sleeping, making it brief and non-recurring where it occurs.	More operational, with a dedicated Ending Rough Sleeping Action Plan 2026/27 and a route off the street for rough sleepers.	Clearer delivery plan and actions to end rough sleeping.
Funding	Notes uncertainty over future government funding.	Confirmed funding of £328,346 over three years (£194,531 year 1, £77,773 year 2, £56,041 year 3).	Concrete multi-year funding confirmed.
Accommodation	General commitment to temporary accommodation and housing development.	Specific plans include additional Julians Road bed spaces, consideration of high-risk provision and development/review of a Single Homeless Pathway.	More detailed plans for accommodation and pathways.
Hidden homelessness	Less explicit.	Stronger focus on sofa surfing and people not visibly sleeping on the street, with earlier intervention.	Increased focus on hidden homelessness (e.g. sofa surfing).
Access and support	Existing Rough Sleeper Service, advice and wrap-around support.	Includes a Homelessness Community Hub, expanded access, move-on support, help attending appointments and access to a postal address.	Enhanced access and support arrangements.
Governance and outcomes	Strategy to be reviewed annually by EHWG.	Retains annual EHWG review with stronger emphasis on measurable outcomes, performance information, customer/stakeholder feedback, surveys and case studies (including a new outcomes table).	More measurable outcomes and accountability.

4.9 A key area of development is strengthening the response to residents experiencing multiple disadvantage, where homelessness may intersect with mental ill health, substance misuse, involvement with the criminal justice system, domestic abuse or other complex needs. The Council and its partners recognise that these circumstances cannot always be addressed effectively by individual services working in isolation.

4.10 The Council will therefore continue to strengthen pathways for people who may be particularly vulnerable to homelessness, including work relating to Accommodation for Ex-Offenders (AFEO), support for people moving into settled accommodation, and practical assistance for those who need help accessing appointments, services or a suitable address through which they can receive correspondence.

4.11 Planned activity includes maintaining additional bed spaces at Julians Road, reviewing provision for people assessed as "high risk", developing the Single Homeless Pathway, supporting residents to move into and sustain accommodation, providing assistance with appointments and access to a postal addresses, intervening earlier with people sofa surfing, expanding the

opening of the Homelessness Community Hub and continuing work relating to AFEO.

4.12 The Council is also working with partners to develop a more joined-up approach to multiple disadvantage. A Multiple Disadvantage Interim Panel has been established as an immediate mechanism to help identify and overcome barriers, coordinate organisational capacity and facilitate joint intervention for residents with the most complex needs.

4.13 Alongside this, work has commenced with Public Health and Hertfordshire County Council to develop a four-tier model linking front-door pathways, local multi-agency arrangements, county-wide escalation for high-risk cases and strategic governance. The proposed approach is intended to support timely resolution of barriers and, where necessary, enable senior-level decisions on complex or high-risk circumstances, rather than duplicating the operational management of individual cases.

4.14 The Council has also introduced central eviction reporting to provide better intelligence on the reasons accommodation is lost and identify opportunities for earlier intervention. Rent arrears are an important factor in some evictions from temporary accommodation, alongside more complex circumstances that can include antisocial behaviour, violence, criminality and police involvement. Evidence from individual cases also demonstrates how financial difficulties, administrative decisions and fragmented support can combine to worsen circumstances and contribute to deteriorating mental health, repeat homelessness or involvement with the criminal justice system.

4.15 Taken together, these activities will enable earlier identification of risk, better coordination between services and stronger support for residents to move into and sustain settled accommodation. This should help prevent avoidable evictions, reduce repeat homelessness, create greater capacity within temporary accommodation and support delivery of the Ending Rough Sleeping Action Plan.

4.16 The Council's wider homelessness prevention and relief activity is supported by the Homelessness Prevention Grant (HPG), a ring-fenced funding allocation provided by the Ministry of Housing, Communities and Local Government. Over the three-year period 2026/27 to 2028/29, the Council is expected to receive £3.54 million in core HPG funding, supporting the delivery of its statutory homelessness responsibilities and wider preventative activity.

4.17 In addition to the core HPG allocation, the Council will receive £66,758 of Renters' Rights new burdens funding in 2026/27. This additional funding will support the Council in responding to the implications of the new legislation and anticipated additional demands on homelessness prevention services. This brings the total funding identified over the three-year period to £3,606,758, as summarised below.

Financial year	Core grant allocation	Additional Renters' Rights new burdens funding	Total funding shown
2026–27	£1,170,000	£66,758	£1,236,758
2027–28	£1,180,000	£0	£1,180,000
2028–29	£1,190,000	£0	£1,190,000
Three-year total	£3,540,000	£66,758	£3,606,758

4.18 Alongside this funding, the Council has secured a separate £328,345 Rough Sleeping Programme allocation over three years, providing targeted investment to prevent and respond to rough sleeping. This will support delivery of the Housing Futures project, access and pathways into accommodation, and the wraparound support required to help individuals sustain their accommodation and reduce the risk of returning to the streets. Taken together, these funding streams provide the financial foundation for the strengthened preventative, accommodation and support interventions set out within the refreshed Strategy and Action Plans.

4.19 It is recommended that Cabinet approves the refreshed Homelessness and Rough Sleeper Strategy and associated Action Plans. This will ensure that the Council's strategic framework remains up to date, responds to the changing legislative and national policy context and provides a clear basis for the effective use of available funding to strengthen homelessness prevention, tackle rough sleeping and improve outcomes for vulnerable residents.

4.20 The alternative would be to retain the existing Strategy without amendment. This is not recommended, as it would not adequately reflect legislative and national policy changes, including the Renters' Rights Act 2025 and the National Plan to End Homelessness, or developments in the Council's approach to homelessness prevention, rough sleeping and support for vulnerable residents.

5 IMPLICATIONS

5.1 Financial Implications

5.1.1 A total of £328,345.00 in additional funding is available over three years to support the delivery of rough sleeping initiatives.

The funding is allocated as follows:

Year 1: £194,531

Year 2: £77,773

Year 3: £56,041

5.1.2 The funding will support a range of measures to improve accommodation options, prevent homelessness and strengthen support for single homeless people and other vulnerable residents.

5.1.3 The funding profile and associated activity will be managed in accordance with the relevant funding conditions and Council financial procedures. Any ongoing costs beyond the available funding period will need to be considered through the Council's usual financial planning processes.

5.4 Activity will be reviewed over the funding period to assess need, delivery and outcomes, including the ongoing requirement for specific accommodation provision.

5.2 Legal Implications

5.2.1 The Strategy must reflect the relevant statutory framework governing homelessness, housing allocation, housing conditions and the prevention of homelessness.

5.2.2 The Renters' Rights Act 2025 introduced significant changes to the private rented sector, including changes to tenancy arrangements, possession procedures and tenant protections. These reforms have implications for the Council's homelessness prevention activity and its wider housing and regulatory responsibilities. The Strategy will need to remain responsive to the implementation of the Act and any associated regulations, statutory guidance and commencement provisions.

5.2.4 The Strategy must also reflect the Homelessness Act 2002, Homelessness Reduction Act 2017 and relevant provisions of the Children's Wellbeing and Schools Act 2026, including the Temporary Accommodation Notification Duty and measures relating to care leavers.

5.3 Risk Implications

5.3.1 Failure to update the Strategy could result in the Council's approach not adequately reflecting legislative changes, emerging housing pressures or the needs of residents at risk of homelessness.

5.3.2 Key risks include continued pressure on temporary accommodation, insufficient access to suitable accommodation for single homeless people, challenges in sustaining tenancies and changes in private rented sector availability or affordability.

5.3.3 There is also a risk that time-limited funding may not be sufficient to maintain all funded activity beyond the agreed funding period. The Council will monitor delivery, review service demand and consider future sustainability as part of its ongoing service and financial planning.

5.3.4 The proposed amendments provide a framework for responding to these risks through earlier prevention, partnership working, improved access to accommodation and regular review of service outcomes.

5.4 Policy Implications

5.4.1 The amended Strategy supports the Council's commitment to preventing homelessness, reducing rough sleeping and helping residents access safe, suitable and sustainable accommodation.

5.4.2 It will reflect changes to the private rented sector arising from the Renters' Rights Act and developments in support for care leavers, people experiencing housing insecurity and other vulnerable residents.

5.4.3 The Strategy will continue to guide the Council's homelessness prevention activity and support partnership working across housing, support services and relevant external organisations.

5.5 Staffing and Accommodation Implications

5.5.1 Delivery will be managed within available resources and funding arrangements. Any additional staffing or accommodation requirements arising from the implementation of the Strategy will need to be assessed through the appropriate service planning and approval processes.

5.6 Equalities and Diversity Implications

5.6.1 The Strategy seeks to address homelessness and rough sleeping among residents with differing needs and circumstances. A review of the Equalities Impact Assessment has been completed, considering the implications of the Strategy for all communities. A copy of this assessment is attached. (Appendix D.)

5.7 Service Delivery Implications

5.7.1 The amendments will inform the ongoing delivery of homelessness prevention and rough sleeping services, including adapting to legislative changes in the private rented sector.

5.7.2 Service delivery will focus on strengthening landlord engagement, improving access to suitable accommodation and support through the Single Homeless Pathway, Julians Road provision and Homelessness Community Hub, and providing earlier intervention for people experiencing housing insecurity, including those sofa surfing.

5.7.3 The Council will continue to support residents to move into and sustain accommodation, monitoring service demand, delivery and outcomes to assess the effectiveness of the Strategy.

5.8 **Information Technology Implications**

5.8.1 The implementation of the Strategy will utilise existing Council systems and reporting arrangements wherever possible. Any additional IT or information-sharing requirements arising from TAND, eviction reporting or partnership working will be assessed and managed through the appropriate Council processes.

Appendices

A Homelessness and Rough Sleeper Strategy 2025-2030 - Review 2026

B Homelessness and Rough Sleeper Action Plan 2026-2027

C Ending Rough Sleeping Action Plan Draft 2026/27

D Equality Impact Assessment Two-Year Review 2026

BACKGROUND DOCUMENTS

Homelessness Code of Guidance

A National Plan to End Homelessness

Homelessness and Rough Sleeper Strategy 2025-2030

Homelessness and Rough Sleeper Strategy 2025-2030



October 2026 Review

Stevenage BOROUGH COUNCIL

Contents

Foreword 3
Statistical Overview 4
Homeless Reduction Act 5
Homeless Prevention 5
Key Achievements 9
Future Ambitions 12
Service Delivery and Future Plans 13
Our Priorities 15
Priority One 15
Priority Two 16
Priority Three 16
Priority Four 16
Consultation 17
Health and Wellbeing 19
Limitations 20
Appendix A 21



Foreword

The Council is pleased to update Stevenage Borough Council's Homelessness and Rough Sleeper Strategy 2025-2030.

Homelessness occurs for a variety of reasons and can affect any household. The journey is not always simple and can cause great upset to families and individuals, which is why Stevenage Borough Council is committed to eradicating homelessness and ensuring that everyone who finds themselves in this situation can secure and sustain a safe home that meets their needs and allows them to achieve their full potential.

This Strategy sets out our key aims for tackling Homelessness and Rough Sleeping across the borough with the four key priorities being:

- Prevention and Relief of Homelessness
- Provision of Temporary Accommodation
- Housing Development
- Support for Homeless Households

In October 2026, I proposed a Council motion that welcomed the Government's National Plan to End Homelessness and the additional national investment in homelessness prevention and rough sleeping services. It recognised the continuing high demand for homelessness advice and prevention in Stevenage, alongside the need to distinguish between rough sleeping and wider homelessness, while ensuring that both are addressed through coordinated, preventative and person-centred approaches. The motion also highlighted the risks and barriers faced by vulnerable groups, including women experiencing hidden homelessness, families with children, care-experienced people, Armed Forces veterans, older people and individuals leaving prison or other institutional settings

The motion received cross party support and the Council committed to review its Homelessness Prevention Action Plan considering the Government's national strategy, with a renewed focus on early identification, prevention and making best use of available national funding.

The road ahead is still challenging with ongoing emphasis being placed on Local Authorities by Central Government and other agencies to continue to eradicate Rough Sleeping by 2027, but where it does occur, making it brief and non-recurring and consideration still needs to be given to the continuing housing crisis across the UK.

Stevenage, as a Co-operative Council, will continue to improve the availability of housing, particularly social housing, with at least five hundred new Council homes being built over the next five years. In line with our co-operative principles, we aim to (with the co-operation of groups within our communities) protect the vulnerable in our communities, such as those that are faced with or have been homeless.

We recognise the causes of homelessness are complex and we are not able to solve this on our own; many households who contact the Council with a housing need often have with our continued joint working with partners and stakeholders across Stevenage and Hertfordshire, we are confident that we are well placed to meet our statutory duty, as well strategic aims over the lifetime of this strategy.

Cllr Loraine Rossati

Portfolio Holder for Housing



Statistical Overview

The latest government statistics show that, between January and March 2026, 92,200 households in England received an initial homelessness assessment. Of these, 83,850 households were assessed as being owed a duty to prevent or relieve homelessness. This represents a decrease of 2.1% compared with the same quarter in the previous year. However, 44,650 households were assessed as homeless and owed a relief duty, including 10,980 households with children.

Despite this slight reduction in homelessness assessments, the number of households requiring temporary accommodation continues to rise. On 31 March 2026, there were 135,580 households living in temporary accommodation in England, an increase of 3.6% compared with the same period in 2025. This is a record high. Of these households, 86,460 included children, with an estimated 177,530 children living in temporary accommodation. These figures demonstrate the continuing scale of housing insecurity and the pressure on local authorities to secure suitable accommodation.

Homelessness and housing pressures remain a significant concern in Stevenage. During 2025/26, 1,480 people presented as homeless to Stevenage Borough Council, compared with 1,465 in 2024/25. This represents a further increase in demand for the Council's homelessness and housing advice services. The Council's 2025–2030 Homelessness and Rough Sleeper Strategy recognises the importance of preventing homelessness, providing suitable temporary accommodation, increasing housing provision and supporting households experiencing homelessness.

Rough sleeping also remains a serious national concern. The Government's Autumn 2025 rough sleeping snapshot estimated that 4,793 people were sleeping rough on a single night in England. This represents an increase of 3% compared with 2024 and is the highest figure recorded since the snapshot began in 2010, exceeding the previous peak of 4,751 in 2017. The number has increased for four consecutive years. Around 43% of people estimated to be sleeping rough were in London and the South East.

Locally, Stevenage's annual rough sleeping count for 2025/26 identified 16 individuals sleeping rough. This highlights the continued need for targeted outreach, early intervention and partnership working to help people move away from rough sleeping and into settled accommodation.

The demand for temporary and emergency accommodation remains a major operational challenge for the Council. Nationally, the record number of households in temporary accommodation reflects the difficulties faced by local authorities in securing affordable and suitable housing. The position is particularly challenging for households with additional support needs, including people with physical disabilities, health conditions and mobility requirements.

There has also been an increase in the need for emergency and temporary accommodation for people who have physical disabilities. This has placed additional pressures on the service and has helped inform our decision to include the provision of adapted properties in our newly developed temporary accommodation at Dunn Close, due to open in early 2027.

Homeless Reduction Act

The Housing Act 1996 (as amended) defines the responsibilities required by a Local Authority under part 6 and part 7. The legislation that has been introduced further into the Housing Act has amended requirements added to them. The Homelessness Reduction Act 2017 (HRA17) was implemented in April 2018 and introduced additional powers and duties for local authorities for the prevention and relief of Homelessness.

Prevention Duty 56 Days	Relief Duty 56 Days	Main Duty
A duty to take 'reasonable steps' to help prevent any eligible person who is at risk of homelessness from becoming homeless (s.195)	*A duty to take 'reasonable steps' to help the applicant to secure suitable accommodation (s.189B)*	*A duty towards homeless applicants who are homeless, eligible for assistance, in priority need and not intentionally homeless (s.193)*

The HRA17 builds on the existing provisions of Part 7 of the 1996 Housing Act (as amended by Homelessness Act 2002) and extends the Council's duties to those who are homeless and focusses on prevention.

Homeless Prevention

The legal definition of homelessness is broad and does not just apply to people without a roof over their heads or who are sleeping rough. There are several categories as detailed below:

Statutory homeless	Households deemed to be homeless, eligible for support from their local Council and in priority need.
Single homeless	Those who are homeless but do not meet the priority-need criteria to be housed by their local authority under homelessness legislation.
Vulnerably housed	People without accommodation, people in temporary, insecure, or poor-quality accommodation including those that are overcrowded, or those threatened with homelessness.
Rough Sleeping	People sleeping, about to bed down (sitting on/in or standing next to their bedding) or actually bedded down in the open air. People in buildings or other places not designed for habitation (such as stairwells, garages, car parks, cars, or stations).
Hidden homeless	People not recorded in official statistics, who tend to sleep on the floors or sofas of friends and families or sleep rough in concealed locations.

The Housing Options team in the last 2 years referenced are those made under Section 184 of the Housing Act 1996 (as amended) which relate to whether the applicant falls under the following criteria:

	2022/23	2023/24	2024/25	2025/26
Eligible but intentionally homeless	13	23	19	6
Eligible and in priority need	102	96	176	142
Not in priority need	41	125	143	71
Not homeless	21	8	0	0
Total representations	177	252	338	219

The length of time taken to make a decision will vary on a case-by-case basis however cases that are found ‘intentionally” homeless will generally take a longer period of time based on the complexity of the investigations required to be evidenced in the decision letter.

It is identified by Homelesslink and evidenced in national data returns that the most commonly reported reason for losing accommodation is because friends or relatives are no longer able to provide support or because of relationship breakdown.

For Stevenage, the main reasons reported for homeless approaches are overwhelmingly: relationship breakdown, friends and family are no longer able to accommodate and the loss of Assured Shorthold Tenancies “AST” which are tenancies usually provided by the private rented sector. The Renters Right Act 2025 provides for the end of Assured Shorthold Tenancies to address the later point.

The Council recognises that the significant reforms introduced in the Renters Rights Act will fundamentally change the operation of the private rented sector. In particular, the abolition of Section 21 “No Fault” evictions, the move to assured periodic tenancies and strengthened tenant protections which are expected to reshape homelessness prevention actively.

This strategy is being delivered with the flexibility to respond to these changes as they are implemented and supports the National Plan to End Homelessness and Rough sleeping. This strategy and the Prevention Action Plan accompanying it sets out what we are doing to drive change which includes moving away from crisis intervention working towards longer-term preventative solutions.

Community Advice & Support have introduced duty officers and a one front door approach to support the customers’ journey. The ethos behind this is to get the right support for the customer at the right time, when and how they need it. Part of this work is embedding the work with partners and signposting customers for the support they need, considering their individuals’ circumstances and any vulnerabilities.

There is a crisis in the provision of housing on a national level, together with the concerns around the cost of living meaning there is not enough social housing stock to meet the demand. To help eradicate homelessness and meet housing demand, sufficient additional accommodation is needed. The options for home seekers are to buy properties, which could include shared equity, or to rent whether it is in the social/ affordable or private sector.

Challenges such as the cost of living, and further concerns regarding transitioning to Universal Credit, which is paid in arrears and causes a delay in the receipt of payments, can impact on finances and on paying household costs. This, together with Local Housing Allowance rates that do not match the rents charged in the private rented sector, means there is often a substantial gap that would need to be met by the applicant which can cause the private rented sector to be unaffordable for many households. For home seekers to be eligible to buy they would need to have the income to support this, again meaning this can be unachievable for some groups.

There is not, however, enough social/ affordable housing to meet the demand alone and therefore to reduce homelessness it is imperative that the Council utilises PRS accommodation and encourages landlords to accept applicants who are open to the Council's services and to charge reasonable rents.

Reforms to rent setting and increases, including limits on frequency and enhanced rights for tenants to challenge above-market rents, may provide additional safeguards for tenants. The Council will monitor the impact of these changes on affordability and homelessness risk.

Stevenage has always provided housing advice for single non-priority homeless customers; the Council assists with areas such as:

- Applications to the Housing Register where they meet the local connection criteria.
- Referrals to other accommodation providers such as Stevenage Haven/ OneYMCA.
- Referrals to support providers such as the Community Mental Health Team, No More Service, and social services.
- Helping customers into Private Rented Sector housing.



Homelessness funding

Homelessness Rough Sleeping and Domestic Abuse Grant

Financial year	Core grant allocation	Additional Renters' Rights new burdens funding	Total funding shown
2026–27	£1,170,000	£66,758	£1,236,758
2027–28	£1,180,000	£0	£1,180,000
2028–29	£1,190,000	£0	£1,190,000
Three-year total	£3,540,000	£66,758	£3,606,758

Core allocations were supplied rounded to £0.01 million; totals reflect those rounded figures. Additional Renters' Rights new burdens funding is confirmed as £0 for 2027–28 and 2028–29.

The Homelessness Prevention Grant (HPG) is a ring-fenced or targeted financial resource provided by the government (the Ministry of Housing, Communities and Local Government) to local authorities.

Since 2025 we have enhanced our services by providing additional support and services these include:

Introduction of a Triage team with Housing Options	Opened the Homeless Hub in the town
Employed a dedicated support worker for Housing First customers	Introduced SWEP and cool spaces for the summer
Introduced housing customer events in the town centre	Launched a Temporary accommodation project to help new tenants when they move into their own home
Employed a Team Leader to support the Next Step Lets Teams with accessing private rented housing	Continued with the AFEO (Accommodation for Ex-Offenders Scheme)
Received funding for the Adult Offender Protocol scheme through Probation	Expanded our training offer for Housing teams and other teams within SBC
Embedded the Temporary Accommodation Notification Duty (TAND) Legislation	Embedded Docusign into Housing Options, Temporary accommodation and Allocations teams

Key Achievements

Since the introduction of the previous Strategy, the Council has worked to prevent and reduce homelessness within the borough by working with partners and stakeholders. This Strategy continues the work of the Homelessness and Rough Sleeper Strategy 2019-2024 and goes further to achieve the aims of eradicating homelessness.

Much has been achieved since the 2019-2024 priorities were set, this includes the provision of more temporary accommodation and a new development of temporary provision that includes adapted units. We have also introduced 11 Homeless “pods” for rough sleepers which has allowed the Council to provide crucial support and a sustainable pathway to more secure accommodation. The introduction of Triage Officers within the Housing Options Team provides more overall support by bringing together all the Councils support services under Community Advice and Support Team.

The Council has also strengthened and formalised critical partnerships, multi-agency initiatives, and more effective ways of working together that have been very successful in securing appropriate accommodation and support for people who are homeless or at risk of homelessness and reducing the reliance on bed and breakfast accommodation.

Initiative	Outcome
Increased Housing Provisions in Stevenage	590 new homes have been built within Stevenage since 2019, 11 Rough Sleeper pods have been introduced, and the Council has built a new temporary accommodation provision, due to be opened in early 2026.
Increased training for Staff	Regular and varied training on homelessness, case law and support provided for staff members.
Private Rented Sector	Increased use of properties in the private rented sector (PRS) to prevent homelessness.
Operation Urban	This initiative was introduced to address rough sleeping and begging issues within the town. The findings from this operation have been that not all individuals that have been reported as rough sleeping are “homeless” but choose to identify as a rough sleeper in the process of begging. Hotspot areas have been identified by the Police, which has highlighted that to address the issues of rough sleeping and homelessness within Stevenage it is important for the Council and Police to work jointly to identify and target support for those genuinely in need and appropriately deal with those committing nuisance begging. There have been a number of successful outcomes for cases dealt with through Operation Urban. In one case a resident with a history of drug use, offending and anti-social behaviour who was regularly found to be rough sleeping was referred to the Council’s No More Service (NMS) who provided intensive support and found him accommodation in the local night shelter Stevenage Haven. The resident has complex needs and is being provided with ongoing support.

Initiative	Outcome
Community Advice and Support	Since December 2023, the domestic abuse service (SADA) has been part of Community Advice & Support together with other support services, some of the areas include Housing Options, Rough Sleeper Team, Safeguarding and the No More Service giving customers 'one front door' access to support and advice.
Best use of Stock	To meet the demands across the services the Council has allocated some of its own housing stock for use as emergency and temporary housing. This is further supported through the link with the Open Market Acquisition (OMA) program, allowing for additional emergency/ temporary accommodation units to be provided and less reliance on bed and breakfast accommodation.
Rough Sleeper Services	Funding secured from the Department of Levelling Up, Housing and Communities (DLUHC) through the Rough Sleeper Initiative and Rough Sleeper Accommodation Program has provided further resources to allow SBC to develop a Housing Futures Accommodation Scheme and to expand and improve the Rough Sleeper Service which now has four outreach workers who engage with rough sleepers in Stevenage to prevent homelessness.
Cold Weather Provision	The Council provides short-term cold weather provision for rough sleepers regardless of priority need during the time of year where the temperature drops below freezing. The local night shelter, OneYMCA, also provides four bed spaces for this provision, operating from November to March.
Housing Futures	The Council has developed and implemented a hybrid Housing First model called Housing Futures since the end of 2023, in line with the development of the Community Advice and Support business unit. The accommodation provides independent, stable housing for non-priority homeless individuals who are rough sleepers, or at imminent risk of rough sleeping. The accommodation also provides wrap-around support provided jointly by the Council's Rough Sleeper team, the No More Service and external agencies such as Change Grow Live and MIND to help residents with issues surrounding substance misuse and mental health. This is used as a platform to enable individuals with multiple and complex needs to begin recovery and move away from homelessness and ultimately into permanent, secure, and safe housing.

What success looks like

It is important to the Council that it provides a service that delivers real outcomes for people and that we do so in a friendly and non-judgmental way to support people through what is invariably some of the most difficult circumstances that they will ever have to encounter. The case study below highlights some of the incredible work achieved by the team for one service user and the difference it has made to their life.

Service User X had been known to the Rough Sleeper Team for several years, initially seeking support after becoming homeless. They had experienced longstanding challenges with alcohol dependency, which had affected their ability to maintain accommodation.

Following an unsuccessful placement in supported accommodation, Service User X was supported to access specialist rehabilitation. After completing treatment, they returned to the area but experienced rough sleeping again.

The Rough Sleeper Team and Housing Options continued to provide support, and Service User X was subsequently offered another placement through Housing Futures. During this placement, they made significant progress, maintained their accommodation and engaged positively with staff and other residents.

They continued to access recovery support and became a positive influence on other residents experiencing similar challenges. Recognising their progress and readiness for independent living, they were nominated for social housing and successfully secured a one-bedroom property.

The Rough Sleeper Team also supported Service User X to access assistance with essential furniture and white goods to help them establish their new home.

Looking ahead, Service User X has expressed an interest in becoming a mentor for a drug and alcohol support organisation. They have taken steps towards this ambition by attending relevant conferences and are optimistic about their future.



Future Ambitions

What we aim to achieve:

- A supported, streamlined, and effective customer journey.
- Continuous improvement of our homelessness, prevention, and relief work.
- Continued co-operative working with our partners at both strategic and operational levels.
- Review the Housing Futures model within Stevenage and collect key performance indicators and other data including satisfaction surveys and case studies to continually drive service delivery.
- An aspiration to eradicate rough sleeping within Stevenage on a long-term basis.
- An increase in the number of private rented sector properties by engaging with private landlords.
- A reduction in the number of days applicants are waiting in temporary accommodation by utilising the option to discharge into private sector accommodation where suitable, assisting with signposting for support where needed.
- Continuous provision of advice and support to single non-priority homeless applicants and provision of the Homelessness Hub and town centre pop ups.
- Provision of advice on housing affordability to ensure sustainable outcomes for all customers and referrals for welfare, debt and advice when needed.
- More effective liaison with Housing Associations and an increase in nominations rights to prevent and relieve homelessness.
- Communication with the public on the subject of homelessness and rough sleeping including figures and myth busting using a variety of media.



Service Delivery and Future Plans

Priority area	Services implemented and ongoing activity	Delivery and outcomes to date	Future goals and actions
Accommodation for single homeless residents	Housing Futures accommodation provides options for single homeless people who do not have a priority need.	Provision established. 68 individuals housed between 2023–2026, with 52 moving into permanent accommodation.	Maintain and strengthen existing provision. Develop dedicated units/bed spaces for people moving directly off the streets, including No Second Night Out and those with higher support needs. Improve the Severe Weather Emergency Protocol (SWEP) offer.
Accessible engagement and support	Homelessness Community Hub launched in March 2026, providing drop-in access to a safe space, warm drinks, food, advice and support without requiring a homelessness case to be opened.	Hub established, including access for people not ready or willing to open a homelessness case.	Introduce monitoring of attendance, engagement and support outcomes. Provide a warm space for rough sleepers for the first time during winter 2026 – 27.
Coordinated complex needs support	Support delivered through the Rough Sleeper Team and No More Service, alongside Change Grow Live for drug and alcohol support and Mind for mental health support.	Partner support arrangements established, with referrals regularly completed for clients requiring additional support.	Review the new Single Homeless Pathway and provide feedback to Hertfordshire County Council. Increase engagement with mental health and Public Health services to improve holistic support.

Priority area	Services implemented and ongoing activity	Delivery and outcomes to date	Future goals and actions
Continuity of care and housing sustainment	Work underway to strengthen partnerships with Public Health and improve continuity between medical care, housing and tenancy sustainment.	Partnership development ongoing, with discussions held with mental health and hospital discharge teams.	Strengthen Public Health partnerships. Establish standardised communication and processes to ensure timely notification of vulnerable clients' support needs and housing requirements.
Service quality and client feedback	Case studies used to highlight good practice and identify service gaps. Client satisfaction surveys inform service reviews and improvements.	Review and feedback activity ongoing.	Continue using case studies and satisfaction surveys to evaluate and improve services and processes.
Alignment with national guidance	Close working relationship with MHCLG supports alignment with Government guidance and access to current advice and practice.	MHCLG engagement ongoing, including meetings with HAST advisers to support best practice and access strategic advice.	Maintain engagement with MHCLG and HAST advisers, responding to relevant guidance and developments in practice.
Food and essential support	Food parcels and vouchers provided to homeless residents where needed.	Practical support arrangements in place.	Continue providing food parcels and vouchers according to individual need.



Our Priorities

Our future ambitions will be governed by our set priorities within this strategy to prevent homelessness and eradicate rough sleeping. The Strategy will be reviewed on an annual basis and will include feedback from our customers as well as other stakeholders, which will continue to inform our action plan.

This Strategy is based on a review of the current and likely future levels of homelessness in Stevenage and the activities and resources available to prevent homelessness and support homeless people. The Strategy acknowledges that homelessness is on the rise, whilst noting that predicting and analysing future levels is problematic, particularly when trying to forecast the levels of rough sleep. It has also been reviewed in light of the Governments National Plan to End Homelessness, published in December 2025 and the Council motion that was ratified at Cabinet in October 2026.

As part of the review, we have considered the changes brought in by the **Renters' Rights Act** which include new rules governing how and when landlords can increase rent. Rules around evictions stating they can't take place without a valid reason. New rights for tenants to request consent from landlords to keep pets.

As part of this review we want to focus on some main themes around Homelessness this includes;

1. Recognising that homelessness and rough sleeping as distinct but connected issue with an emphasis on prevention, "hidden" homelessness early identification and a person-centered approach.
2. To have a focus on those who "sofa Surf" or vulnerabilities that mean they ae more "likely" thank others to become homeless or rough sleep.
3. Continue to participate in the women's rough sleeper census and consideration of safe gender- informed provisions.
4. Strengthen our focus around Armed Forces veterans and care-experienced people, including recognising care experience as a lifelong issue rather than something that necessarily ends at 25.
5. We have committed to reviewing the Homeless Prevention Action Plan and recognise the importance of the whole system approach, with housing, health, social care, probation and other services working together to identify and support those people at risk before they reach crisis alongside specific work with the NHS and Hertfordshire County Council/Public Health around healthcare, substance misuse and hospital discharges.

Priority One:

Prevention and Relief of Homelessness

We Will:

- Continue to improve homelessness prevention and relief work by keeping up to date with best practice across the country to ensure that the Council is providing the best possible service in relation to Homelessness and Rough Sleeper prevention.
- The Council recognises the significant reforms introduced through the Renters' Rights Act, including the abolition of Section 21 evictions and strengthened tenant protections, which are expected to reshape homelessness prevention.
- Monitoring the progress of our Housing Futures model and research future requirements post funding which currently ends in March 2025.
- A reduction in the numbers of those rough sleeping with the ambition to eradicate sleeping rough

within Stevenage.

- Provision of advice on housing affordability to ensure sustainable outcomes for all customers.
- Reduce the number of days applicants are waiting in Emergency and Temporary Accommodation by utilising the option to discharge cases owed a duty by the Council into the private rented sector where suitable.
- Reviewing our Cold Weather Provision interventions to ensure that they are fit for purpose and avoid the use of bed and breakfast where possible.

Priority Two:

Provision of Good Quality Temporary Accommodation

We Will:

- Increase portfolio of temporary accommodation properties of various sizes and types, helping to minimize the use of Bed and Breakfast provisions.
- Deliver value for money and transparency of service charges.
- Work with partners internally and externally who can offer specialist support.

Priority Three:

Delivery of new Affordable and Social Rented Homes

We Will:

- Provide five hundred new affordable homes over 10 years.
- Continue the development of high-quality general needs and independent living accommodation that will create necessary capacity within existing housing stock to allow for move on accommodation.
- Provide accommodation which offers security of tenure, sustainability, and reduced running costs.
- Utilise private sale schemes within the Housing Revenue Account (HRA) to cross subsidise further development of affordable accommodation.

Priority Four:

Support of Homeless Households

We Will:

- Effective tenancy sustainment to reduce incidences of homelessness, including support for families and vulnerable adults to maximise their income and mitigate the effects of welfare reform.
- A supported, streamlined, and effective customer journey for all customers whilst they are given appropriate housing and homelessness advice, including the provision of advice and support to single non-priority homeless applicants.
- Better cross-tenure support between interim and permanent accommodation.
- Continue collaborative working with partners at strategic and operational levels.to better support customers and prevent homelessness.

Consultation

Local authorities are required to work in line with the Housing Act 1996 (as amended). This Strategy has been published in line with Section 3 of Homelessness Act 2002 which requires local authorities to develop and publish a Homelessness Strategy.

The Council is required to provide Housing Advice and Homelessness service alongside a number of other statutory functions such as the provision of an Allocation Policy.

As per section 2(1) of the 2002 Act, a local authority is required to complete a homelessness review which means a review by a housing authority of:

a) the levels, and likely future levels, of homelessness in their district.

b) the activities which are carried out for any the following purposes (or which contribute to achieving any of them):

I. preventing homelessness in the housing authority's district.

II. securing that accommodation is, or will be, available for people in the district who are, or may become, homeless; and

III. providing support for people in the district who are homeless or who may become at risk of homelessness; or who have been homeless and need support to prevent them becoming homeless again; and,

c) the resources available to the housing authority, the social services authority for the district, other public authorities, voluntary organisations, and other persons for the activities outlined in (b) above.

The above considerations have been taken into account when setting our priorities and is based on consultation undertaken with members of the public and customer Surveys.

Consultation with Members of the Public

We have consulted with members of the public including professional partners and service users past and present.

The consultation asked:

- What do you believe are the three main challenges surrounding tackling homelessness?
- What do you think contributes most to rough sleeping within Stevenage?

Responses from consultation with Members of the Public included:

Challenges surrounding tackling homelessness

- Alcohol Use
- Lack of Affordable Housing
- Trauma
- Adverse Childhood Experiences
- Mental Health Support
- Drug Use

Contributions to Rough Sleeping in Stevenage

- Lack of Accommodation Options
- Poverty
- Cost of Living Crisis
- Relationship Breakdowns
- Unemployment
- Leaving Prison

Customer Surveys

At the beginning of the financial year April 1st 2024-25 the Housing Options, Rough Sleeping and Temporary Accommodation services commenced regular customer satisfaction surveys with our service users to continually review and inform improvements for our homelessness provision.

The aim of the surveys is to continuously seek customer feedback on their experience with the Council's Homelessness services, as well as any feedback on areas for improvement. These surveys help us to identify why people may become homeless or be at risk of homelessness as well as inform and shape our services and action plan on an ongoing basis.

Prior to the adoption of this Strategy, we will also consult for no less than eight weeks with members of the public across Stevenage, to ensure that we have captured a holistic view of the priorities for Stevenage's homelessness and rough sleeping service

Health and Wellbeing

Stevenage takes the health of its residents seriously and has had a Health and Wellbeing partnership as a thematic group of the local strategic partnership for several years. The health and wellbeing of our homeless or rough sleepers can be seen as a continued focus throughout this Strategy.

The Healthy Stevenage Partnership is a multi-agency forum which includes representatives from the following organisations; Stevenage Borough Council, Hertfordshire County Council, Public Health, East and North Herts Clinical Commissioning Group, East and North Herts NHS Trust, Mind in Mid Herts, Health- watch, Stevenage Football Club Foundation, Citizens Advice Stevenage, Children Centres, Stevenage Leisure Limited, Stevenage Sporting Futures among many others.

The purpose of the partnership is to:

- Achieve better alignment of partners and their efforts to address shared priorities for health and wellbeing.
- Work together to maximise resources, skills, knowledge, and evidence.
- Deliver or commission local projects based on evidence and needs of the local population.
- Increase opportunities to improve health and wellbeing for local residents.
- Championing health and wellbeing and promote positive health-related behaviours.
- Secure additional resources and investment for health and wellbeing projects in Stevenage

Stevenage contributes £5k per financial year to the Herts Young Homeless “Home truths” program which educates school children across Hertfordshire on a variety of health and wellbeing aspects, including homelessness and housing options. This is to ensure the young people of Stevenage can make well informed choices for the future and aims to reduce the risk of homelessness.

Herts Insight have published projected population growth for Stevenage and other Hertfordshire Districts over the next 25 years. The projection is that there will be a population increase of 13.8%. We should therefore expect that for Stevenage, the number of presentations of homelessness and housing register applicants will increase.

Due to the importance of the health and well-being of applicants who have experienced domestic abuse, the Survivors Against Domestic Abuse service (SADA) works with victims and survivors of domestic abuse and their families. The service offers crisis intervention alongside customer support and signposting to other agencies that suit the individual’s needs. The SADA Domestic Abuse Forum is run by survivors who want to make a difference, a drop-in service which runs weekly in person and virtually in Stevenage and North Herts offers support to victims, survivors, and their families.

Community Advice & Support manages various Actions Plans that feed into this Strategy including the Homelessness & Rough Sleeper Strategy 2026/27, the Ending Rough Sleeping Action Plan 2026/27, the Modern Slavery Action Plan, Violence Against Women and Girls Action Plan, Domestic Abuse Strategy and Tenants Policy, Adult and Children Safeguarding, Adults with Complex Needs Procedure, Allocations Policy and other policies and procedures that can be found on our website. www.stevenage.gov.uk

Limitations

Whilst this Strategy plans an important role in deepening local understanding of the health and support needs of homeless people in Stevenage, we are aware of certain pressures within the borough.

This includes the reliability on grant funding to support essential but non-statutory services, the provision around support for Asylum seekers and refugees and their support needs and the cost-of-living crisis, with more families than ever relying on referrals to food banks.

The Council will continue to work co-operatively with partners and the Community and work towards eradicating homelessness in the town.



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Appendix B (November 2026 Update)

Minimum Revenue Provision Policy

Minimum Revenue Provision Policy Statement 2026/27

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

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

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

voluntary MRP made	
	Regeneration
2012/13	£46,929.65
2013/14	£140,788.95
2014/15	£163,165.30
2015/16	£141,355.30
2016/17	£141,355.30
2017/18	£141,355.30
2018/19	£141,355.30
2019/20	£141,355.30
cumulative total	**£1,057,660.39**

Use of overpayment	
	Regeneration
2020/21	£193,703.12
2021/22	£193,703.12
2022/23	£193,703.12
2023/24	£193,703.12
2024/25	£193,703.12
2025/26	£89,144.79
cumulative total	**£1,057,660.39**

Capital expenditure financed by borrowing in 2026/27 will not be subject to an MRP charge until 2027/28, or in the financial year following the one which the asset first becomes available for use.

The Council will apply the asset life method for any expenditure capitalised under a Capitalisation Direction.

Leases - the adoption of International Financial Reporting Standard 16 has introduced a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months unless the underlying asset is low value.

Regarding MRP in respect of assets acquired either under leases where a right-of-use asset is on the balance sheet or where on-balance sheet PFI contracts are in place, the prudent charge to revenue is measured as being equal to the element of the rent/charge that goes to write down the balance sheet liability.

Investment property - MRP is chargeable in respect of investment properties where acquisition results in an increase to the CFR.

Capital Loans

Where the Council has issued capital loans that are categorised as **non-commercial**, and have not been subject to a recognised credit loss in the current or any previous financial year, the provision of MRP will not apply on the following basis:

(a) the loan is treated as capital expenditure in accordance with regulation 25(1)(b),
(b) the loan is not a commercial loan, and
(c) the local council has not recognised, in accordance with proper practices(c), any expected or actual credit loss in respect of that loan.

For capital loans which are classed as **commercial** then the Authority will provide MRP over a maximum of the useful life of the assets purchased by the third party. MRP will commence in accordance with the Regulations where MRP is required.

A commercial loan is defined in regulation 27(5) as a loan from the council to another entity for a purpose which, if the council were to undertake itself, would be primarily for financial return; or, where the loan is itself, capital expenditure undertaken primarily for financial return.

Capital receipts received from the non-commercial and commercial loan repayments in the financial year will be used to reduce the debt liability i.e. the capital receipts will be used in lieu of MRP to reduce the CFR. This applied only to where receipts are used to repay the principal of amounts borrowed to finance the same loan.

For capital loans to third parties granted before 7 May 2024 - Where those loans have been subject to an actual or expected credit loss in the current or any previous financial year then MRP will be provided over the useful life of the assets purchased by the third party.

For capital loans to third parties granted on or after 7 May 2024 - Where those loans are subject to an expected or actual credit loss, then the MRP charge will be at least the amount of the recognised credit loss for the financial year, after adjusting for any previous MRP or capital receipts applied to the loan. Capital receipts received in respect of that loan during the financial year will not reduce the element of MRP required for an expected or actual credit loss.

The Council will as part of the annual MRP assessment, for each capital loan individually to determine:

- if the loan is capital
- loan purpose and whether it is commercial or non-commercial
- determine what MRP treatment to apply
- how any repayment receipts have been used
- statutory basis is MRP is not charged
- evidence the basis for the conclusions drawn

The Council has determined that MRP is not required for borrowing or credit arrangements used to finance capital expenditure on housing assets and accounted for within the Housing Revenue Account (HRA) as it has determined, through its duty to charge depreciation and hold a Major Repairs Reserve, that prudent provision has been made.

Credit losses – the Council will assess annually, all capital loans for expected or actual credit losses recognised in accordance with proper practices and will document how any identified loss has been reflected in the MRP calculation.

Capital Receipts - for capital expenditure on loans to third parties where the principal element of the loan has been repaid in annual instalments, the capital receipts arising from the principal loan repayments will be used to reduce the CFR instead of MRP.

Where no principal repayment is made in a given year, MRP will be charged using the Asset Life Method.

Share Capital - where a Council incurs expenditure that is capitalised on or after April 2008, which is financed by borrowing for the acquisition of share capital, Regulation 25(1)(d) Acquisition of share capital sets out the maximum period for an council to provide MRP of 20 years.

MRP Overpayments - under the MRP guidance, charges made in excess of the statutory MRP can be made and are known as voluntary revenue provision (VRP).

VRP can be reclaimed in later years if deemed necessary or prudent. In order for these amounts to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year.

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Stevenage Rough Sleeping & Housing Pathway Action Plan (2026/27/28/29)

Overall Objective:

Reduce rough sleeping, prevent long-term street entrenchment, improve health outcomes, and support single homeless people into sustainable accommodation using the £328,345.00 allocation over a 3-year period.

Broken down by year

Stevenage	2026/27	2027/28	2028/29
Allocation	£194,531.00	£77,773.00	£56,041.00

Priority	Key Actions	Lead Partners	Success Measures
1. Early Intervention & Outreach	Deploy dedicated outreach workers to identify and engage rough sleepers within 24-72 hours of presentation.	SBC Rough Sleeper Team, Housing Options, No More Service, Outreach Providers, VCS Partners.	Reduction in new rough sleeping cases and faster engagement rates.
2. Immediate Accommodation	Maintain emergency bed provision and rapid access routes into temporary accommodation. An additional 8 beds at Julians Road plus 4 “High risk” allocated TA properties across the town with sprinklers.	SBC Rough Sleeper Team, Housing Options, Temporary Accommodation, No More Service.	No rough sleeper left without an accommodation offer where appropriate.
3. Health & Wellbeing Support	Integrate mental health, substance misuse and primary healthcare support into outreach services.	NHS, Mental Health Services, Support Agencies, discussions at Multiple Needs Working group.	Increased engagement with health services and reduced crisis interventions.

4. Move-On & Tenancy Sustainment	Develop clear pathways from emergency accommodation into settled housing with tenancy support.	SBC Housing First, Allocations, Adult Offender Protocol, Next Step Lets, Registered Housing Providers, Private Landlords, Support Services.	Increased move-on rates and sustained tenancies. Implement the single homeless pathway
5. Prevention & Targeted Support	Provide focused support for vulnerable groups including prison leavers and those at risk of homelessness. Including referrals to the Multiple Needs Working Group	SBC teams including TA, Residential services etc., Probation, Prison resettlement, Community Partners.	Fewer homelessness presentations and repeat rough sleeping instances.
6. Multi-Agency Coordination	Strengthen Single Homeless Pathway, regular partnership meetings and professionals' meetings	SBC, NHS, Police, Probation, VCS.	Improved case resolution and coordinated service delivery.
7. Severe Weather Response (SWEP)	Maintain and review emergency arrangements for severe weather events including extreme cold and heat.	SBC, Community Venues, Voluntary Sector.	Timely activation and increased take-up of emergency provision.
8. Performance & Intelligence	Establish a multi-agency data framework using StreetLink referrals and local intelligence to monitor outcomes.	SBC, Partners, StreetLink.	Quarterly reporting demonstrates impact and informs future service provisions.

Funding Priorities

Total funding available: £328,345.00

Year 1 £194,531.00	Year 2 £77,773.00	Year 3 £56,041.00
• Additional 8 bed spaces Julians Road • 4 single bed spaces for "high" risk homeless people	• Maintain the additional 8 beds at Julians Road • Review the "need" of the 4 bed spaces for "high" risk homeless people	• Maintain the additional 8 beds at Julians Road • Review the "need" of the 4 bed spaces for "high" risk homeless people

• 1 single bed space for women rough sleeping • Introduction of the Single Homeless Pathway • Access to support for Move on accommodation including support to help sustain the tenancy • Access to support for appointments including an “address” to receive post • Earlier prevention and support for those “sofa” surfing • Expand the opening of the Homeless Hub • Continue with the work around AFEO	• Review the work and outcomes from the Single Homeless Pathway • Access to support for Move on accommodation including support to help sustain the tenancy • Access to support for appointments including an “address” to receive post • Earlier prevention and support for those “sofa” surfing • Expand the opening of the Homeless Hub • Continue with the work around AFEO	• Review the work and outcomes from the Single Homeless Pathway • Access to support for Move on accommodation including support to help sustain the tenancy • Access to support for appointments including an “address” to receive post • Earlier prevention and support for those “sofa” surfing • Expand the opening of the Homeless Hub • Continue with the work around AFEO

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Homelessness & Rough Sleeper Strategy 2025-2030

Equality Impact Assessment (EqIA) Form

October 2026 Review

Date created	September 2026
Approved by	Cabinet
Owner	Sarah Pateman
Version	2
Author	William Peters Rough Sleeper Team & Housing First Manager
Business Unit and Team	Rough Sleeper Team Community Advice and Support

Please click this link to find the EqIA guidance toolkit for support in completing the following form.

For translations, braille or large print versions of this document please email equalities@stevenage.gov.uk.

Does this policy, project, service, or other decision need an EqIA?

Title:	Homelessness & Rough Sleeper Strategy 2024-2029
Please answer Yes or No to the following questions:	
Does it affect staff, service users or the wider community?	Yes
Has it been identified as being important to particular groups of people?	Yes
Does it or could it potentially affect different groups of people differently (unequal)?	No
Does it relate to an area where there are known inequalities or exclusion issues?	Yes
Will it have an impact on how other organisations operate?	Yes
Is there potential for it to cause controversy or affect the council's reputation as a public service provider?	No

Where a positive impact is likely, will this help to:	
Remove discrimination and harassment?	Yes
Promote equal opportunities?	Yes
Encourage good relations?	Yes

If you answered 'Yes' to one or more of the above questions you should carry out an EqIA.

Or if you answered 'No' to all of the questions and decide that your activity doesn't need an EqIA you must explain below why it has no relevance to equality and diversity.

You should reference the information you used to support your decision below and seek approval from your Assistant Director before confirming this by sending this page to equalities@stevenage.gov.uk.

I determine that no EqIA is needed to inform the decision on the .

Name of assessor:

Role: Will Peters

Date:

Decision approved by:

Role: Kerry Clifford

Date:

Equality Impact Assessment Form

For a policy, project, strategy, staff or service change, or other decision that is new, changing or under review

What is being assessed?	Homelessness & Rough Sleeper Strategy 2025-2030				
Lead Assessor	Sarah Pateman			Assessment team	William Peters Community Advice and Support
Start date	July 2025	End date	July 2030		
When will the EqIA be reviewed? (Typically every 2 years)	November 2027				

Who may be affected by the proposed project?	Users of our Housing Options and Next Step Lets Team Households that are in our Emergency and Temporary Accommodation Professional Stakeholders and those in our Co-operative Communities
What are the key aims of the proposed project?	The key aims of the Strategy are to reduce Homelessness and Rough Sleeping within Stevenage, through prevention and relief duties as per the Homeless Reduction Act 2017 (HRA17). Under the Homelessness Act 2002 every Local Authority is required to develop a Homelessness Strategy and following the introduction of the Homeless Reduction Act 2017 and the publication of the Rough Sleeper The four aims in the Strategy are set out as: Prevention and Relief of Homelessness Provision of Accommodation Housing Development Support for Homeless Household.

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

Remove discrimination & harassment	SBC is a third party reporting centre for hate crime / discrimination and actively encouraging more organisations to sign up as third party reporting centres to reach the wider community.	Promote equal opportunities	The service priorities aim to promote equalities through partnership working to ensure that all Stevenage resident have equal opportunity access services.	Encourage good relations	Engagement with a wide range of residents, community safety partners and Housing Services. Developing relationships with vulnerable/marginalised groups through targeted outreach.

What sources of data / information are you using to inform your assessment?	We have used data/information available both locally and nationally, assessments are up to-date. Information relating to the different groups have been reviewed. Development of this Strategy follows the implementation of the Homeless Reduction Act 2017 (HRA17) and the publication of the Governments Rough Sleeper Initiative and is referenced against the Homelessness code of guidance. The following has contributed to the Strategy and Eq1A • Review of P1E submissions over the last 5 years. (P1E data was the national homelessness performance return, since the implementation of the HRA17, this has been replaced by H-CLIC) Information included in these submissions are relating to Preventions and Relief of homeless, number of those that become homeless, the reason for homelessness, ethnicity of those that become homeless and whether there are support needs. • Information relating to Housing Options service data on those that have approached the Council • for Housing Advice or actually homeless, published within our own KPI's reporting system – In Phase • Review of data relating to population increases with Hertfordshire 'Herts Insight' • Consultation with professional stakeholders and residents that are in our Temporary Accommodation or residing in the Stevenage Haven. • A review of published strategies around the UK as well as within Hertfordshire • Desktop review of the current Homelessness Strategy 2025-2030

	• Regular reviews of customer satisfaction surveys • Dip sampling to ensure all clients being supported appropriately in relation to their need

In assessing the potential impact on people, are there any overall comments that you would like to make?	As a Local Authority we need to monitor and assess the impact of the Strategy in terms of homeless applicants generally, during the homeless presentation a vulnerability assessment is completed thus ensuring that there is no indirect discrimination contrary to our public sector equality duty.

Evidence and Impact Assessment

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

Age					
Positive impact	None	Negative impact	None	Unequal impact	None
Please evidence the data and information you used to support this assessment	Any vulnerable applicant aged over 55 may benefit from the availability of Independent Living properties this has enabled some homelessness to be prevented through an offer under part 6. This is monitored in relation to the availability of these properties. Our independent Living team are committed to support residents within their own home to live independently, with the development of the Housing Older People Strategy further options will be explored.				
What opportunities are there to promote equality and inclusion?	Support is provided to those of all aged who are housed within our Emergency and Temporary Accommodation.		What do you still need to find out? Include in actions (last page)		

Disability e.g., physical impairment, mental ill health, learning difficulties, long-standing illness					
Positive impact	Yes	Negative impact	None	Unequal impact	None
Please evidence the data and information you used to support this assessment	Facts and Statistics published by Mind indicate that 1in 4 people will experience a mental health problem each year, these range from Anxiety, Depression, Phobias, OCD, PTSD etc, every seven years Mind run a survey measure the number of people who have different types of mental health. As the reporting on HCLIC becomes available we will be able to monitor better the number of approaches we receive from those that have support needs in this area, the homelessness forum which meets every two months brings together those who work within mental health services as well as those who work with the homeless. Work continues with HCC and we will shortly have available units in a new development where those with specific disabilities will be able live as independently as possible in order to lead normal lives. Training continues to be provided to staff on the effects of disabilities has – such as depression recent suicide awareness training has recently taken place.				
What opportunities are there to promote equality and inclusion?	Publish with Specialist Support Service how the new units provided at Gresley Way are providing independent living to the residents.		What do you still need to find out? Include in actions (last page)	Analysis of information that will be submitted via HCLIC on the numbers and types of support those approaching the service have/require.	

Gender Reassignment					
Positive impact	None	Negative impact	None	Unequal impact	None
Please evidence the data and information	Within the last year we have not had any service data to show that there would be any impact on this group. Staff do have an awareness of this particular group and as with any other groups will ensure that no group is disadvantaged.				

you used to support this assessment			
What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)	

Marriage or Civil Partnership					
Positive impact	None	Negative impact	None	Unequal impact	None
Please evidence the data and information you used to support this assessment	Within the last year we have not had any service data to show that there would be any impact on this group. Staff do have an awareness of this particular group and as with any other groups will ensure that no group is disadvantaged.				
What opportunities are there to promote equality and inclusion?			What do you still need to find out? Include in actions (last page)		

Pregnancy & Maternity					
Positive impact	None	Negative impact	None	Unequal impact	None
Please evidence the data and information you used to support this assessment	Legislation protects those who present as pregnant and are classed as priority need if presenting as homeless. Individuals will be provided with Interim Accommodation and support is provided by our Tenancy Support team which includes assistance in applying for any maternity benefits that are available.				
What opportunities are there to promote equality and inclusion?			What do you still need to find out? Include in actions (last page)		

Race					
Positive impact	None	Negative impact	None	Unequal impact	None
Please evidence the data and information you used to support this assessment	This strategy will be for all those living within Stevenage, Including BME groups. There is no evidence that shows that this group is disproportionately represented in terms of the homelessness acceptances.				
What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)			

Religion or Belief					
Positive impact	None	Negative impact	None	Unequal impact	None
Please evidence the data and information you used to support this assessment	The strategy is for all within Stevenage irrespective of religion or beliefs. When working with individuals consideration is taken on whether shared accommodation is suitable and where it is not we will provide self-contained interim accommodation.				
What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)			

Sex					
Positive impact	None	Negative impact	None	Unequal impact	None
Please evidence the data and information	Although the Strategy does not refer to domestic abuse specifically, the Housing Options team work closely with the Council's Community Safety team and the Police.				

you used to support this assessment	Where required and available we will ensure clients are offered Refuge places and if required recommend out of area placements if the client is at risk within Stevenage. While data shows that the majority of approaches are from women, the team are aware that men can also be at risk of domestic abuse and the same consideration should be given to them as well as women. Housing Futures accommodation has a female only House of Multiple Occupancy style property		
What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)	Availability and location of any male refuge places

Sexual Orientation e.g., straight, lesbian / gay, bisexual					
Positive impact	None	Negative impact	None	Unequal impact	None
Please evidence the data and information you used to support this assessment	The strategy will be for all communities within Stevenage irrespective of sexual orientation.				
What opportunities are there to promote equality and inclusion?			What do you still need to find out? Include in actions (last page)		

Socio-economic[1]
e.g., low income, unemployed, homelessness, caring responsibilities, access to internet, public transport users,

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

social value in procurement					
Positive impact	Yes	Negative impact	None	Unequal impact	None
Please evidence the data and information you used to support this assessment	A barrier highlighted by the consultation with both professionals as well as clients of the service related to the continued effects of Welfare Reform, this relates to the benefit cap and the Local Housing Allowance. The strategy recognises this, and we ensure that an affordability assessment is completed with all clients whether their homelessness will be discharged into the Private Sector or not. We also continue to support all clients with Debt Advice and Support relating to this and assist with applications for any unclaimed benefits as well as discretionary housing payments.				
What opportunities are there to promote equality and inclusion?			What do you still need to find out? Include in actions (last page)		

Additional Considerations – Joint Housing Protocol Please outline any other potential impact on people in any other contexts					
Positive impact	Yes	Negative impact	None	Unequal impact	None
Please evidence the data and information you used to support this assessment	The strategy refers to the Hertfordshire Joint Housing Protocol, it shows the close working relationship between all 10 Hertfordshire districts and promotes the pathway between housing and care leavers. It shows a housing pathway for care leavers and the support available. HCC are currently employing a housing professional to work with care leavers who end up sleeping rough.				
What opportunities are there to promote equality and inclusion?	Continued funding in relation to Education in schools. This is carried out by Herts Young Homeless		What do you still need to find out? Include in actions (last page)	Impact of specialist housing professional working with care leavers sleeping rough or at risk of sleeping rough	

Consultation Findings

Document any feedback gained from the following groups of people:

Staff?	Staff reported that working with partners is the key to problem solving and providing support to residents.	Residents?	Residents are consulted with at various opportunities through surveys. This allows us to adapt to resident needs.
Voluntary & community sector?	Voluntary Sectors agree that in order to make a difference it is essential that we work co-operatively, and information is shared regularly.	Partners?	Partners agree that in order to make a difference it is essential that we work co-operatively, and information is shared regularly.
Other stakeholders?			

Overall Conclusion & Future Activity

Explain the **overall findings** of the assessment and **reasons for outcome (please choose one)**:		
1. No inequality, inclusion issues or opportunities to further improve have been identified		
Negative / unequal impact, barriers to inclusion or improvement opportunities identified	2a. Adjustments made	As below
	2b. Continue as planned	
	2c. Stop and remove	

Detail the **actions that are needed** as a result of this assessment and how they will help to **remove discrimination & harassment**, **promote equal opportunities** and / or **encourage good relations**:				
Action	Will this help to remove, promote and / or encourage?	Responsible officer	Deadline	How will this be embedded as business as usual?
Improve statistical reporting tools to enable more information relating to advice and support given to those presenting as threatened with homelessness relating to all groups.	This will ensure that we have data on any groups and that there is not direct/indirect discrimination to any particular group.	Operations Manager and Housing Options Manager.	December 2026	Will become part of the normal monitoring processes
Update all policies and procedures relating to Homelessness and Temporary Accommodation ensuring that out of area placement is included.	Promote confidence in both staff members and the public that the correct decisions are made and do not direct or indirectly discriminate.	Housing Options Manager, Allocations Manager and Temporary Accommodation Manager.	March 2027	Through Policy Implementation and reviews.
Allocations Policy review to ensure that it does not discriminate against those in protected groups but also that may have had a criminal history.	Promote confidence in both staff members and the public that the correct decisions are made and do not direct or indirectly discriminate.	Housing Options Manager and Allocations Manager	March 2027	Through Policy Implementation and reviews.

Approved by Assistant Director / Strategic Director:

Date: November 2026

Please send this EqIA to equalities@stevenage.gov.uk for critical friend feedback and for final submittance with the associated project.

Part 1 – Release to Press

Stevenage BOROUGH COUNCIL

Agenda item: ##

Meeting Cabinet

Portfolio Area Environment, Transport and Planning

Date 19 November 2026



STEVENAGE BOROUGH NEW LOCAL PLAN

KEY DECISION

Author	Lewis Claridge | 2158
Lead Officer	Alex Robinson | 2257
Contact Officer	Lewis Claridge | 2158

1 PURPOSE

1.1 This report seeks Cabinet's agreement to formally begin preparing a new Local Plan for Stevenage under the reformed plan-making system introduced by the Planning and Infrastructure Act 2025 ('the 2025 Act') and the Town and Country Planning (Local Planning) (England) Regulations 2026 ('the Regulations').

1.2 The Local Plan is one of the Council's most important strategic tools for delivering its priorities. It will provide a long-term framework for homes, jobs, infrastructure, public services, regeneration and environmental improvement, translating the Council's ambitions into coordinated decisions about land, investment and development. Government expects local authorities to support increased housing delivery and economic growth. Preparing the plan gives the Council, working with communities and partners, the opportunity to shape where and how growth takes place over the next 20 years, so that it delivers the facilities, infrastructure, jobs and range of homes that local people need.

1.3 Housing markets and functional economic areas extend beyond local authority boundaries, although Government currently allocates housing numbers to individual authorities. The evidence base will explore these relationships as the plan is prepared. Stevenage's urban character and tightly drawn boundaries reinforce the need to work with neighbouring authorities, consistent with Government's support for collaborative plan-making. Our neighbouring authorities have both commenced their new Local Plans under the new regulations but at early stages. This creates opportunities to coordinate evidence and explore synergies across wider geographies. Local

Government Reorganisation (LGR) also provides further impetus for cross-boundary plan-making.

1.4 Collaboration is also essential to the Spatial Development Strategy (SDS) which will help drive growth for the new authority and will be prepared by Hertfordshire County Council. Moreover, Government has announced its intention to establish a Hertfordshire Mayoral Strategic Authority (MSA) further cementing the need for Stevenage to plug into a wider geography during plan making to ensure the plan maximises the benefits for the town, its economy and its people.

1.5 This report:

- explains the national planning reforms of the past year – the 2025 Act, the new National Planning Policy Framework (NPPF) published on 17 August 2026 and the new plan-making regulations – and what they mean for Stevenage;

- sets out why the Council needs to start a new Local Plan now, given that the current plan period ends in 2031 and Government has set deadlines for councils to enter the new system;

- seeks approval of a new Local Plan Timetable, which replaces the Local Development Scheme, and of a Notice of Intention to commence plan-making, both to be published on 26 November 2026;

- seeks delegated authority to prepare and publish a Scoping Consultation (4 January – 15 February 2027) and the Gateway 1 Self-Assessment (31 March 2027), which formally starts the 30-month plan-making process, with adoption targeted for September 2029;

- seeks delegated authority to establish governance arrangements with neighbouring authorities to coordinate evidence and support cross-boundary Local Plan preparation;

- seeks delegated authority to work with Hertfordshire County Council on the Spatial Development Strategy and explore opportunities arising from the proposed Mayoral Strategic Authority, to maximise benefits for Stevenage's economy and communities; and

- reports the feedback received during workshop events.

1.6 Cabinet is not being asked at this stage to agree the vision, content or policies of the new Local Plan. These will be reported to Cabinet in June 2027, before public consultation on the proposed Local Plan content and evidence.

2 RECOMMENDATIONS

That Cabinet:

2.1 Notes the new Local Plan system introduced by Government, approves the new Local Plan Timetable (Appendix A) to replace the Local Development Scheme, approves the Notice of Intention to commence work on a new Local Plan for Stevenage (Appendix B) and delegates authority to the Director of Planning and Regulation, in consultation with the Portfolio Holder for Environment, Transport and Planning, to amend the Local Plan Timetable if required to align with any timetable changes and to ensure legal compliance.

2.2 Delegates authority to the Director of Planning and Regulation, in consultation with the Portfolio Holder for Environment, Transport and Planning, to prepare and publish a Scoping Consultation and the Gateway 1 Self-Assessment , formally commencing the new Local Plan process on 31 March 2027.

2.3 Delegates authority to the Director of Planning and Regulation, in consultation with the Portfolio Holder for Environment, Transport and Planning, put in place the necessary governance arrangements with adjacent authorities to support the development of the Local Plan.

2.4 Delegates authority to the Director of Planning and Regulation, in consultation with the Portfolio Holder for Environment, Transport and Planning, to continue to work with Hertfordshire County Council as it progresses the Spatial Development Strategy, and as proposals for a new Mayoral Strategic Authority emerge, to explore opportunities as the Local Plan develops.

2.5 Notes the feedback from Members on the content of this report.

3 BACKGROUND

The current Local Plan

3.1 The Stevenage Borough Local Plan was adopted on 22 May 2019 and has since been updated through a Partial Update adopted by Full Council on 22 July 2026 [BD1]. It sets out a spatial vision for the town to 2031 and contains detailed land use policies for the borough.

3.2 The Local Plan supports the Council's Making Stevenage Even Better Corporate Plan 2024–2027 [BD2]. Under the priority Transforming our Town, its policies support the regeneration of the Town Centre and other strategic growth areas, delivering new homes, better public services and local amenities, more jobs, improved transport connections and greater access to green space. Under More Social, Affordable and Good Quality Homes, it promotes both the delivery of new, sustainable homes and the maintenance of good quality existing housing.

Local Plan Review: a two-stage approach

3.3 A review of the 2019 Local Plan was required in May 2024, five years after adoption, with just under seven years of the plan period remaining. The review identified a number of policies that needed updating. The Council considered three options:

a) an entirely new Local Plan, with strategic policies looking ahead over the next 20 years;
b) a full update of the existing plan, with the plan period unchanged; or

c) a partial update, limited to the changes most urgently needed to keep the plan up to date, with the plan period unchanged.

3.4 Following legal advice, the Council chose option (c) as the first of a two-stage process:

- Stage 1 – Partial Update. Limited to the most pressing changes since 2019, focused mainly on tackling climate change, as set out in reports to Cabinet in June 2024 [BD3] and November 2024 [BD4]. This was adopted on 22 July 2026.

- Stage 2 – New Local Plan. A comprehensive new plan, prepared under the new plan-making system and the August 2026 NPPF. This Cabinet report seeks approval to start Stage 2.

Changes to national planning policy

3.5 The 2025 Act [BD5] received Royal Assent on 18 December 2025. It reforms the planning system with the aim of speeding up decision-making and streamlining the delivery of new homes and major infrastructure. Among other things, it introduces a new plan-making system (Section 4) and a framework for strategic planning through Spatial Development Strategies.

3.6 On 17 August 2026, Government published a new NPPF [BD6], replacing the December 2024 version [BD7], which itself replaced the December 2023 version [BD8]. The new NPPF marks a significant shift towards a growth-focused, plan-led system. Its key changes are:

- a stronger presumption in favour of sustainable development;
- the introduction of National Development Management Policies (NDMPs), which standardise decision-making on common issues, carry greater weight and provide more certainty for applicants;
- stronger support for housing, strategic urban extensions and industrial and logistics development, and for making more efficient use of land in well-connected locations; and
- retained safeguards for communities and the environment, including enhanced protection for community facilities, stronger support for digital connectivity and continued restrictions on major development in protected landscapes.

3.7 The success of the reforms will depend on complementary measures to improve viability and accelerate delivery. Taken together, these changes mean the planning policy context for Stevenage is changing rapidly, as summarised in Table 1.

Table 1: How the planning policy context for Stevenage is changing

	Adopted Local Plan (2019)	Local Plan Partial Update (2026)	New Local Plan (2026 onwards)
Relevant NPPF	March 2012	December 2023 (under transitional arrangements, rather than December 2024 NPPF)	August 2026
Plan period	2011–2031	2011–2031	Beyond 2031; Vision document to set time horizons
Housing requirement	7,600 homes, 2011–2031	7,600 homes, 2011–2031	New requirement to be calculated, beyond 2031
Employment space requirement	At least 140,000 sq m employment floorspace, 2011–2031	At least 140,000 sq m employment floorspace, 2011–2031	New requirement to be calculated, beyond 2031
Spatial Development Strategy	None	Early work on an emerging Spatial Development Strategy following the 2025 Act	New Local Plan to be in general conformity with the Spatial Development Strategy

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

New Local Plan System

4.1 The Regulations as referenced in paragraph 1.1 [BD9] came into force on 25 March 2026, replacing the 2012 Regulations. Together with Part 2 of the Planning and Compulsory Purchase Act 2004 (as amended by Schedule 7 of the 2025 Act) and supporting Government guidance, they set out how new-style Local Plans must be prepared. The key features are summarised below.

Process and timescales

- Local Plans must be prepared within 30 months ending with an examination. Councils must meet specific requirements at each of the three Gateways before progressing to the next stage.
- Publication of the Gateway 1 Self-Assessment summary marks the formal start of plan-making.
- The Local Development Scheme is replaced by a standardised Local Plan Timetable, reported against mandatory national milestones.
- The old and new systems run in parallel during 2026. The final date for submitting old-system plans is 31 December 2026, and no new Supplementary Planning Documents could be adopted after 30 June 2026.
- Government has said it will use its intervention powers where plans are not progressed in line with the new timescales.

Engagement

- Councils must consult three times (previously twice), with defined documents published for comment at each stage. The Council is committed to engaging communities and key stakeholders throughout preparation of the Local Plan, consistent with the Making Stevenage Even Better Corporate Plan's commitment to priorities "shaped around what you have told us matters to you" [BD2]. Engagement will be proactive, inclusive and accessible, reaching across all our communities so that everyone who wishes to participate has a meaningful opportunity to be heard.
- Councils must not assume residents know where to find information and must actively reach out, in addition to the bodies listed in the Statement of Community Involvement [BD10].
- The Council will seek to work with neighbouring authorities to coordinate evidence and address housing, economic and infrastructure matters that extend beyond borough boundaries. The Council will also work with Hertfordshire County Council to help shape the emerging Spatial Development Strategy and align Local Plan preparation with strategic planning across Hertfordshire. As proposals for a Mayoral Strategic Authority develop, we will engage with the emerging arrangements to ensure Stevenage's priorities inform strategic decisions and to maximise benefits for the town, its economy and communities.

Plan content and format

- A Local Plan must contain a vision for the area and no more than ten measurable outcomes. It may also include aims and objectives setting out how the vision will be achieved.
- Plans must be published online in a searchable, machine-readable format, with greater transparency around housing requirements.

- Where a new policy supersedes an existing development plan policy (for example, in a Neighbourhood Plan or Minerals and Waste Plan), the Local Plan must say so and identify the superseded policy, so it is clear which takes precedence.

Cooperation and strategic planning

- Although the legal Duty to Cooperate is abolished under the new system, cross-boundary working remains essential. The Council will work proactively with neighbouring authorities to coordinate evidence and address shared housing, economic and infrastructure issues. It will also engage with Hertfordshire County Council to ensure Stevenage's priorities inform the emerging Spatial Development Strategy and that the Local Plan aligns with strategic planning across Hertfordshire.

4.2 The diagram below illustrates the sequence of the key local plan-making steps which will be required under Part 2 of the Planning and Compulsory Purchase Act 2004 (once amended by Schedule 7 to The Act) and the new regulations.



Why the Council needs to start now

4.3 Government guidance on the rollout of the new plan-making system requires most local planning authorities to have started plan-making (Gateway 1) by 31 October 2026, and all others by 30 April 2027. For authorities such as Stevenage whose plans were progressed under the transitional arrangements, the guidance states that the Council must:

- give notice of intention to commence plan-making by 31 December 2026, or by the time the adopted plan is 4 years and 8 months old, whichever is later; and
- publish its Gateway 1 Self-Assessment by 30 April 2027, or by the time the plan is 5 years old, whichever is later.

4.4 Beyond meeting Government deadlines, starting now will enable the Council to shape growth proactively rather than respond to development pressures as they arise. The new Local Plan will identify opportunities for the right homes in the right places, make effective use of limited land within Stevenage's tightly drawn boundaries, and coordinate growth with the infrastructure, services and facilities needed by existing and new communities. This supports the Corporate Plan's ambition to "provide every opportunity to residents to directly benefit from local investment, now and in the future."

4.5 Regardless of these deadlines, the current plan period ends in 2031, just five years away. As the plan approaches and passes its end date, its policies will carry less weight in planning decisions. A new plan with a longer time horizon is needed to avoid this. Even on a 30-month timetable, adoption is not expected until September 2029, leaving a very limited margin.

4.6 The proposed timetable meets the Government deadlines, with the Notice of Intention published on 26 November 2026 and the Gateway 1 Self-Assessment on 31 March 2027.

Cross-boundary governance and strategic planning

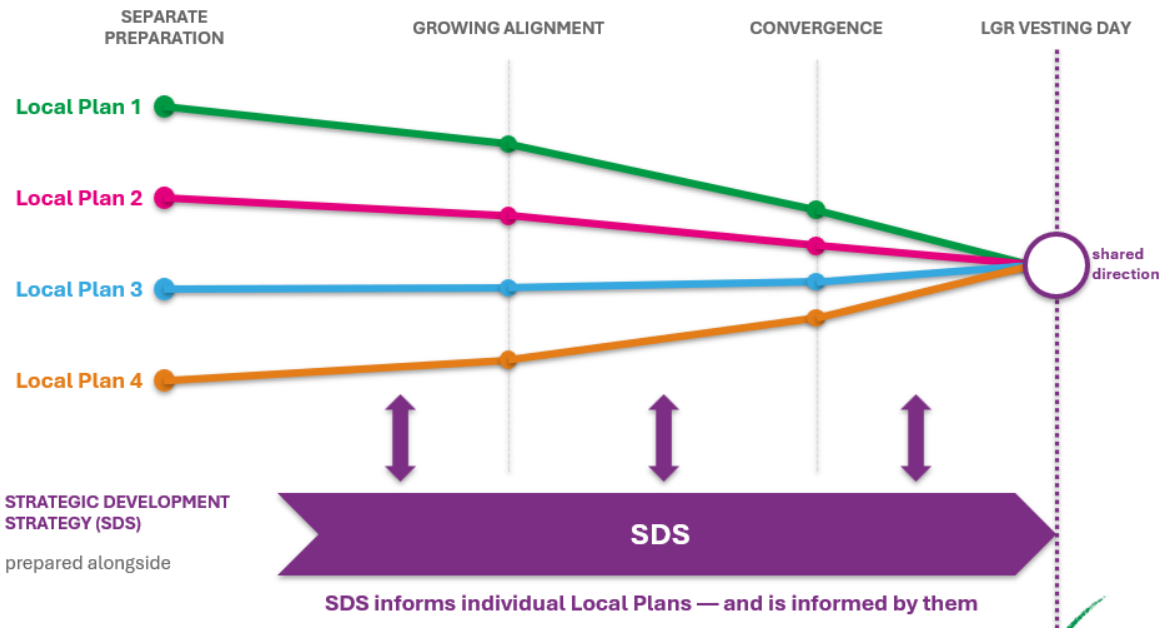
4.7 Stevenage's tightly drawn boundaries mean that its housing, economic and infrastructure needs cannot be considered in isolation. Close working with neighbouring councils is therefore essential to coordinate evidence, address shared challenges and identify opportunities for growth that benefit Stevenage and the wider area. The Council will explore proportionate governance arrangements with neighbouring authorities to support this joint working and align plan preparation.

4.8 This collaboration will also extend to Hertfordshire County Council as it prepares the Spatial Development Strategy (SDS), and to the emerging arrangements for a Hertfordshire Mayoral Strategic Authority (MSA). Early and sustained engagement will help align the Local Plan with wider strategic planning and ensure that Stevenage's priorities for growth, infrastructure, its economy and communities inform decisions across Hertfordshire.

4.9 North Hertfordshire and East Hertfordshire have both commenced new Local Plans under the new regulations and remain at an early stage. This provides an opportunity to coordinate work now and build closer alignment as each plan progresses. Understanding the stage each council has reached will help identify where evidence, engagement and key milestones can be coordinated.

Stage	Stevenage	*NHDC*	*EHDC*
Notice of Intention	November 2026	*April 2026*	*June 2026*
Timetable	November 2026	*April 2026*	*June 2026*
Scoping Consultation	January – February 2027	*May – June 2026*	*June – July 2026*
Gateway 1: Self-Assessment	March 2027	*October 2026*	*October 2026*
Consultation: Proposed Local Plan Contents and Evidence	16 June – 28 July 2027	*October – November 2026*	*February 2027*
Gateway 2: PINS Advice	6 December 2027	*April 2027*	*November 2027*
Consultation: Proposed Local Plan	26 June – 18 September 2028	*October 2027 – January 2028*	*February – April 2028*
Gateway 3: PINS Advice	11 December 2028	*March 2028*	*July 2028*
Submission to Secretary of State	12 February 2029	*May 2028*	*October 2028*
Examination in Public	Spring / Summer 2029	*June – November 2028*	*October 2028 – Early 2029*
Adoption	30 September 2029	*January 2029*	*April 2029*

4.10 Local Government Reorganisation (LGR) adds further importance to working together from the outset. Individual Local Plans will commence separately, but joint evidence gathering, coordinated engagement and alignment of strategic priorities is recommended to support increasing convergence as the plans develop towards vesting day. This approach would help provide a coherent foundation for planning across the successor authority's area, while ensuring that Stevenage's needs remain clearly represented.



Local Plan Timetable

4.11 The 2025 Act replaces the Local Development Scheme with a requirement to prepare and maintain a Local Plan Timetable. The timetable must:

- report against the plan-making milestones prescribed in the regulations;
- be revised when the regulations require, which may be as often as monthly;
- be published alongside the Notice of Intention; and
- be written in plain English, in line with planning data regulations and technical specifications.

4.12 The Council proposes to publish its Local Plan Timetable (Appendix A) on 26 November 2026, replacing the Local Development Scheme [BD11] last updated in June 2025. The key milestones are set out in Table 2. The timetable will be kept under regular review and is likely to change as the plan progresses.

Table 2: Proposed new Local Plan timetable

Stage	Date	Comments
Notice of Intention	26 November 2026	Formal notice that the Council intends to commence a new Local Plan.
Timetable	26 November 2026	Will be published alongside Notice of Intention.
Scoping Consultation	4 January – 15 February 2027	First consultation that covers detail on early plan content, community engagement and environmental assessment.
Gateway 1: Self-Assessment	31 March 2027	Formal commencement of 30-month process for Stevenage Borough Council.
Consultation: Proposed Local Plan Contents and Evidence	16 June – 28 July 2027	Will follow a further Cabinet approval. Will include Visioning document to focus the direction of the new Plan and maximise engagement in the Plan.
Gateway 2: PINS Advice	6 December 2027	The first time we meet the Planning Inspectorate to check in on progress and ensure the direction we are taking is in accordance with the soundness tests of the NPPF.
Consultation: Proposed Local Plan	26 June – 18 September 2028	Will follow a further Cabinet approval. This will allow the public and stakeholders to comment on the new version of the Local Plan.
Gateway 3: PINS Advice	11 December 2028	The second time we meet the Planning Inspectorate; at this time, the Plan will be scrutinised to ensure it meets the tests of soundness, iron out any outstanding issues and can be duly submitted for Examination.
Submission to Secretary of State	12 February 2029	Will follow a further Cabinet approval. Formal commencement of the Examination in Public process.
Examination in Public	Spring / Summer 2029	Dependent on availability of Planning Inspectors and the scope of issues to be examined, though Gateways 2 and 3 will have provided opportunity to work through this in advance.
Adoption	30 September 2029	Completion of 30-month process. Followed by mandatory 6-week legal challenge.

4.13 In accordance with the new regulations, the Council will keep this timetable under regular review.

Notice of Intention

4.14 The Notice of Intention gives stakeholders and the public advance warning of when and how they can get involved. It must be published at least four months before the Gateway 1 Self-Assessment and must state:

- which local planning authority has prepared it and the area the Local Plan will cover;
- where the Local Plan Timetable is published; and
- if the plan is a joint plan, which other authorities are taking part.

4.15 The Council proposes to publish the Notice of Intention (Appendix B) on 26 November 2026, just over four months before Gateway 1.

Scoping Consultation

4.16 The Scoping Consultation forms the first formal engagement stage. It invites views on what the plan should contain and how future engagement should be carried out. Representations must be invited from the general and specific consultation bodies, and anyone, including local residents, may respond. It must take place after or alongside the Notice of Intention and must close before the Gateway 1 Self-Assessment is published. No minimum consultation period is prescribed.

4.17 The Council proposes to run the Scoping Consultation for six weeks, from 4 January to 15 February 2027. It will draw on the importance of cross boundary working and the need to work together to explore governance arrangements and intent to achieve cross boundary growth.

4.18 Delegated authority is sought so that any minor adjustments can be made to the draft Scoping Consultation document, prior to publishing for public consultation on 4 January 2027.

Gateway 1 Self-Assessment

4.19 The Gateway 1 Self-Assessment summary sets out the Council's readiness to prepare the plan, covering:

- project management and governance arrangements;
- the timetable for preparing the plan;
- consultation and engagement;
- anticipated Local Plan content;
- sustainability appraisal and screening; and
- environmental assessments.

4.20 It must be published no earlier than four months after the Notice of Intention and after the Scoping Consultation has closed. The Council proposes to publish it on 31 March 2027, formally starting the 30-month process.

4.21 Delegated authority is sought so that the Scoping Consultation and Gateway 1 Self-Assessment can be published without a further Cabinet decision, given the short period between the two. This early-stage engagement seeks views from

statutory consultees, stakeholders and local communities on the key issues, opportunities and priorities that the Plan should address. The purpose is to help shape the evidence base and strategic direction of the Local Plan before detailed policies and site allocations are developed. Authorities must publish a summary of responses received and explain how consultation feedback has informed the subsequent stages of plan preparation.

Next steps

4.22 Between the Scoping Consultation and Gateway 2, the Council must consult for at least six weeks on its proposed Local Plan content and evidence, including:

- the proposed vision and measurable outcomes;
- proposed aims and objectives;
- a summary of the proposed approach to planning policies;
- a summary of the evidence intended to support the plan; and
- any other supporting information considered appropriate.

4.23 Officers will report to Cabinet in June 2027 seeking agreement to the proposed vision, content and evidence base, including an overarching Visioning document, for public consultation, and to progress to Gateway 2. The consultation on the vision, content and evidence document is proposed to run from 16 June to 28 July 2027.

4.24 Officers will ensure that a wide range of consultation measures will be delivered to maximise feedback on the new Local Plan, from all parts of our community, at an early stage. Measures will include engagement with community centres, an interactive online platform, drop-in sessions, workshops, involving the youth community and advisory board as outreach. This list is not exhaustive.

4.25 A policies map showing where proposed policies apply must be published with the consultation on the proposed Local Plan and submitted for Gateway 3 and Examination in Public.

4.26 Since the adoption of the Partial Update, the Council has undertaken a series of internal briefings and workshops on the Local Plan. A summary of the comments raised is set out below:

Date	Session	Comments
21 September 2026	Initial Workshop	Key Themes: • Cross Boundary Working and Strategic Growth • Infrastructure Delivery • Vision and Ambition for Stevenage Other Issues Raised: • Managing future growth pressures, particularly housing and strategic sites with neighbours • GSK and impact of relocation as well as physical links between key destinations • The need to retain Stevenage's employment base. • Education challenges in all categories • Heritage protection e.g. High Street businesses • Ageing population, healthcare provision/ and capacity • Congestion management around the A1(M) Overall Takeaway: • Future growth must be supported by: ➢ *Early partnership working* ➢ *Infrastructure planning* ➢ *Employment protection and a clear strategy for housing growth and needs* ➢ *Clear long-term, shared vision for Stevenage* • A comprehensive engagement strategy is needed to ensure all key stakeholders are consulted early on

12 October 2026	All Member Workshop	• Why do the Local Plan now? • Engagement as wide as possible, not just digital – a variety of methods and groups to reach. • Station Gateway… how will this impact current policies? • Better information at the outset on Local Plan and relevant material to engage effectively. • Making the Local Plan attractive to the public! • Needs to engage more with a younger audience – the generation of the future. • Need for an Engagement Strategy to replace the SCI?

2 November 2026	Follow up Member Workshop	• **Communications and Engagement**: Work with the Communications Team to develop a strong engagement strategy that clearly explains the role of the Local Plan and how it helps deliver community aspirations. • **Corporate Priorities**: Ensure the Local Plan reflects key corporate priorities, particularly in relation to housing delivery, regeneration, neighbourhood improvement, and meeting the needs of an ageing population. • **GSK Site**: Explore the potential for a Local Development Order (LDO) to support future development and investment at the GSK site. • **HMOs**: Make clear how the planning changes regarding HMOs can be reflected in planning policy. • **Lister Hospital**: Consider future growth requirements and expansion opportunities for Lister Hospital to support the needs of a growing town. • **Wider Community Engagement**: Consider how residents in areas such as Hazel Park and Great Ashby, which fall outside the Borough boundary but have strong links to Stevenage, can be engaged in the plan-making process. • **Member Support**: Prepare a Local Plan Frequently Asked Questions (FAQ) document for Members.

4.27 Members' views are of significant value in shaping the direction of the new Local Plan, as future Planning Committee decisions will be based on its policies. As part of plan preparation, we will continue to engage all members in each stage of plan making to enable them to play a full role in shaping the local plan and engaging their community in the process. The following principles will guide our engagement throughout.

4.28 Preparation of the Local Plan will be guided by the following working principles:

Early Participation	Engagement will begin before key decisions are made and continue throughout the plan-making process. Engage stakeholders, communities, elected Members and partner organisations as early as possible to help shape options before decisions are made.
Providing accessible, transparent opportunities for all communities to participate throughout the process	We will be clear about evidence, assumptions, constraints and choices, making information accessible and understandable wherever possible.
Community shaping	Involving residents, businesses and local organisations early so their knowledge and priorities inform the Local Plan, and explaining how their feedback has influenced the plan
Cross boundary, strategic partnership working	Collaboration with all, working with Members, neighbouring authorities, infrastructure providers and other partners to coordinate evidence and address shared housing, employment, transport and infrastructure issues across boundaries; and strategic alignment, bringing together the Council's priorities and wider strategic planning work so that growth, investment and infrastructure are planned coherently, while ensuring Stevenage's needs and aspirations inform decisions at the wider geographical level.

Other options considered

4.29 **Delay starting the new Local Plan.** Not recommended. The Council would miss the Government deadlines in paragraph 4.3, risking intervention, and would increase the likelihood of the current plan expiring in 2031 without a replacement.

4.30 **Pause until Local Government Reorganisation is complete.** Not recommended. Government is funding councils to progress plans under the new system, and the evidence and engagement completed will remain valuable to any successor authority. The associated risks are set out in Section 5. In addition to this, MHCLG have made it clear that local planning authorities need to continue preparing Local Plans for their existing geographical areas, as they are legally required to do so before LGR changes take effect. MHCLG have stated that LGR cannot be a reason to stall preparing new Local Plans.

5 IMPLICATIONS

Financial Implications

5.1 In March 2026 the Council secured Local Plan Implementation Funding from MHCLG to support preparation of a new Local Plan under the new system.

5.2 The remaining cost of preparing the plan over 2027/28 to 2029/30 will be met from the General Fund, as per the Medium Term Financial Strategy agreed by Cabinet in September 2026 [BD12].

5.3 Any schemes referenced in the Local Plan and subsequently developed would be subject to their own business case and may require developer or Council funding.

Legal Implications

5.4 The new Local Plan will be prepared in accordance with Part 2 of the Planning and Compulsory Purchase Act 2004 (as amended by the Planning and Infrastructure Act 2025) and the Town and Country Planning (Local Planning) (England) Regulations 2026. Failure to progress the plan in line with the prescribed timescales could lead to Government intervention.

Risk Implications

5.5 **Plan expiry** – If a new Local Plan is not progressed, the plan period will expire in 2031 and its policies will carry less weight in planning decisions. Even with a 30-month process, there is limited margin before 2031.

5.6 **Local Government Reorganisation –** Government is reviewing the decision and timetable for local government reorganisation, which is likely to push back the original LGR timetable by one year. In the meantime, local planning authorities are expected to continue progressing plan-making. Adoption is currently scheduled for September 2029 and may therefore fall to a successor authority. There remains a risk that the emerging plan could be revised or aligned with neighbouring plans as new arrangements develop. This applies equally to the SDS where a major variance in growth strategy could impact timings for the Local Plan. This risk is minimised by continuing the work to ensure that evidence and policy development are as aligned as far as possible; ket to this is ongoing engagement between parties.

5.7 **Housing delivery** – As many of the Local Plan sites have been delivered or are in the process of being built out, there is a risk that the Council will not have enough sites to demonstrate a 5-year land supply. Through the development of the Plan the Council has the opportunity to rebase its five-year housing supply requirement based on a new adopted housing figure that is deliverable.

Planning and Policy Implications

5.8 The new Local Plan will replace the Stevenage Borough Local Plan (as partially updated in 2026) and become the development plan for Stevenage, against which planning applications will be determined.

5.9 It will align with other Council strategies, including the Climate Change Strategy, Action Plan and Charter, and the Future Town Future Transport Strategy. Officers will work with the Corporate Policy team to ensure it reflects the priorities of Making Stevenage Even Better Corporate Plan.

5.10 The new Local Plan will support the aims of the Stevenage Climate Change Strategy (September 2020) [BD13] and the Corporate Plan priority “Tackling Climate Change”, building on the climate change policies introduced through the Partial Update.

Environmental Implications

5.11 A Sustainability Appraisal and Strategic Environmental Assessment screening will support the early stages of the new Local Plan.

Equalities and Diversity Implications

5.12 There are no significant equalities and diversity implications arising from starting the new Local Plan. An Equalities Impact Assessment will be carried out as policies are developed.

Community Safety Implications

5.13 There are no significant community safety implications arising from this report. However, the new Local Plan will set out key policies relating to crime prevention, tackling anti-social behaviour, infrastructure and facility protection and inclusive public engagement, including women and girls as defined in the NPPF (2026).

BACKGROUND DOCUMENTS

BD1	Stevenage Borough Local Plan 2011–2031: Partial Update (consolidated with alterations since 2019) (July 2026)
BD2	Making Stevenage Even Better: Corporate Plan 2024–2027 (April 2024)
BD3	Cabinet, Item 4: Local Plan Review and Revised Local Development Scheme (5 June 2024)
BD4	Cabinet, Item 4: Local Plan Partial Review and Update: Regulation 18 Consultation Feedback and Regulation 19 Consultation (13 November 2024)
BD5	Planning and Infrastructure Act 2025
BD6	National Planning Policy Framework (August 2026)
BD7	National Planning Policy Framework (December 2024)
BD8	National Planning Policy Framework (December 2023)
BD9	The Town and Country Planning (Local Planning) (England) Regulations 2026
BD10	Stevenage Borough Council Statement of Community Involvement (June 2025)
BD11	Stevenage Borough Council Local Development Scheme (June 2025)
BD12	Cabinet, Item 3: General Fund Medium Term Financial Strategy Update (2026/27–2030/31)
BD13	Stevenage Climate Change Strategy (September 2020)

APPENDICES

A	New Local Plan: Timetable (November 2026)
B	New Local Plan: Notice of Intention (November 2026)

Stevenage Borough Council

Notice of Intention to Prepare a New Local Plan

Planning and Compulsory Purchase Act 2004

Town and Country Planning (Local Planning) (England) Regulations 2026

Under the new planning system:

https://www.legislation.gov.uk/uksi/2026/186/contents/made

We are required to publish a notice of intention to commence Local Plan preparation. This is to provide communities and other stakeholders with advance notice of plan-making so they understand when and how they can get involved in preparing the new Local Plan.

Stevenage Borough Council hereby gives notice of its intention to prepare a new Local Plan for the Borough of Stevenage.

Date of publication: 26 November 2026

In accordance with Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2026, Stevenage Borough Council gives notice that it is preparing a new Local Plan that will cover the administrative area of Stevenage.

The plan shall be referred to as the Stevenage Borough Local Plan.

Stevenage Borough Local Plan

The new Local Plan will provide the statutory planning framework to guide future growth, regeneration, environmental protection and infrastructure delivery across Stevenage. It will set out a long-term vision and planning strategy for the Borough and will ultimately replace the adopted Stevenage Local Plan (2011–2031).

The preparation of the new Local Plan follows the introduction of the new plan-making system under the Town and Country Planning (Local Planning) (England) Regulations 2026, which require local planning authorities to prepare and adopt plans within a defined timetable.

Why are we preparing a new Local Plan?

Stevenage has experienced significant change since the adoption of its current Local Plan. The new Local Plan will help ensure that planning policies remain up to date and are able to respond to:

- Future housing needs.
- Employment and economic growth.
- Infrastructure requirements.
- Climate change mitigation and adaptation.
- Sustainable transport and active travel.
- Town centre regeneration.
- Health and wellbeing.
- Biodiversity and environmental enhancement.
- Design quality and placemaking.

The Council wants the new Local Plan to reflect the needs and aspirations of residents, businesses, community groups and stakeholders.

Area Covered by the Plan

The new Local Plan will cover the whole administrative area of Stevenage Borough Council (please see the map at the bottom of this notice).

Timetable

The Council has prepared a Local Plan timetable setting out the key stages in preparing the Plan, including:

- Evidence gathering and technical studies.
- Public consultation on the content and evidence supporting the Plan.
- Consultation on the Proposed Local Plan.
- Independent Examination.
- Adoption.

You can view the new Local Plan Timetable at the following link: (LINK TO TIMETABLE)

We expect to start the 30-month plan preparation process on **31 March 2027**.

The timetable will be published on the Council's website and updated as necessary throughout the plan-making process. Similar timetable arrangements are required under the new plan-making regulations and have been adopted by neighbouring authorities preparing new plans.

Sustainability Appraisal

The Council will undertake a Sustainability Appraisal incorporating the requirements of Strategic Environmental Assessment throughout the preparation of the Local Plan. This process will assess the environmental, social and economic effects of the Plan and any reasonable alternatives. Such assessment is a key component of the new plan-making process.

Community Engagement

The Council is committed to engaging local communities and stakeholders throughout the preparation of the Local Plan.

Opportunities to participate will include:

- Online consultations.
- Public exhibitions and drop-in events.
- Workshops and stakeholder meetings.
- Engagement with residents' associations, businesses and community organisations.
- Targeted engagement with young people and seldom-heard groups.

A Community Engagement Strategy will explain how people can become involved and how their views will be considered in preparing the Plan.

How to Keep Up to Date

Information about the preparation of the Local Plan, consultation events and supporting evidence will be available on the Council's website.

Residents and stakeholders are encouraged to:

- Register for Local Plan updates.
- Participate in consultation events.

- Submit comments during consultation periods.
- Follow the Council's communication channels for updates.

Further Information

You can view the Notice at our Council Offices, Daneshill House, Danestrete, Stevenage, Hertfordshire SG1 1HN during office hours (Monday to Friday, 9am to 5pm).

For further information regarding the preparation of the new Local Plan, please contact:

Planning Policy Team
Stevenage Borough Council
Daneshill House
Danestrete
Stevenage
SG1 1HN

Email: planning.policySBC@stevenage.gov.uk

Website: www.stevenage.gov.uk


Great Wymondley
Little Wymondley
Graveley
Chesfield Park
Great Ashby
Warren's Green
Weston Lodge
Howells Fm
Dane End
Churchend Common
Boxbury Fm
Box Wood
Titmore Green
Todd's Green
Almshoe Bury
Potters Spring
Old Town
Bedwell
Shephall
Broadwater
Aston End
Aston
Norton Green
Langley
Newton Wood
Graffridge Wood
Old Knebworth
Knebworth
Bragbury End
Hook's Cross
Nup End Green
Driver's End
Mansells Fm
Rableyheath
Datchworth
Staples Fm
Raffin
Hazel Fm
Astonbury Wood
Bureleigh
Bureleigh Fm
Mausoleum
Lodge Fm
Park Wood
New Wood
Swingley's Fm
Bury Fm
Crem
Manor Fm
Tilekiln Fm
Chelles Sch
Fairlands Valley Park
A1072
A1(M)
B197
B1037
STEVENA
500m
Stevenage BOROUGH COUNCIL
Map of Stevenage Borough Council
June 2026
1:20000 @ A3

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Stevenage Borough Council

Local Plan Timetable

1 Introduction

1.1 The Local Plan timetable sets out the anticipated key milestone dates for the preparation and adoption of the new Stevenage Borough Local Plan to be prepared by Stevenage Borough Council. The timetable outlines the opportunities for public and stakeholder engagement. The Local Plan timetable has been prepared in accordance with Regulation 4 (1) of the Town and Country Planning (Local Planning) (England) Regulations 2026 and the Planning and Compulsory Purchase Act 2004 (as amended).

1.2 The Local Plan timetable came into effect on 26 November 2026 and replaces the Council's Local Development Scheme, last published in June 2025. The Council published its notice of intention to commence local plan preparation in accordance with Regulation 19 (1) of the above regulations on 26 November 2026, details of which is available on our website. (INSERT WEBLINK)

1.3 The Stevenage Borough Local Plan will only cover local plan matters. It will not cover minerals and waste as Hertfordshire County Council is responsible for the preparation of planning policy for minerals and waste development in Hertfordshire.

2 Scope of the Stevenage Borough Local Plan

2.1 The Stevenage Borough Local Plan (2011–2031) was formally adopted by Stevenage Borough Council on 22 July 2026. This followed an independent examination in public and receipt of the Inspector's Report into the examination of the Plan, concluding that the Plan was judged to have been found 'sound'. The adoption of the Local Plan updated the previous Local Plan, adopted on 22 May 2019.

2.2 The Council is now in the process of reviewing and replacing the Stevenage Borough Local Plan (2011–2031) which will set out a vision and strategy for where new housing, employment and other development alongside supporting infrastructure will take place up to the end of a new plan period. Work is underway and progress is being made. As a result of the new national guidance, our overall timetable will aim for adoption of the plan by September 2029.

2.3 The Plan will also contain local policies that are not covered by the national decision-making policies to be contained in the forthcoming National Planning Policy Framework (NPPF). Together, these policies will be used to determine planning applications, guiding what can be built, where, and how. The scope and content of the Local Plan will be reviewed following the scoping consultation and the subsequent local plan content and evidence base consultation.

2.4 The new Stevenage Borough Local Plan will be produced as a new style local plan under the Levelling-up and Regeneration Act 2023. The Plan will be prepared in accordance with the Town and Country Planning (Local Planning) (England) Regulations 2026, which came into force on 25 March 2026, and the Planning and Compulsory Purchase Act 2004 (as amended). In addition, the Plan will respond to the changes to the planning system through latest version of the NPPF, published on 17 August 2026. In light of preparing the Local Plan under the new plan-making system, the Plan will be prepared and adopted within 30 months once it passes through Gateway 1.

2.5 The geographical area of the Stevenage Borough Local Plan will cover the entirety of the administrative area of Stevenage Borough Council only, as detailed in the notice of intention to commence local plan preparation (INSERT WEBLINK). The Council is not proposing to prepare a joint local plan with another local planning authority.

2.6 When the Council confirms whether it will be preparing any supplementary plans, these will be included in an update to the Local Plan timetable. For each supplementary plan, the subject matter and geographical area, site or sites that each of those supplementary plans is to relate to will be confirmed.

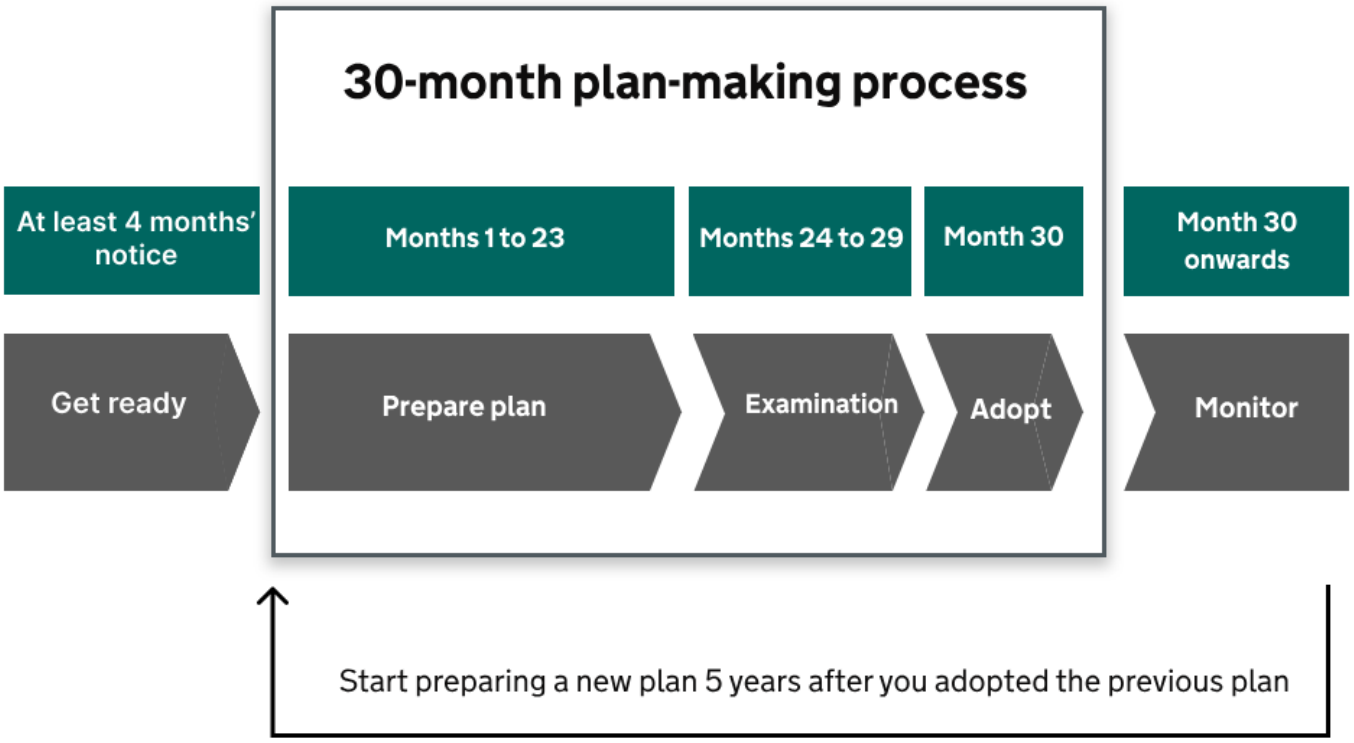
2.7 The Council must ensure that for every part of its area, the development plan includes requirements with respect to design that relates to development, or development of a particular description, which the authority considers should be met for planning permission for the development to be granted. The Council will ensure that the development plan includes requirements with respect to design to meet section 15F of the Act.

3 Timetable for the preparation of the new Stevenage Borough Local Plan

3.1 An overview of the new plan-making process is provided in Figure 1 below.

Figure 1: Illustration of the main stages and timings in the 30-month process (Source: GOV.UK https://www.gov.uk/guidance/30-month-local-plan-process-an-overview)





3.2 The first stage is to publish the local plan timetable and notice of commencement of plan-making. The notice is a minimum 4 months' notice before formally preparing the Local Plan and the start of the 30-month period to adopt the Local Plan. The commencement of the 30-month period starts when the Council passes through Gateway 1 (publication of the self-assessment summary).

3.3 The new local plan-making system allows for **three consultations**; a scoping consultation (before the 30-month formal process begins); proposed local plan content and evidence consultation; and finally, the proposed local plan consultation (prior to submission of the proposed local plan for independent examination).

3.4 The anticipated key milestone dates for the preparation and adoption of the Stevenage Borough Local Plan are shown in Table 1 below. The timetable will be updated as soon as is reasonably practicable once the relevant event has occurred or consultation has commenced.

Table 1: Local Plan timetable for the Stevenage Borough Local Plan.

Stage	Date	Comments
Notice of Intention	26 November 2026	Formal notice that the Council intends to commence a new Local Plan.
Timetable	26 November 2026	Will be published alongside Notice of Intention.
Scoping Consultation	4 January – 15 February 2027	First consultation that covers detail on early plan content, community engagement and environmental assessment.
Gateway 1: Self-Assessment	31 March 2027	Formal commencement of 30-month process for Stevenage Borough Council.
Consultation: Proposed Local Plan Contents and Evidence	16 June – 28 July 2027	Will include Visioning document to focus the direction of the new Plan and maximise engagement in the Plan.
Gateway 2: PINS Advice	6 December 2027	The first time we meet the Planning Inspectorate to check in on progress and ensure the direction we are taking is in accordance with the soundness tests of the NPPF.
Consultation: Proposed Local Plan	26 June – 18 September 2028	This is the first time the public and stakeholders will be able to comment on the new version of the Local Plan.
Gateway 3: PINS Advice	11 December 2028	The second time we meet the Planning Inspectorate; at this time, the Plan will be scrutinised to ensure it meets the tests of soundness, iron out any outstanding issues and can be duly submitted for Examination.
Submission to Secretary of State	12 February 2029	Once Local Plan is deemed ready to submit to Government.
Examination in Public	Spring / Summer 2029	Dependent on availability of Planning Inspectors and the scope of issues to be examined, though Gateways 2 and 3 will have provided opportunity to work through this in advance.
Adoption	30 September 2029	Completion of 30-month process. Followed by 6-week legal challenge.

4 Monitoring and updating of the Local Plan Timetable

4.1 The Council will review the Local Plan timetable monthly from the date it came into effect and update it as necessary and as soon as is reasonably practicable when any changes are required.

4.2 The Council will also update the Local Plan timetable, as necessary and as soon as is reasonably practicable, including if any of the following events happen:

- Any further consultations that the Council decides to hold or if further observations and advice will be sought by Gateway 3 as necessary.
- Any key examination related events as necessary (main modifications consultation or pause of examination).
- If the Local Plan is withdrawn under section 15E of the Act or revoked under section 15G of the Act.
- Details of any supplementary plans that the Council decides to prepare.

4.3 A schedule of the amendments to the Local Plan timetable are recorded in Table 2 below.

Table 2. Schedule of amendments to the Local Plan Timetable.

Amendment No.	Date	Schedule of Amendments

5 Finding out more

5.1 You can find out more about the emerging Local Plan on our website at (INSERT WEBLINK)

5.2 The Local Plan timetable is available for inspection at Stevenage Borough Council, Daneshill House, Danestrete, Stevenage, Hertfordshire SG1 1HN during office hours and at libraries across the borough during their respective opening hours.

5.3 If you have any questions or would like further information, you can contact the Council's Planning Policy team in the following ways:

- By e-mail: Planning.Policy_SBC@stevenage.gov.uk
- By post: Planning Policy Team, Stevenage Borough Council, Daneshill House, Danestrete, Stevenage, Hertfordshire SG1 1HN.

Part I – Release to Press

Agenda item: ##

Meeting Cabinet

Portfolio Area Resources and Performance

Date



SHARED ICT STRATEGY 2027–2029

MATT CANTERFORD, IT DIRECTOR (SHARED ICT SERVICE)

1 PURPOSE

1.1 To present the Shared ICT Strategy 2027–2029 (attached at Appendix A) to Cabinet for consideration and approval.

1.2 To advise Members that the Joint Information and Communications Technology (ICT) Committee, comprising representatives from Stevenage Borough Council and East Herts District Council, has considered and agreed the Strategy.

1.3 To set out the key highlights of the Strategy across its three core pillars: Active Cyber Resilience, Data Intelligence & Ethical AI, and Future-Ready Tech & Culture and to confirm that the Joint Information and Communications Technology (ICT) Committee will oversee and review the Strategy in response to ongoing uncertainty around Local Government Reorganisation (LGR).

2 RECOMMENDATIONS

2.1 That Cabinet notes that the Joint Information and Communications Technology (ICT) Committee has considered and agreed the Shared ICT Strategy 2027–2029

2.2 That Cabinet approves and adopts the Shared ICT Strategy 2027–2029, including the High-Level Action Plan (2027/28), attached at Appendix A.

2.3 That Cabinet notes that the Shared ICT Strategy 2027–2029 and its High-Level Action Plan will be formally reviewed by the Joint Information and Communications Technology (ICT) Committee, ensuring the Council can adapt priorities promptly once the Government confirms its position on Local Government Reorganisation (LGR).

3 BACKGROUND

3.1 Stevenage Borough Council and East Herts District Council have operated a shared ICT Partnership since 2013. Over recent years, the role of technology in local government has evolved from a traditional back-office support function into a strategic engine that underpins frontline service delivery, resident self-service, and corporate transformation.

3.2 To fix historic underinvestment, both Councils have invested **£630,000 per year** since **2023/24** to replace outdated equipment and build a safe, reliable computer network. Now that the **Shared ICT Service** is fully staffed, these core upgrades are complete—staff computers have been updated with modern software (**Windows 11** and **Microsoft 365**), data storage is faster, and digital security defences are stronger. With these foundations in place, the service is shifting its focus from everyday IT fixes to actively improving the digital services delivered to staff and communities.

3.3 For Stevenage Borough Council, the Strategy serves as the technical bedrock for the Making Stevenage Even Better Corporate Plan (2024–2027) and the Digital Strategy 2026–2028. While the Digital Strategy defines the interactions residents experience, such as online forms, AI chatbots, and automated telephony, this ICT Strategy defines how those platforms are delivered and safely governed.

3.4 The Strategy has also been prepared in the context of Local Government Reorganisation (LGR). Following the rapid review announced on 7 September 2026 and the ministerial update on 29 October 2026, the Government confirmed that the LGR process and criteria were sound, with shadow elections scheduled for 2028 and new Unitary Authorities set to go live in 2029. With the previous July 2026 decision withdrawn, Hertfordshire awaits a final decision before Christmas 2026 or early in the New Year following further testing of existing proposals. Built on the premise that LGR will proceed, this window provides the time and capacity to audit technical debt and design flexible, modular systems that can adapt to whatever future structure is decided—or, if LGR does not happen for an extended period, to go further with deeper system integration, rationalisation into fewer systems, and shared efficiencies.

4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1 The Shared ICT Strategy 2027–2029, attached at Appendix A, sets out the shared vision and delivery framework to ensure technology continues to support officers and deliver reliable, accessible services for residents across Stevenage Borough Council and East Herts District Council. The Strategy

has been considered and agreed by the Joint Information and Communications Technology (ICT) Committee and is now presented to Cabinet for formal approval.

4.2 Rather than focusing on technical specifications which are detailed within the Strategy and High-Level Action Plan at Appendix A, the Strategy is built around the practical outcomes that technology delivers for staff and communities across three core pillars.

4.3 Key Highlights of the Strategy

4.4 **Pillar 1:** Active Cyber Resilience focuses on protecting the critical services that residents rely on from digital threats and disruption. Building on the Councils' existing defences, this pillar prioritises strong, fast operational recovery so that essential community lifelines, such as Housing and Revenues & Benefits, can be restored quickly following any incident. By 2028, both Councils will have 24/7 smart network monitoring (Microsoft Sentinel) and advanced device protection (Microsoft Defender) active at £0k additional licence cost—rationalising security software into fewer systems by exiting separate Trend Micro and Mimecast contracts—alongside executive cyber governance under the Senior Information Risk Owner (SIRO), regular recovery and manual fallback drills tested with Business Continuity, and mandatory training for all staff and Members. By 2029, the Councils will be fully aligned with the Cyber Security and Resilience Bill and protected by locked, isolated data vaults as new Unitary Authorities go live.

4.5 **Pillar 2:** Data Intelligence & Ethical AI sets out how the Councils will transform corporate data into insight and deploy responsible, UK-hosted Artificial Intelligence (AI) to automate routine administration. Reflecting the Government's approach to public-sector AI, AI safety, and sovereign UK data centres set out in the Autumn Budget 2026, every tool will operate under strict UK Data Sovereignty and mandatory Human-in-the-Loop oversight, ensuring trained staff fact-check outputs and retain full accountability for any decision affecting a resident. By 2028, the Joint AI Governance Board and plain-English staff guidance under the Corporate AI Policy will be embedded, Microsoft 365 permissions and duplicate or outdated files (ROT data) will be tidied up, and supervised UK-hosted AI trials will support officers in Planning validation and Freedom of Information (FOI) requests. By 2029, historical records across departments will be cleansed so zero inaccurate or junk data is carried into future Unitary systems.

4.6 **Pillar 3:** Future-Ready Tech & Culture focuses on maintaining modern infrastructure, exploiting the full value of existing software before buying new systems, and empowering the workforce through targeted training and safe digital tools. Over the next 12 to 18 months, delivery under this pillar will be anchored by two shared flagship projects: replacing Corporate Telephony (Microsoft Teams and Mitel) to relieve pressure on the Customer Service Centre (CSC) and improve resident call handling, and replacing legacy Virtual Desktop Infrastructure (VDI) and "Zero-Client" desk terminals. By 2028, the service will also launch the SharePoint Corporate Intranet Hub, a two-year Microsoft 365 staff training programme, a Corporate Project Management Office (PMO), and an accurate central register of all Council

hardware and software (CMDB), before rationalising legacy software into fewer, more efficient systems by 2029.

4.7 To ensure the Strategy remains responsive during this period of structural change, the Joint ICT Committee will formally review the Strategy and its High-Level Action Plan. This rolling review mechanism ensures that both Councils can adjust priorities immediately upon a national announcement on LGR.

4.8 Consultation

4.9 The Strategy has been developed collaboratively across Stevenage Borough Council and East Herts District Council with input from senior leadership, service managers, Business Continuity, and the Business Change and Digital team. It is endorsed by the Portfolio Holder for Resources and Performance (Councillor Tom Plater) and the East Herts Executive Member (Councillor Joseph Dumont) and has been formally agreed by the Joint ICT Committee.

5 IMPLICATIONS

Financial Implications

5.1 There are no direct financial implications arising from the recommendations contained in this report. Core operational delivery of the Shared ICT Strategy 2027–2029 will be met within existing budgets, and any future projects requiring additional investment will be subject to individual Business Cases and the Council's standard financial approval processes.

Legal Implications

5.2 There are no direct legal or legislative implications arising from the recommendations contained in this report.

Local Government Reorganisation (LGR) Implications

5.3 Following the rapid review announced on 7 September 2026 and the ministerial update on 29 October 2026, the Government confirmed that the Local Government Reorganisation (LGR) process and criteria were sound, with shadow elections scheduled for 2028 and new Unitary Authorities set to go live in 2029, while Hertfordshire awaits a final decision before Christmas 2026 or early in the New Year. Built on the premise that LGR will proceed, the Strategy uses this window constructively to reduce technical debt, tidy corporate data, and design modular systems that can easily connect to partner networks or transition to a future Unitary Authority without service disruption—or, if LGR does not happen for an extended period, to go further with deeper system integration, rationalisation into fewer systems, and shared efficiencies. To ensure the Strategy remains responsive during this period of structural change, the Joint ICT Committee will formally review the Strategy and its High-Level Action Plan, ensuring that both Councils can adjust priorities immediately once the Government confirms its next steps on LGR. Risk Implications

5.4 There are no direct significant risks to the Council arising from the recommendations contained in this report

APPENDIX A:

ICT Strategy 2027–2029

Stevenage Borough Council & East Herts District Council

Secure Foundations, Intelligent Services, Empowered People



- **Table of Contents**

1. Table of Contents 5
2. Executive Summary: Building a Secure, Smart, and Agile ICT Service 6
4. Introduction: Our Shared Journey 9
5. Introducing the Three Pillars of the Strategy 10
6. Pillar 1: Active Cyber Resilience 12
7. Pillar 2: Data Intelligence & Ethical AI 16
8. Pillar 3: Future-Ready Tech & Culture 18
9. Resourcing the Vision 19
10. Appendix A: High-Level Action Plan (2027/ 2028) 21
11. Appendix B: Glossary of Strategic Terms 24

- **Executive Summary: Building a Secure, Smart, and Agile ICT Service**

The Councils' priority is delivering excellent, reliable services to the residents, staff, and officers of Stevenage Borough Council and East Herts District Council. As resident and staff expectations grow and the structure of local government changes, the technology the Councils use must evolve. This strategy ensures the shared ICT service continues to provide a responsive, agile service that supports Council staff and enables both Councils to adapt and grow.

Rather than focusing solely on software, this strategy is built on what technology delivers for Council staff and communities.

Our Vision for 2029

By the end of this strategy in 2029, the Councils will have built strong cyber security defences and fast recovery capabilities in the event of any disruption. The Councils will be working smartly to maximise the technology we have already invested in, particularly the Microsoft suite.

The Councils will have successfully adopted safe, ethical Artificial Intelligence (AI) tools to support Council staff. Most importantly, the Councils will be fully ready for the future, remaining agile to whatever happens next in technology or local government structures.

Keeping Resident Services Safe

Where the Councils Are Now: The Councils currently employ robust digital defences, including modern digital border controls (next-generation firewalls) and automated network monitoring, to safeguard resident data. The shared ICT service maintains secure, locked backups that cannot be altered or deleted (immutable backups) to protect against digital threats.

The Councils’ Future Aspiration: The Councils will move beyond standard defence to achieve active cyber resilience, focusing on fast recovery from any disruption.

How the Councils Will Achieve This: The shared ICT service is deploying active network monitoring systems that act as smart alarms to stop suspicious activity immediately. This guarantees that critical community lifelines remain online and secure against evolving cybersecurity threats.

Working Smarter to Save Time

Where the Councils Are Now: The Councils have successfully migrated legacy systems to modern platforms and streamlined our online service forms.

The Councils’ Future Aspiration: The Councils will unlock the full potential of existing tools, such as Microsoft 365 and Power BI, to help Council staff work smarter. The Councils will adopt responsible, UK-based AI tools to handle routine paperwork and automatically route standard service requests.

How the Councils Will Achieve This: The shared ICT service will run low-risk trials to prove the value of new digital tools before any wider release. The Corporate AI Policy governs oversight and sets safe boundaries to ensure Council staff use these

platforms securely and verify external data. This will allow staff to spend less time on manual administration and more time helping residents face-to-face.

Ready for the Future

Where the Councils Are Now: The Councils are preparing their digital estate for potential upcoming local government restructuring. Following the rapid review announced on 7 September 2026 and the ministerial update on 29 October 2026, the Government confirmed that the Local Government Reorganisation (LGR) process and criteria were sound, with shadow elections scheduled for 2028 and new Unitary Authorities set to go live in 2029. With the previous July decision withdrawn, Hertfordshire awaits a final decision before Christmas 2026 or early in the New Year following further testing of existing proposals. Both Councils are collaborating closely with Hertfordshire partner Councils to align technology standards.

The Councils' Future Aspiration: This strategy is built on the premise that LGR will proceed. While the final outcome or timing of LGR for Hertfordshire is still in the waiting stage, this window gives the Councils the potential time and capacity to design flexible systems that can adapt to whatever future structure is decided on. However, if LGR does not happen for an extended period, the Councils will use this foundation to go further with deeper system integration, rationalisation into fewer systems, and shared efficiencies.

How the Councils Will Achieve This: The shared ICT service will use this extra capacity to audit technical debt and build flexible, modular foundations where appropriate, ensuring no drop in service quality during any future transition. The Councils will prepare the groundwork while recognising that the final structure of services will ultimately be led by the future Unitary Authorities if the merger goes ahead.

The Challenge: A Period of Historic Transformation

Local government is balancing rapid technological advances, rising expectations from residents, and upcoming structural reforms. The Councils are managing these significant changes while carefully controlling budgets.

The Rise of Smart Technology: Everyday technology is advancing quickly, and residents rightly expect services to be faster and available around the clock. The Councils are maximising core platforms we already own, such as Microsoft 365 and corporate reporting tools like Power BI. The Councils will empower Council staff with the right tools and training so they can confidently use technology to deliver better support to our community.

Navigating Local Government Reorganisation (LGR): Local government in England is exploring a transition into single unitary organisations. The Councils will collaborate closely across Hertfordshire Councils to ensure systems connect smoothly and legacy data remains safe. Council business will continue without interruption, whether running on existing platforms or transitioning to new unitary systems.

The Solution: Three Pillars for Success

To meet these challenges, the Council's technology strategy is built around three core pillars.

Pillar 1: Active Cyber Resilience

Where the Councils Are Now: The Councils currently protect resident data using standard perimeter defences to block digital threats.

The Councils' Future Aspiration: The Councils are advancing beyond standard protection to build strong and fast recovery capabilities. If a digital attack happens, we guarantee that critical lifelines—such as Housing and Revenues & Benefits—can be brought back online for communities as fast as possible.

Pillar 2: Data Intelligence & Ethical Smart Tools

Where the Councils Are Now: The Corporate AI Policy will ensure any new technology is governed with the same care and rigour as our human workforce.

The Councils' Future Aspiration: The Councils are actively exploring and piloting secure, UK-based automated tools to lift the burden of repetitive administrative tasks from Council staff. We ensure every digital decision remains safe, ethical, and focused on the resident.

Practical Case Study: For example, the shared ICT service is actively exploring safe Artificial Intelligence (AI) solutions to assist with processing Freedom of Information (FOI) requests. This tool would quickly scan historical records and summarise relevant data, saving officers hours of manual searching.

Pillar 3: Future-Ready Tech & Culture

Where the Councils Are Now: The Councils provide staff with foundational training to confidently embrace new ways of working.

The Councils' Future Aspiration: The shared ICT service is designing flexible technology that can easily adapt and merge with other Councils' systems. This ensures the new unitaries in Hertfordshire can provide digital services from day one without any drop in quality.

Practical Example: The Councils are building modular, independent systems using platforms like GovService. By keeping these digital forms separate from older, tangled databases, they can be easily picked up and moved to any new Unitary Authority without breaking or causing service downtime.

- **Introduction: Our Shared Journey**

Since the ICT Partnership was formed in 2013, Stevenage Borough Council and East Herts District Council have worked together to provide shared technology support. The digital world moves fast, and the shared ICT service is shifting from a traditional IT support desk into a responsive service that actively improves Council delivery.

Strategic Alignment: The Foundation of Digital Transformation

This strategy serves as the technical bedrock for the **Stevenage Borough Council Digital Strategy 2025–2028**. While the Digital Strategy defines what interactions residents experience—such as online forms, AI chatbots, and automated telephony—this ICT Strategy defines how they are delivered safely.

It provides the reliable data protection and secure platforms needed to turn digital ambitions into everyday reality. We act as a strategic partner for the internal Business Change and Digital Teams to deliver accessible services across both Councils.

How this aligns key topics between both strategies:

- Shared Platform Development: We support the GovService digital platform, Microsoft 365 integration, and secure cloud hosting for core systems like Housing (NEC) and Revenues & Benefits.

- Artificial Intelligence & Governance: We connect our Cyber Security controls directly to the Digital Strategy's AI goals under a joint Corporate AI Policy.

- Joined-Up Delivery: We align our technical delivery with the Business Change and Digital Board, ensuring system integration and security rules operate smoothly.

A Period of Historic Change

Where the Councils Are Now: Both Councils are navigating rapid technology changes while preparing for the potential transition of Stevenage Borough Council and East Herts District Council into new unitary bodies, subject to the rapid review and revised timeline for LGR. The Councils' immediate priority is ensuring day-one operations remain safe, legal, and operational without destabilising shared services.

The Councils’ Future Aspiration: Built on the premise that LGR will proceed, the Councils will use the potential time available before restructuring ahead of 2028 shadow elections and 2029 Unitary go-live to build upon current systems and thoughtfully design future connections between Councils, while recognising that the final structure of the service will ultimately be led by the future Unitary Authorities. If LGR does not happen for an extended period, the Councils will go further in rationalising and integrating systems across the shared service to drive deeper efficiencies.

To manage this complex transition seamlessly, our Councils' priorities are:

- **Connecting Council Systems:** Bringing together different networks so staff can collaborate securely from anywhere.
- **Creating a Single Version of the Truth:** Reviewing duplicate systems to ensure Council data is accurate, easy to find, and saves the Council money.
- **Moving Data Safely:** Ensuring that when we transfer resident records or archive legacy databases, they are handled with the highest level of security.
- **Unifying Defences:** Creating shared Cyber Security rules across **Hertfordshire** authorities to protect merged organisations from digital threats.
- **Keeping Services Running:** Ensuring staff and residents experience zero disruption to critical systems.
- **Supporting Our People:** Helping staff confidently adapt to new, digital-first ways of working.

Building on Solid Foundations

Where the Councils Are Now: To fix historic underinvestment, both Councils have invested £630,000 per annum since 2023/24 to address obsolete systems. This has enabled the shared ICT service to fully replace outdated networks and to build a secure digital environment.

Key achievements include:

- **Infrastructure Modernisation:** The shared ICT service successfully migrated to Windows 11, ensuring both Councils are operating on the most recent and modern infrastructure.
- **Resilience Upgrades:** The shared ICT service implemented high-speed data storage arrays and next-generation firewalls. This means Council systems run faster, Council data is secure, and residents experience zero downtime during essential Council maintenance.
- **Workforce Enablement:** The shared ICT service rolled out Microsoft 365 to all staff so colleagues can access systems remotely, collaborate easily, and share data securely. However, we recognise that installing the software is just the start of our journey to working smarter, and further work in rolling out our Microsoft 365 architecture and staff training is required.

The Councils' Future Aspiration: Using advanced software and automation requires a reliable foundation. The Councils will ensure Council systems remain reliable and available, apply regular security patches, and get more value from tools like Microsoft 365 and NEC Housing, where interfaces have recently been tested and integrated. With these foundations in place, the shared ICT service is shifting its focus from basic IT fixes toward actively improving the digital services we deliver to communities every day.

- **Introducing the Three Pillars of the Strategy**

The following pages define the three core pillars that will guide the ICT work programme between 2027 and 2029.

- **Active Cyber Resilience:** Protecting the services residents rely on from digital threats and disruption.
- **Data Intelligence & Ethical AI:** Transforming data into insight and deploying responsible, UK-hosted AI tools to automate routine tasks. The Councils will achieve this by running safe, low-risk trials of digital assistants to help staff process heavy paperwork, such as Freedom of Information (FOI) requests.
- **Future-Ready Tech & Culture:** Building a flexible technology estate and a culture of continuous learning ready for the next decade. By flexible, this means building modular systems that act like independent building blocks. These systems can easily plug into partner networks or cleanly detach if Council boundaries change, ensuring our technology adapts without breaking.

- **Pillar 1: Active Cyber Resilience**



Active Cyber Resilience: Protecting the services our residents rely on from digital threats and disruption

Goal: Protecting the services residents rely on from digital threats and disruption.

In an increasingly digital world, online threats are a matter of "when," not "if". Hostile actors increasingly deploy sophisticated cyber operations to disrupt critical public infrastructure. In the past twelve months, both Councils have experienced five state-sponsored cyber-attacks.

Despite this substantial escalation, the Councils' existing security measures successfully prevented 480,000 malicious attempts in a single quarter. Building directly on these strong current defences, our strategy will now focus on rapid recovery. The Councils will ensure we can withstand attacks, keep resident data safe, and restore critical services at speed.

The Council's Eight Biggest Cyber Threats: Rather than focusing purely on the technical mechanisms, the Council views these eight primary threats through the lens of how they impact our ability to serve the community:

- **System Overloads (Denial-of-Service):** Attacks that intentionally flood the network with fake traffic to crash Council systems, making it impossible for residents to access online Council services. The Councils' Solution: The shared ICT service uses smart traffic filters that act like border guards, instantly spotting and blocking fake traffic before it can crash the Council's sites.
- **Third-Party Vulnerabilities (Supply Chain Attacks):** Hackers are attempting to bypass our security by breaking into the external suppliers, vendors, and partners connected to the network. The Councils' Solution: The shared ICT service will conduct strict security checks on all suppliers and limit their access to only what is necessary for their jobs.
- **New and Evolving Threats:** The constant, rapid development of new cyber-attack methods requires the security teams to remain highly adaptable and vigilant. The Councils' Solution: The shared ICT service will use automated alarm systems that monitor the network 24/7 to detect unusual activity instantly and alert partner Councils.
- **Software Weak Spots (Unpatched Vulnerabilities):** Outdated software acts like an unlocked door, giving attackers an easy route into the network if security updates are not applied immediately. The Councils' Solution: The shared ICT service will automatically push out regular security updates across all staff computers and systems to lock those doors immediately.
- **Digital Blackmail (Ransomware):** Malicious software that locks the Council's systems and demands payment to restore access, severely disrupting critical

daily work such as housing support or benefits processing. The Councils' Solution: The shared ICT service will maintain immutable, offline backups of Council data in secure digital vaults, allowing us to restore Council systems quickly without ever paying a ransom.

- **Tricking Council Staff (Phishing):** Highly deceptive emails or messages designed to manipulate Council employees into inadvertently handing over passwords or secure access. The Councils' Solution: The shared ICT service will run regular cybersecurity training and practice drills for all staff and Members, so everyone knows how to spot and report suspicious emails.
- **Resident Data Theft (Data Breaches):** The theft or accidental exposure of sensitive personal information can cause severe financial and emotional harm to the community we serve. The Councils' Solution: The shared ICT service will scramble (encrypt) all private data so that even if someone intercepted it, it would be completely unreadable to them.
- **Internal Risks (Insider Threats):** Accidental errors or unauthorised actions by staff, which we actively prevent through careful system monitoring, strict access controls, and training. The Councils' Solution: The shared ICT service will grant staff access only to the specific files they need for their role and continuously monitor system usage to catch mistakes early.

To achieve the Active Cyber Resilience goal of protecting essential resident services from digital threats and disruptions, the Councils will:

Local Government Reorganisation (LGR): A Unified Hertfordshire Baseline

As the Councils prepare for possible local government restructuring, we must align our cyber defences with all other Councils in Hertfordshire. Cyber threats do not respect regional borders; a weakness in one Council can threaten the wider county network.

The Councils will establish a shared security baseline with our neighbouring Councils. This guarantees that all residents receive the same high standard of protection against cyber-attacks, regardless of their local authority. To achieve this unified baseline, the Councils will meet an agreed cyber standard, standardise our policies, and build a rapid-alert network to share live threat data across Hertfordshire, fully aligning with the upcoming Cyber Security and Resilience Bill (2025).

Enhanced Cyber Defences

The Councils currently rely on standard perimeter protection to block external threats. To advance these defences, the shared ICT service will be installing advanced security technologies that act as smart burglar alarms and digital security cameras for the network.

Instead of passive firewalls, these modern defences actively monitor traffic to instantly detect and block suspicious activity before it reaches resident data. The Councils will also deploy automated tools to analyse security alerts across our entire network in real-time, allowing us to spot new attack methods instantly.

Furthermore, the Councils will create secure, isolated vaults within Council systems. This ensures that if one area is compromised, the breach cannot spread to critical services.

Incident Response Simulations and Recovery Testing

Defence alone is not enough; true resilience requires the Councils to recover from major disruptions with confidence. Working closely with Business Continuity teams, the Councils will establish a regular schedule of Incident Response Simulations and disaster recovery drills involving technical teams, leadership, and frontline service managers.

These drills test our ability to restore essential services, like Housing and Revenues and Benefits, within agreed timeframes. Working with Business Continuity, the Councils will support service teams to rehearse manual fallback procedures—such as Revenues and Benefits practising how to process an emergency resident payment using temporary pen-and-paper procedures during a simulated computer outage.

Cybersecurity Awareness & Culture:

Safeguarding the organisation requires a human firewall where every staff member is empowered to recognise and respond to threats. The Councils currently provide basic cybersecurity training, but the Councils will expand this into a mandatory training programme covering the latest best practices and secure remote working habits.

Staff will participate in safe, simulated phishing exercises. To ensure this is a valuable learning experience, the Councils will provide immediate, constructive feedback rather than just testing our teams.

The Councils will foster a supportive environment where staff are encouraged to report incidents and near-misses without fear of blame. This approach turns every employee into an active, informed line of defence.

Incident Response Protocols:

The shared ICT service will maintain clear, step-by-step incident response plans alongside Business Continuity, so every staff member knows their exact role if an attack happens. This structured approach ensures swift, coordinated action to contain threats, minimise service disruption, and meet national regulatory standards.

What Success Looks Like by 2028 and 2029

By 2028, both Councils will have 24/7 smart network monitoring (Microsoft Sentinel) and advanced device protection (Microsoft Defender) active at £0k additional licence cost—rationalising security software into fewer systems by exiting separate Trend Micro and Mimecast contracts—alongside regular recovery drills tested with Business Continuity. By 2029, the Councils will *be fully aligned with the Cyber Security and Resilience Bill and protected by* locked, isolated data vaults, ensuring community lifelines remain protected and resilient as new Unitary Authorities go live.

- **Pillar 2: Data Intelligence & Ethical AI**



Goal: Transforming data into insight and deploying responsible, UK-hosted AI to automate the routine.

Data is the foundation of everything we do, and AI offers significant potential to streamline tasks and support Council staff.

Where the Councils Are Now: Both Councils currently still rely on some manual processing for routine administrative tasks. Recognising the acceleration of AI capabilities and that Council staff may look for AI solutions, our joint Corporate AI Policy will set safe boundaries for any modern technology. The Councils' Future Aspiration: The Councils will not try to be at the forefront of AI development. Instead, the Councils will learn from other organisations and test proven solutions in low-risk environments to assess their accuracy before any wider deployment.

Ethical AI and UK-Hosted Cloud Systems

Where the Councils Are Now: The Councils currently apply the highest standards of accountability to our human staff and securely manage existing data.

The Councils' Future Aspiration: As the Councils look to move systems into the cloud, they will not use a one-size-fits-all approach. The Councils will only migrate systems when there is a clear business case proving it is the most secure, reliable, and cost-effective option for that specific service.

Crucially, whether the Councils are deploying new AI tools or moving existing databases to the cloud, everything must be hosted entirely within the United Kingdom. This strict requirement directly reflects the Government's new approach to public-sector AI, AI safety, and sovereign UK data centres set out in the Autumn Budget 2026, ensuring that all resident data remains securely within national borders and is fully protected by UK privacy laws.

Practical Examples of Automation

To provide concrete examples of how this technology will be used, the Councils are focusing on lifting the burden of repetitive administrative tasks from support departments.

Practical Example: Routine planning applications could be processed using a smart digital assistant. This tool would verify that standard forms are attached and automatically log the details into our planning system, freeing support officers from manual data entry so they can spend more time helping residents navigate complex queries.

Human-in-the-Loop Governance

Where the Councils Are Now: The Corporate AI Policy will establish clear ethical standards for every tool the Councils deploy.

The Councils' Future Aspiration: The Councils' approach is to enhance human oversight, not replace it, by keeping a 'Human-in-the-Loop'. While digital systems will process data and propose actions, any decision affecting a resident's access to services, financial situation, or wellbeing will always remain under the direct supervision of trained staff.

Unlike traditional software—which is tested thoroughly before launch so that it produces the exact same output every time—AI tools can generate different outputs and may occasionally be inaccurate. Because of this, the Corporate AI Policy makes fact-checking mandatory, and a human will review required actions where necessary to ensure trust, legal compliance, and clear accountability.

Governance of the Digital Workforce (IT as Digital HR)

Where the Councils Are Now: The shared ICT service currently manages standard software procurement and licensing.

The Councils' Future Aspiration: The shared ICT service will explore Smart Digital Assistants, such as Microsoft Copilot, to act as extra hands for our officers. As we integrate these tools, the ICT department will act as Digital HR, managing the entire lifespan of the digital workforce to guarantee they align with our values.

The main components of this digital governance are:

- **Procurement (Recruitment):** Every new AI tool follows a strict recruitment process, just like hiring new staff. This includes rigorous checks to ensure the tool makes fair, unbiased decisions using secure, enterprise-grade systems.
- **Monitoring (Performance Management):** The shared ICT service will track their accuracy and fairness in real-world scenarios. Automated alerts will flag any unexpected behaviour, and staff will have clear ways to provide feedback on system performance.
- **Decommissioning (Offboarding):** When a digital tool fails to meet our high standards, the Councils will securely remove the system, instantly revoke all network access, and ensure all associated data is safely deleted.

Preparing for Local Government Reorganisation (LGR)

Where the Councils Are Now: Both Councils hold vast amounts of historical data across disparate Council departments.

The Councils' Future Aspiration: To support any potential upcoming merger of local Councils, the Councils will establish clear stewardship roles to thoroughly cleanse existing data. By standardising how we store information now, we prevent the transfer of inaccurate or junk data. This guarantees that from day one, Council staff can instantly find the reliable information they need to make good decisions for residents.

What Success Looks Like by 2028 and 2029

By 2028, the Joint AI Governance Board and plain-English staff guidance will be embedded, Microsoft 365 file permissions and duplicate, outdated, or unnecessary files will be tidied up with sufficient guardrails, and supervised UK-hosted AI trials will be delivering administrative efficiencies in Planning validation and Freedom of Information (FOI) requests. By 2029, the Councils will have cleansed historical records across departments and established trusted Human-in-the-Loop automation, saving officer hours on routine data entry and ensuring zero inaccurate or junk data is carried into future Unitary systems.

- **Pillar 3: Future-Ready Tech & Culture**



Goal: Building a flexible technology estate and a culture of continuous learning ready for the next decade.

To meet the evolving needs of residents, both Councils must remain agile. The Councils' technology approach focuses on maintaining modern infrastructure, exploiting the tools we already own, and supporting our people.

Operating on Modern Infrastructure and Maximising Functionality

Now that our ICT service is fully staffed and both Councils have invested in core systems, our aim is to ensure that the core software is kept up to date with the latest supported versions. This approach reduces security risks and prevents a new build-up of outdated technical debt.

Before buying any new software, the Councils' default approach is to look at what we already have and **exploit the full value** of the digital tools we already pay for. The shared ICT service will unlock unused features within our current platforms through routine licence reviews, shared software discovery sessions, and cross-departmental best practice forums to improve data sharing and save taxpayer money.

Empowering Staff to Build Safe Digital Tools

Platforms like GovService and low-code tools in Microsoft 365 (such as Power Apps and Power Automate) allow trained staff with little to no coding experience to build simple digital forms and automated workflows.

Working across the Business Change and Digital Team and the ICT department, the Councils will support service areas to design solutions that work for their teams. To keep Council systems secure, ICT will put sufficient guardrails and safe, approved environments in place, so new workflows meet our security standards and avoid creating an unmanageable tangle of unsupported apps.

Cost-Effective, UK-Based Hosting and Restructuring

When deciding where the Councils' systems and data will live, we focus purely on the business case to find the most secure, reliable, and cost-effective home for that specific service. Regardless of the technical setup we choose, all our solutions will be hosted entirely within the UK. This ensures residents' sensitive data is strictly protected by UK privacy laws (GDPR) and remains under the highest standards of legal governance.

Workforce Empowerment & Continuous Learning

The Councils' success depends entirely on our people, and we want our employees to be empowered, proactive participants who drive our transformation. The Councils will give the workforce the time, resources, and training they need to adapt to changing demands. This includes tailored workshops, online learning platforms, and mentoring schemes designed to enhance digital literacy and build confidence.

To support this, the Councils will invest in dedicated IT trainers who can create bespoke training packages for Council staff. For example, our aim is that a service officer will learn to fully utilise Microsoft 365 tools and write safe AI prompts in compliance with the Corporate AI Policy. By using these new skills to quickly summarise lengthy documents, they safely eliminate hours of administration, allowing them to spend more time directly helping residents.

What Success Looks Like by 2028 and 2029

By 2028, the shared ICT service will work with the Councils to upgrade to the latest versions of systems, alongside delivering better online services and a modernised Microsoft Teams and Mitel phone system for residents, replacing ageing "Zero-Client" desk terminals, and launching the SharePoint Intranet Hub, two-year staff training programme, Corporate PMO, and an accurate central register of all Council hardware and software. By 2029, the Councils will have rationalised legacy software into fewer, more efficient systems and empowered a digitally confident workforce ready for Unitary transition without service disruption.

- **Resourcing the Vision**

Clarifying Investment vs. Operational Delivery To ensure financial prudence and transparency, this strategy clearly distinguishes between daily operations covered by the Councils' existing shared IT budget and new projects requiring strategic investment.

- **Core Deliverables (Within Existing Resources):** Doing the basics well, including keeping systems online, applying security patches, getting the most out of existing tools (like Microsoft 365 and NEC Housing), and providing standard cybersecurity training, will all be delivered within the existing base budget.
- **Strategic Enhancements (Investment Required):** Transformational projects—such as procuring targeted AI licenses (like Microsoft Copilot) for staff under AI Policy governance oversight or undertaking major system redesigns—will be subject to individual Business Cases. These initiatives must

demonstrate a clear Return on Investment (ROI), a statutory necessity, or essential readiness for Local Government Reorganisation (LGR) before funding is released.

- **Social Value in Procurement:** All strategic investments will be evaluated not only on their financial ROI but on Social Value. This ensures that the Councils' technology supply chain actively supports local economic growth and provides tangible community benefits.

Alignment with Corporate Priorities

This strategy is not a standalone IT document; it is the technical enabler for the high-level corporate ambitions of both Councils.

Stevenage Borough Council: "Making Stevenage Even Better"

- **Transforming Our Town:** The Council's commitment to Future-Ready Tech (Pillar 3) ensures that the Council's digital infrastructure is scalable and robust enough to support the town's major regeneration programmes and the £1bn investment agenda.
- **Thriving Neighbourhoods:** By delivering Active Cyber Resilience (Pillar 1), we protect the critical services and sensitive data that residents rely on, ensuring community trust and safety are maintained.
- **Technology & Innovation (Cross-Cutting Theme):** As highlighted in the Corporate Plan, technology is a cross-cutting theme. This strategy delivers the "Ethical & UK-Hosted AI" and "Asset Optimisation" required to drive efficiency across all services.

East Herts District Council: "L.E.A. F" Priorities

- **L – Listening, Open and Transparent:** The Data Intelligence pillar (Pillar 2) provides the accurate evidence base required to improve consultation and ensure decision-making is open and transparent.
- **E – Environmentally Focused:** By prioritising Asset Optimisation and extending hardware lifecycles (Pillar 3), we directly support the Council's aim to reduce carbon emissions and operate sustainably.
- **A – Acting with the Community:** Our focus on Social Value in Procurement ensures that our technology spend supports the local voluntary sector and businesses, helping to create thriving high streets and communities.
- **F – Fair and Inclusive:** Through Workforce Empowerment and accessible systems (Pillar 3), we support the delivery of fair services. A secure, resilient IT estate allows the Council to support vulnerable residents effectively, from homelessness services to Council Tax Support.

- **Appendix A: High-Level Action Plan (2027/ 2028)**

This Action Plan translates the ICT Strategy into a clear, phased delivery programme across Stevenage Borough Council and East Herts District Council. It breaks down our strategy into manageable phases across our three core pillars over the next three years.

To ensure the strategy remains responsive during a period of structural change, the Joint Information and Communications Technology (ICT) Committee will move to twice-yearly meetings and formally review this work plan every six months. This rolling six-month review cycle guarantees that if a national announcement is made on Local Government Reorganisation (LGR), both Councils can adjust priorities immediately without stalling delivery.

Across the next 12 to 18 months, our portfolio is anchored by two shared strategic projects that will transform daily operations for staff and residents across both authorities:

1. **Replacing Corporate Telephony**: Delivering a modern Unified Communications (Microsoft Teams and Mitel) telephony platform to relieve pressure on frontline call handlers and transform the resident contact experience.
2. **Replacing the Virtual Desktop Infrastructure (VDI) and "Zero-Client" Terminals:** Retiring ageing desktop terminals ("Zero boxes") and old central virtual desktop servers (Virtual Desktop Infrastructure / VDI), moving staff onto reliable modern laptops and equipping field officers with mobile tablets suited to their roles.

2. Core Annual Activities (Completed Every Single Year)

Alongside phased project milestones, the shared service will complete five foundational operational activities every year to keep Council staff, systems, and democratic processes ready:

- **Continue Mandatory Cybersecurity Training**: Deliver annual cybersecurity and secure remote-working training for all Council employees, reinforced by targeted training for high-risk teams.
- **Run Simulated Phishing Exercises**: Send regular, safe test phishing emails to **staff and Members** to build scam awareness, providing immediate, constructive learning feedback rather than blame.
- **Conduct Incident Response and Disaster Recovery (DR) Simulations**: Run multi-service scenario exercises where technical teams and leadership practice restoring critical lifelines—such as Housing and Revenues and Benefits—within pre-agreed Recovery Time Objectives (RTOs).
- **Work with Business Continuity on Manual Fallback Operations:** Working with Business Continuity teams, support frontline departments to rehearse temporary pen-and-paper procedures so essential support for vulnerable residents continues during any extended digital outage.

- **Deliver Democratic and Elections Technology Support**: Provide dedicated network resilience, equipment readiness, and out-of-hours technical support for all by-elections and all-out local elections across both Councils.

Active Cyber Resilience: Protecting the services our residents rely on from digital threats and disruption

Year 1 (2027/28): Foundation, Active Monitoring and Cyber Assessment Framework (CAF) Phase 1

- **Mobilise Executive Cyber and Risk Boards:** Launch the ICT Risk Board and the Joint Stevenage and East Herts Security Board under the oversight of Councils' board-level executive responsible for data security (Senior Information Risk Owner / SIRO), aligning security policies across Hertfordshire.
- **Exploit Existing Microsoft Security Licences (Saving on Duplicate Software):** Switch on the automated security alarm system (Microsoft Sentinel) and advanced computer protection (Microsoft Defender) already included in the Councils' Microsoft contract at £0k additional licence cost. This allows us to exit our separate antivirus contract (Trend Micro) and retire our separate third-party email filtering tool (Mimecast) by consolidating email protection into Microsoft 365 Defender.
- **Deploy Active Network Defences (Cyber Assessment Framework Phase 1):** Set up a central security monitoring dashboard that watches for suspicious activity (Service Integration and Management / SIAM Event Monitoring), divide the central data centre network into separate locked zones so a breach cannot spread (Datacentre Network Segmentation), and enforce automated device protection rules to block suspicious traffic in real time.
- **Upgrade Ageing Back-Office Servers:** Begin the multi-year migration off ageing Windows Server 2019 systems alongside cross-departmental Disaster Recovery (DR) scenario testing.
- **Complete Cyber Assessment Framework (CAF) Phase 2 and National Cyber Security Centre (NCSC) Readiness:** Tighten controls over who can access data in Microsoft 365, carry out security checks on external software suppliers (supply chain risk assessments), audit digital border rules (firewalls), and document two-step login verification rules (Multi-Factor Authentication / MFA conditional access).

Data Intelligence & Ethical AI: Transforming data into insight and deploying responsible, UK-hosted AI to automate the routine

Strategic Goal: Transforming data into insight and deploying responsible, United Kingdom (UK)-hosted Artificial Intelligence (AI) to automate routine administration.

Year 1 (2027/28): Data Guardrails, Warehouse Foundation and Staff Guidance

- **Create AI Policy Guidance and Establish the Joint Governance Board:** Publish clear, plain-English staff guidance on the Corporate AI Policy, and establish a joint AI Governance Board across Stevenage Borough Council and East Herts District Council.
- **Put in Sufficient Guardrails for Microsoft 365 Architecture and Permissions:** Finalise the Microsoft 365 security design, apply automatic security tags to confidential documents (Data Protection Sensitivity Labels), catalogue archived records, and run a shared file tidy-up pilot to remove duplicate, outdated, or unnecessary files (Redundant, Obsolete, or Trivial / ROT data) so clear access rules are enforced before scaling new tools.
- **Trial Low-Risk Line-of-Business Automation:** Run supervised trials of UK-hosted AI tools to assist officers with checking routine Planning Applications and scanning documents for Freedom of Information (FOI) requests.



Future-Ready Tech & Culture: Building a flexible technology estate and a culture of continuous learning ready for the next decade

This work plan outlines how the Councils will build a flexible technology estate and a culture of continuous learning. It prioritises optimising our current assets and using **LGR** delay to professionally design future systems.

Year 1: Audit, Governance & Foundation

- **Shared Strategic Project – Replace Corporate Telephony:** Procure and roll out a unified phone and contact centre platform (Microsoft Teams and Mitel) to relieve pressure on the Customer Service Centre (CSC) and improve resident call handling.
- **Shared Strategic Project –** Replace Virtual Desktops (VDI) and Zero-Client Hardware: Approve and deliver the business cases to replace legacy central desktop servers (Virtual Desktop Infrastructure / VDI) and retire end-of-life desk terminals (Zero-Clients), moving staff onto modern laptops and tablets.
- **Launch the "Microsoft 365 Exploitation" and Staff Training Programme:** Recognising that further work is needed to roll out Microsoft 365 fully, deliver a new staff intranet website (SharePoint Corporate Intranet Hub), complete phased departmental Microsoft 365 rollouts, and run a two-year staff training programme to get the most out of the Councils' existing tools.
- **Strengthen Project Tracking and Staff Digital Skills:** Establish a consistent way of tracking and reporting on technology projects (Corporate Project

Management Office / PMO), bring in dedicated IT Trainers, and complete the Corporate Digital Skills Survey so training matches staff needs.

- **Mature Our IT Service Management (ITSM) and Configuration Management Database (CMDB):** Building on the single IT helpdesk portal, the shared ICT service will standardise how we manage and track IT support, system changes, and service requests (Information Technology Service Management / ITSM) and build an accurate central register of all Council hardware, software, and system connections (Configuration Management Database / CMDB).

- **Appendix B: Glossary of Strategic Terms**
  To assist in reviewing this strategy, the following technical terms and concepts are defined in plain English below:

  - **SIRO (Senior Information Risk Owner):** A mandatory board-level role within a Local Authority. The **SIRO** is the Executive Director responsible for managing information risk and ensuring the Councils' data assets are protected.
  - **Virtual Desktop Infrastructure (VDI):** A technology that hosts a user's Windows screen, files, and apps on a central server rather than on a physical laptop. The Councils are replacing our legacy VDI setup and desk terminals with modern, encrypted laptops and tablets.
  - **Staff-Led Digital Tools (Low-Code / No-Code):** A visual approach to building digital forms and workflows. This allows trained staff with little to no coding experience to create workflows using safe, approved drag-and-drop tools like **GovService** and **Microsoft Power Platform**.
  - **Artificial Intelligence (AI):** Computer systems that process data to help with tasks that normally require human effort, such as summarising documents, spotting trends, or routing routine forms.
  - **Ethical AI & Human-in-the-Loop:** AI systems deployed with fairness, transparency, and clear human oversight. Because AI outputs can vary—unlike traditional software that is tested to give the exact same result every time—a human officer reviews required actions **where necessary** so decisions remain accurate, safe, and accountable.
  - **Immutable Backups:** A secure type of data backup that cannot be altered, encrypted, or deleted for a set period, even by a system administrator. This is the Councils' critical defence for restoring systems after a ransomware attack.
  - **Council Merger / Local Government Reorganisation (LGR):** The potential process of transitioning from a two-tier Council system into a single-tier **Unitary Authority**. For the ICT service, this requires preparing flexible systems, clean data, and aligned security standards.

- **Recovery Timeframes (Recovery Time Objective / RTO):** The target maximum time within which a service must be restored after a cyber incident or outage. This strategy focuses on achieving strong and fast recovery for critical services like **Housing** and **Revenues and Benefits**.
- **Technical Debt (Legacy Debt):** The extra cost and risk caused by keeping outdated software or ageing hardware running instead of modernising it. Clearing this debt—such as replacing old telephony or legacy servers—is essential to keep services reliable.
- **API (Application Programming Interface):** A secure connector that allows different software programs to talk to each other automatically—such as connecting **NEC Housing** and **Finance** databases—without staff re-typing information.
- **UK Data Sovereignty:** The rule that all Council and resident data is hosted strictly within the **United Kingdom,** so it is governed by UK laws and fully protected under **UK GDPR**.
- **Smart Digital Assistants (Large Language Models / LLMs):** AI tools (such as **Microsoft Copilot**) trained to summarise documents, draft text, and help with routine admin while remaining under clear human oversight.

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Part 1

Agenda item:

Meeting	CABINET
Portfolio Area	RESOURCES and PERFORMANCE
Date	19 November 2026



BALANCING THE BUDGET - GENERAL FUND 2027/28

KEY DECISION

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

1. PURPOSE

1.1 To update Members on the Balancing the Budget priority and the 2027/28 onwards options that meet the required General Fund requirement.

1.2 To propose a range of General Fund (GF) budget options (in addition to those identified in the September 2026 Medium Term Financial Strategy (MTFS) to be incorporated in the 2027/28 Revenue Budget Process.

1.3 To update Members on the General Fund balances as a result of the Balancing the Budget options and growth and service pressures for 2027/28 onwards.

1.4 To update Members on Hertfordshire Business rate pooling gains and recommended use.

2. RECOMMENDATIONS

2.1 The Balancing the Budget options as set out in the report and Appendix A, totalling £609,417 (saving) for the General Fund 2027/28 (and £20,942 for the HRA) be approved and incorporated into the Council's budget setting processes.

2.2 That Members note the inflation and budget pressures as set out in section 4.1 of the report and approve the £5,000 budget per annum for defibrillators repair and maintenance.

2.3 That Members approve the proposed approach for Local Government Reform (LGR) funding as set out in paragraphs 4.1.4-4.1.5

2.4 That Members note the 2027/28 changes to the administration of Council Tax as set out in paragraph 4.2.8.

2.5 That Members note that the future revision of the Council's Council Tax Support (CTS) scheme will be dependent on the Governments timeline for LGR as set out in paragraphs 4.2.6-4.2.9.

2.6 That Members approve the use of the Hertfordshire Business rates pooling gains of £107K as set out in paragraphs 4.3.7-4.3.8.

2.7 Members delegate the completion of the Business rates pro-forma for 2027/28 (NDR 1) to the Strategic Director (S151) after consultation with the Resources and Performance Portfolio holder (paragraph 4.3.6 refers).

2.8 That the growth options as set out in this report and Appendix B totalling £296,683 for the General Fund 2027/28 (and £20,942 for the HRA) be approved and incorporated into the Council's budget setting processes.

2.9 Members note the future savings target in the main can be met from Fees and Charges as set out in paragraph 4.7.6.

2.10 The revised GF MTFS financial summary, as shown in section 4.9 to this report be noted.

2.11 That Members note the Equalities Impact Assessment for the Savings and Growth options (Appendix C)c.

2.12 That the Council's recognised unions be consulted regarding the proposed budget package.

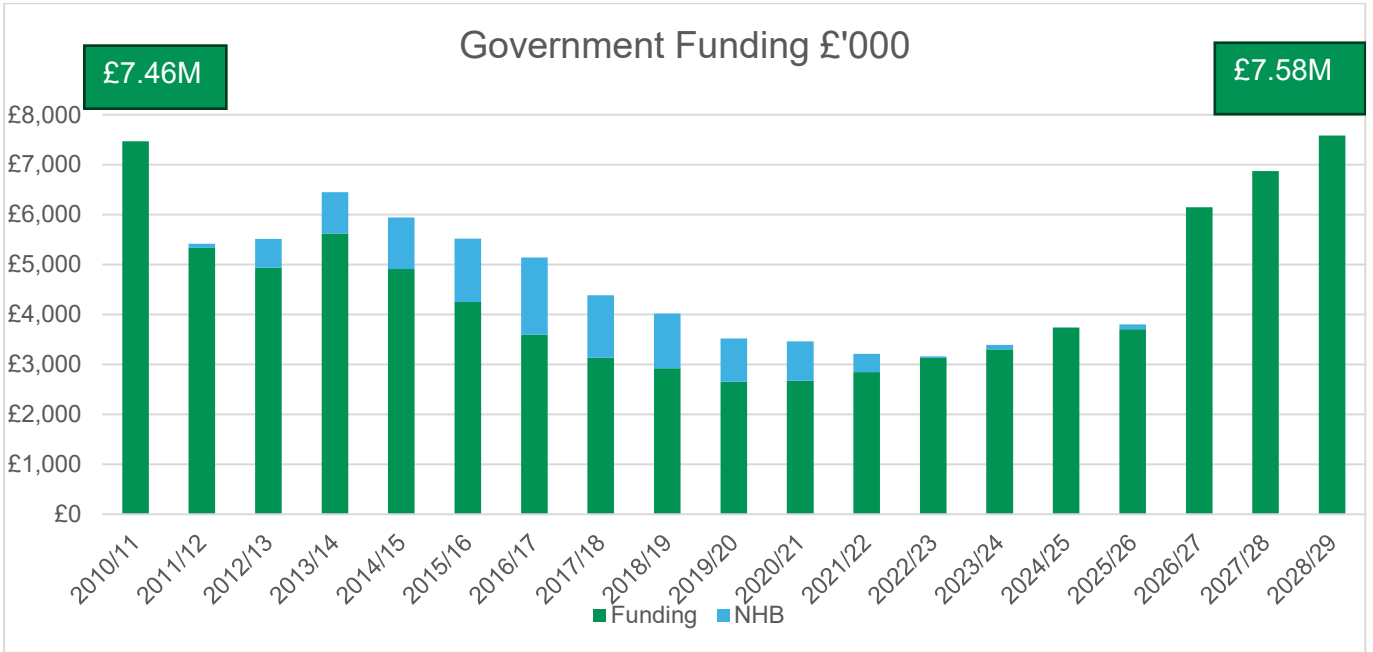
2.13 That key partners and other stakeholders be consulted, and their views considered as part of the 2027/28 budget setting process.

3. BACKGROUND

3.1. This report follows on from the General Fund Medium-Term Financial Strategy (MTFS) approved at the September 2026 Cabinet. This updates on the Council's assumptions about inflation, pressures and the annual funding gap and options to ensure the General Fund remains financially resilient.

3.2. The September MTFS report was written prior to the government announcement on the 7 September 2026 to pause Local Government Reorganisation (LGR) with a subsequent rapid review to be undertaken. At the September Cabinet meeting the CFO recommended the funding for LGR be held in the MTFS until the outcome of the review was known. In addition, although the MTFS had assumed LGR would be implemented from 2028/29 a five-year MTFS view was published for Stevenage Borough Council up to 2030/31.

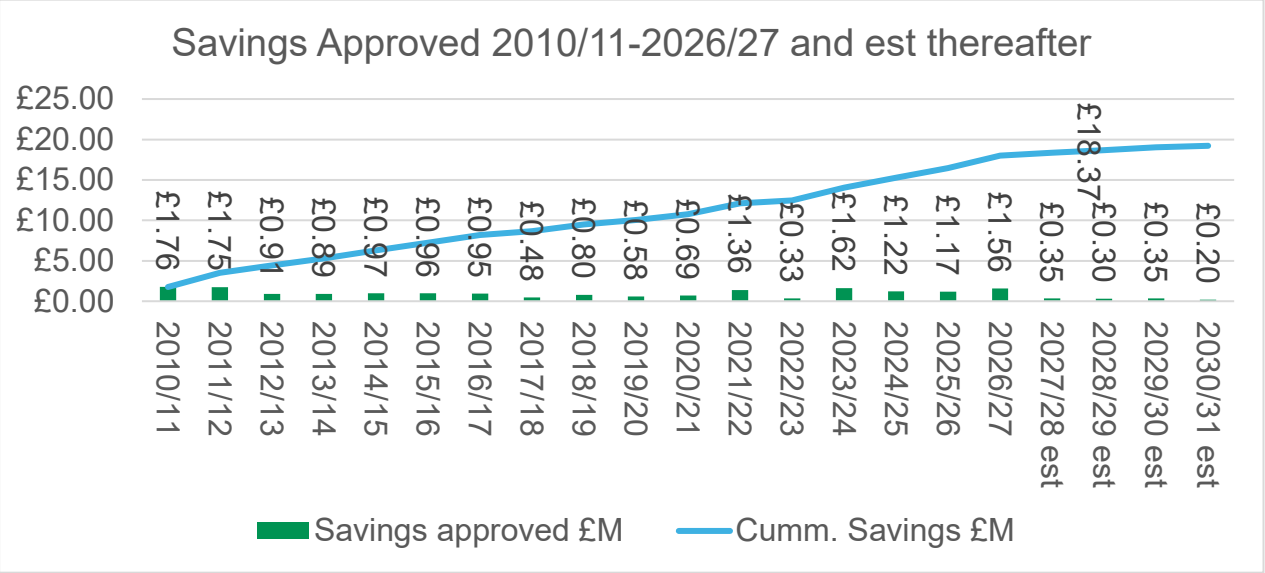
3.3 The local government sector has faced financial challenges over a number of years, and the Council has faced a decade of local authority funding cuts during the period 2010/11 and 2019/20. Funding increased from 2023/24 (including new homes bonus) and the Fair Funding review from 2026/27 significantly improved funding for Stevenage Borough Council, though 2028/29 projected funding is more in less in line with 2010/11 levels, but in real terms much less.



3.4 Fair Funding does mark a significant reversal and improvement in funding for the Council. The result of this financial improvement has been a lower level of annual savings required (see section 4.5). This has created the opportunity to fund some one-off 2026/27 growth and implement additional capital schemes - beyond simply meeting the highest priority need - which will enable the delivery of projects such as Ridlins athletics track renewal and reinvestment

into Stevenage Arts and Leisure centre, planned over 2026/27 and 2027/28 by using revenue contributions to capital.

3.5 Despite the significant historical financial pressures the Council has faced since 2010/11, Stevenage has had a track record of identifying and delivering permanent savings to reduce the overall financial footprint of the Council and to date has delivered £18Million of savings through its priority, 'Balancing the Budget'. The chart below shows savings made and the lower level of future savings required.



3.6 The estimated 2027/28 estimated General Fund savings target was £350K and the following savings have already been approved by Members.

General Fund Savings £'000	Report	2026/27	2027/28	Total
Align Third party tipping income budget to current levels (reported quarter 1 monitoring)	Qrt one	£42,820	£9,460	£52,280
Renegotiation of Citizens Advice contract	Qrt one	£20,080	£0	£20,080
Increase in Procurement income from shared service (GF share)	Qrt one	£4,600	£0	£4,600
Projected increase in commercial lease renewals	Qrt one		£13,000	£13,000
Fees and Charges	Oct 2026 Cabinet report		£239,540	£239,540
Total		**£67,500**	**£262,000**	**£329,500**

3.7 The MTFS assumed a small annual allowance for growth of £75K per year, however within this report there is higher value of growth bids recommended by the Senior Leadership Team (SLT) for 2027/28.

3.8 The budget setting timetable allows for 2027/28 pressures and savings to be approved by Members ahead of the budget setting process. It is the CFO's view that unidentified budget targets should not be included in the budget. This

is important as it allows Members to compare the relative priority of all options for approval.

3.9 The budget setting timetable is as set out below.

Date	Meeting	Report
Oct-26	Cabinet	2027/28 Fees and Charges
	Overview and Scrutiny	2027/28 Fees and Charges
Nov-26	Cabinet	Balancing the Budget Report with the savings proposals for the General Fund and HRA
	Overview and Scrutiny	Balancing the Budget Report with the savings proposals for the General Fund and HRA
Jan-27		Draft 2027/28 General Fund budget, Council Tax and Council Tax Support
	Overview and Scrutiny	Draft 2027/28 General Fund budget, Council Tax and Council Tax Support
Feb-27	Cabinet	Final 2027/28 General Fund budget, Council Tax and Council Tax Support
	Overview and Scrutiny	Final 2027/28 General Fund budget, Council Tax and Council Tax Support
	Council	Final 2027/28 General Fund budget, Council Tax and Council Tax Support

4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1. The requirement to make budget savings.

4.1.1. Inflationary pressures before any service or operation demand led costs is significant for the General Fund and has increased since the September 2026 MTFS. There have been changes to pay projections and the higher actual September CPI inflation means higher 2027/28 business rates paid by the Council.

4.1.2. Since the September MTFS was finalised further October 2026 utility data on the gas and electric procurement indicates that costs have increased by a further £225K. If utility prices continue to be impacted by international events this could rise even further. The draft 2027/28 General Fund budget will include the latest known position and may increase the net budget further. A summary of inflation now projected in the MTFS is detailed below.

Inflation £'000	2026/27	2027/28	2028/29	2029/30	2030/31
Pay	£936	£892	£741	£696	£723
Superannuation	(£1,328)	£0	£0	£300	£0
Contracts	£440	£362	£389	£356	£362
Utilities & fuel	£81	£351	£97	£99	£106
charged to HRA	(£121)	(£148)	(£126)	(£176)	(£124)
Total	**£9**	**£1,457**	**£1,101**	**£1,275**	**£1,066**
September MTFS	**(£46)**	**£1,131**	**£1,115**	**£1,306**	**£1,088**
Increase	**£55**	**£326**	**(£14)**	**(£31)**	**(£22)**

4.1.3. The 2027/28 inflation projections includes an assumption of 3% pay award an increase of 0.25% would increase pay inflation by further £66K in 2027/28.

4.1.4. The General Fund also has projected additional net pressures which are summarised below.

£'000	2026/27	2027/28	2028/29	2029/30	
Budget Increases reported Sept. MTFS	**£446**	**£961**	**£936**	**£916**	
GSK budget approved September 2026	£360	£90	£0	£0	
Budget for defibrillators	£5	£5	£5	£5	There is no budget for repairs and parts recommended to be included (para 2.2)
Regeneration staff	£0	£121	£151	£180	Staff costs charged to capital are projected to reduce, and a vacant post has been held to reduce the additional cost to the General Fund.
Increase budget for legal services (Qrt two monitoring)	£65	£65	£65	£65	A budget pressure was identified in the MTFS of £66K but current projections indicates a further £65K required ongoing.
Increased cost of elections (Qrt two monitoring)	£44	£50	£50	£50	The budget had been increased by £50K in the MTFS but projected costs are now a further £50K at circa £200K per election. No assumption has been made about the year locals do not happen until the LGR picture is clearer.

£'000	2026/27	2027/28	2028/29	2029/30	
Total budget increases post September	**£474**	**£331**	**£271**	**£300**	
Total Budget increases	**£920**	**£1,292**	**£1,206**	**£1,216**	

Budget reductions/ income reported Sept. MTFS:	**(£711)**	**(£1,378)**	**(£585)**	**(£1,038)**	
Contribution from Herts Futures for GSK work reported qrt 2.	(£100)				Funding has been made by Herts Futures to support the taskforce reducing the Council's own contribution.
Adjustment to Leisure Mgmt. fee	£0	£64	£67	(£79)	The return to the Council has been reprofiled based on the revised opening date for the new Leisure Hub.
Revision to savings option at Primett Road car park	£38	£13			Planning was approved later than originally budgeted for the income saving for the Enterprise site in Stevenage old town.
Review of earmarked reserves		(£82)			A review of earmarked reserves was set out in the September MTFS. Estates and Event island reserves have been returned to the General Fund based on 2026/27 growth included plus the residual balance remaining in the New Homes Bonus reserve.
Use of Earmark reserves to reduce overspends		(10)	(10)		The pressure on Regeneration salaries has been partly offset by use of the earmarked reserve
Total additional budget reductions post Sept.	**(£63)**	**(£16)**	**£57**	**(£79)**	
Total Budget reductions	**(£773)**	**(£1,394)**	**(£528)**	**(£1,116)**	
Budget changes since Sept.	**£412**	**£316**	**£327**	**£221**	
Net Position	**£147**	**(£102)**	**£678**	**£100**	

4.1.4 The Government announced on the 7 September 2026 a pause in the Local Government Reform programme with the exception of Surrey. The Government has subsequently announced the implementation date for other areas (subject to confirmation) will have a starting date of 1 April 2029. To ensure the Council can meet its future share of estimated costs, the Chief Finance Officer (CFO) recommends transferring £500K of the 2026/27 GF and

HRA cost of LGR to a reserve until 2027/28, ensuring that Council's balances are sufficient to meet Hertfordshire shared costs and any Stevenage Borough Council expenditure. Costs may also be needed to support devolution work, a summary of the reprofiled budgets are shown below.

LGR spend	2026/27	2027/28	2028/29	Total
Revised spend	£500,000	£550,000	£500,000	£1,550,000
Transfer from Reserve		£500,000		£500,000
Total	**£500,000**	**£1,050,000**	**£500,000**	**£2,050,000**
LGR Reserve	**2026/27**	**2027/28**	**2028/29**	**31 Mar 2029**
Transfer to LGR reserve	£500,000	(£500,000)		£0

4.1.5 Should the decision for LGR be withdrawn at a later date in Hertfordshire the funding can be repurposed to meet Council priorities.

4.2. Council Tax

4.2.1 Council Tax increases are capped by Government (before requiring a referendum on the increase). Under the Fair Funding Review 2.0, the government has assumed a 5% council tax increase per year for the next three years, (for upper and lower tier areas combined), which includes the maximum allowable 2.99% general increase and a 2% adult social care precept for unitary and upper tier Councils. This is the assumption the government uses to calculate total annual funding required for Councils. The September MTFS included a 2.99% increase for 2027/28 onwards and the impact of that increase is summarised per council tax band in the table below.

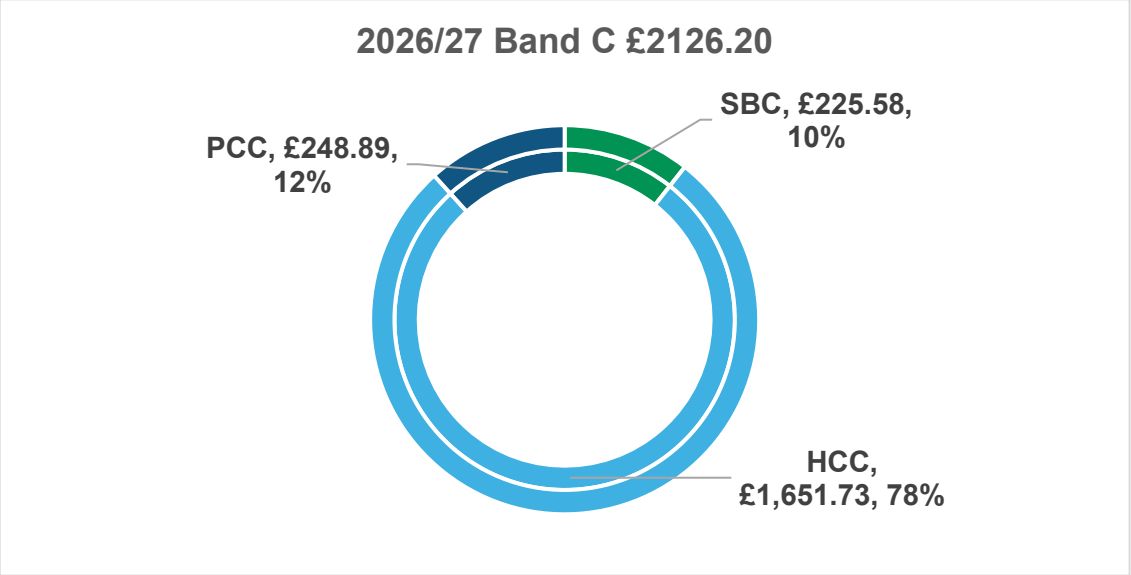
Council tax band	2026/27 per year	2.99% incr. per year	2027/28 per year	Incr. per week	Total 2027/28 per week	Number of estimated properties
A	£169.18	£5.06	£174.24	£0.10	£3.35	1,733
B	£197.38	£5.90	£203.28	£0.11	£3.91	7,022
C	£225.58	£6.74	£232.32	£0.13	£4.47	21,926
D	£253.78	£7.59	£261.37	£0.15	£5.03	3,479
E	£310.18	£9.27	£319.45	£0.18	£6.14	3,375
F	£366.57	£10.96	£377.53	£0.21	£7.26	1,027
G	£422.97	£12.65	£435.62	£0.24	£8.38	462
H	£507.56	£15.18	£522.74	£0.29	£10.05	18
Total						**39,042**

4.2.2 The increase shown above is based on the 100% SBC charge for a property band, but those working aged claimants in receipt of council tax support (CTS) and on maximum benefit will pay just 8.5% of their liability. There are also eligible discounts such as Single Person Discount (SPD) which reduces the

liability by 25%. More information about CTS scheme can be found on Stevenage Borough Councils website. Link: Council Tax Support Scheme

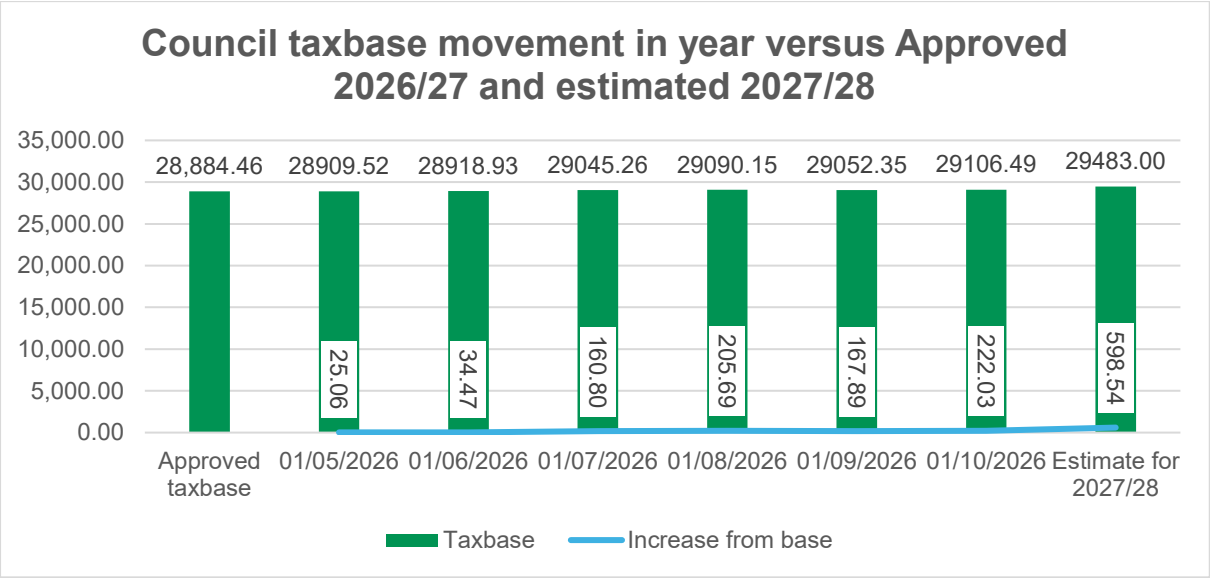
4.2.3 The Council paused work on revision to the CTS scheme in 2026/27 (for 2027/28) as a result of the then LGR timetable. The LGR implementation date of 1 April 2028 would have meant consulting on a new scheme for one year (2027/28) before a further revision as part of the Central unitary which would have had to in place for 1 April 2028. There is still a need to move to a discount banded scheme as the majority of claimants have transitioned to Universal Credit as set out in previous budget reports. The revised potential timetable for LGR of 1 April 2029 for unitaries in Hertfordshire in practice rules out changing the scheme before the new Councils come into force as it would be only for one year before the scheme required changing. The cost of changing the scheme is circa £50K before the financial impact of any revised scheme.

4.2.5 Members should note that SBC only retains a relatively small part of the overall council tax raised for the year (the smallest element of the three preceptors). To illustrate this, taking a Band C property, (the biggest proportion of properties in Stevenage are in band C, (56% as at 1 October 2026), the relative shares of council tax for a band C property are shown below.



4.2.6 The taxbase for 2027/28 will be presented to the December 2026 Cabinet meeting based on projected new properties and an assessment of the level of council tax support (CTS) based on the current scheme.

4.2.7 The current taxbase as at 1 October (29,106.49) above the approved taxbase, the MTFS assumes an additional 589.54 Band D equivalents which is 376.51 lower than as at 1 October. However, a number of new builds are yet to come into the valuation list such as Claxton House and the MTFS target is still achievable.



4.2.8 From 1 April 2027 there will be some changes to how council tax is to be administered after the consultation on Modernising and Improving the Administration of Council Tax and this is summarised below.

Requirement from 1 April 2027	Stevenage Borough Council
Information to be included in the reminder notices and final notices. signpost to debt advice providers/signpost to council to discuss payment plans/signpost to information about discounts, exemptions, disregards reductions and other support for which a taxpayer may be eligible.	SBC already signposting. However, we will review the current signposting elements we do and enhance them if required.
To issue both a reminder and final notice to households ahead of households losing the right to pay in instalments. This requirement will reset where an account is brought back up to date for the financial year. Not issue final notices any earlier than 41 days after the first missed payment, and 14 days after the last reminder notice. Taxpayers will have 21 days following a final notice to bring their account back up to date, otherwise they will lose the right to pay in instalments.	Final notices currently requests payment of the full balance (unless contacted for an arrangement) other processes are more or less in line with proposed changes, so it will only take some minor adjustments to the timetable and reminder templates.
Billing, the proposal to move newly liable households to 12-month billing from April 2027 (by default) Newly liable households are to be made aware of the option of 12-month billing rather than being placed on it by default. The move to 12-month billing by default for all households from April 2028 will proceed as previously announced i.e. households will still be able to request 10-month instalment plans.	The move to 12-month billing by default for all households from April 2028 will proceed as previously announced i.e. households will still be able to request 10-month instalment plans. Further work is to be done on communicating this ahead of April 2028.
Other Details	
Government will provide guidance to assist in assessing vulnerable people	

4.2.9 The Chancellor of the Exchequer announced in the 2026 budget (28 October 2026) that households in properties banded A to D would receive an additional payment of £100, there will also be a discretionary fund for those households not in the first four bands. The scheme details have yet to be

announced, however as set out in paragraph 4.2.1 the majority of homes or circa 87% of homes in Stevenage should receive the £100 without recourse to the discretionary scheme.

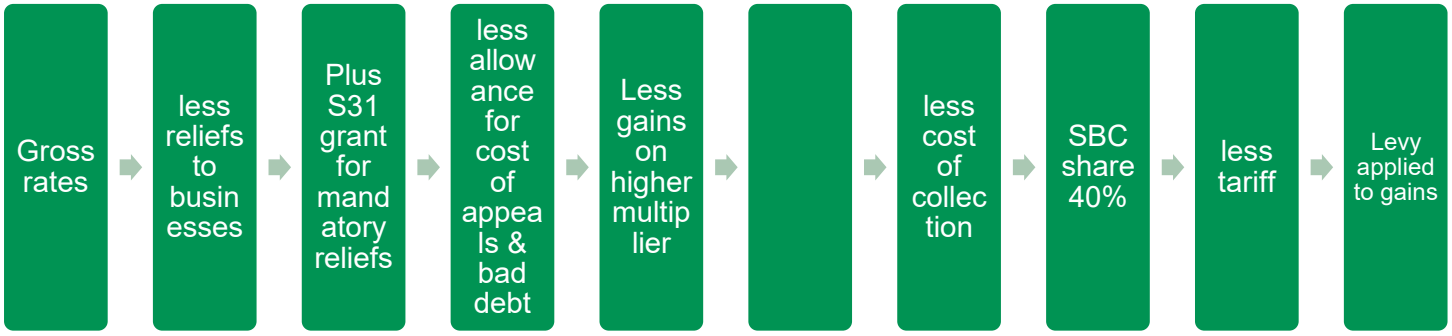
4.3. Business Rates (NDR) Income

4.3.1. In 2026/27 there was a reset of business rates as part of the Government's Fair Funding review. The new distribution of local government funding took into account the 'gains' Councils have kept since the last funding reset (2013/14). Therefore, Councils would only now retain the amount the government had assumed (before any future gains were realised through new development etc). So, the projected level of 2026/27 Stevenage's retained rates was estimated only at base line funding, (the government's assessment of the Council's need).

4.3.2. Despite the removal of historic gains there is an increase in retained business rates comparing 2026/27 to 2025/26. This is because despite a higher tariff (cost) which increased by £3.3Million between the two years, overall funding is £230K higher in the current year as a result of the higher baseline.

Business Rates	Actual 2025/26	Original 2026/27	2026/27 v 2025/26
40% share of NNDR	(£22,201,698)	(£23,570,997)	(£1,369,299)
Tariff	£19,488,317	£22,786,682	£3,298,365
S31 Grants	(£2,226,160)	(£2,825,007)	(£598,847)
Total	(£4,939,541)	(£3,609,322)	£1,330,219
Levy	£661,250	0	(£661,250)
Retained NNDR	(£4,278,291)	(£3,609,322)	£668,969
Baseline	(£2,851,146)	(£3,609,322)	(£758,176)
Under-indexing	(£527,879)		£527,879
Total adjusted baseline	**(£3,379,025)**	**(£3,609,322)**	**(£230,297)**
Gains retained above baseline	(£899,266)	£0	

4.3.3 The calculation also changed for 2026/27 on how business rates are retained, now all mandatory reliefs i.e. small business rate relief empty properties and charitable relief are now fully rebated through section 31 grant. Previously grant was given for only changes made by the government to the business rate scheme usually by giving discounts such as small business or retail relief.



4.3.4. In addition, the calculation for the levy or the amount taken by the Government on in year gains is based on an increasing levy percentage at certain thresholds, the highest being 45%, previously this was 50% for SBC. But the current 2026/27 business rates projection isn't at baselines as originally estimated but is a significant deficit below (baseline £3.609Million) and this is predominately due to an increase in realised appeals on the 2023 rating list by businesses on their valuations.

Calculation of NNDR losses for 2026/27				SBC share
Gross yield	**01/10/2026**	**NNDR 1**	**Var**	**SBC 40%**
Gross Yield	£68,493,541	£69,391,246	(£897,704)	(£359,082)
Prior year NNDR adjustments	(£6,046,507)		(£6,046,507)	
Total	**£62,447,034**	**£69,391,246**	**(£6,944,211)**	**(£359,082)**
Impact of appeals	**£46,296**	**NNDR 1**	**Var**	**SBC 40%**
Allowance for Appeals		(£2,801,898)	£2,801,898	
Prior year adj.	(£6,046,507)		(£6,046,507)	
Appeals top up required	£46,539		£46,539	
Total	**(£5,999,968)**	**(£2,801,898)**	**(£3,198,070)**	**(£1,279,228)**
Discretionary reliefs	**£46,296**	**NNDR 1**	**Var**	**SBC 40%**
Discretionary Reliefs	(£178,756)	(£168,535)	(£10,221)	(£4,088)
Multiplier gain deducted	**£46,296**	**NNDR 1**	**Var**	**SBC 40%**
Higher multiplier gain taken	(£152,183)	(£154,177)	£1,994	£798
Bad Debt	**£46,296**	**NNDR 1**	**Var**	**SBC 40%**
Bad Debt	(£331,926)	(£165,000)	(£166,926)	(£66,770)
Total	**£61,982,891**	**£66,255,813**	**(£4,272,922)**	**(£1,708,371)**

**(deficit)*

4.3.5. The analysis above shows that 75% of the in-year losses relate to successful appeal payouts compared to the amount set aside mainly on the 2023 list, Hertfordshire did experience one of the highest uplifts in the country on the 2023 list and this is borne out by significant value of successful appeals. A more on-going issue is that the in-year yield for the 2026 rating list has not reached the level assumed and if this were to continue, could result in on-going future losses. The government has set a safety net for these losses which is 100%, 95%,92.5% for 2026/27,2027/28 and 2028/29 respectively. This means for 2026/27 the losses will be met by the government, however for 2027/28 an estimated £185K would need to be met by the Council before the safety net is applied. Based on an expectation that losses may continue an amount for this has been included annually in the MTFS based on the threshold for that year.

4.3.6. The completion of the NDR1 form issued by the government determines the level of business rates collectable, level of reliefs to be given in 2027/28 together with the current business rate yield in January. The timing of the release of the government form and the submission deadline means the completion of the NDR1 (due by 31 January 2027) is recommended to be

delegated to the CFO after consultation with the Resources & Performance Portfolio Holder.

4.3.7. Hertfordshire Councils have in the past formed business rate 'pools' to maximise the rates retained by paying a smaller levy to the government. This normally involves the County Council and a three or four Districts. While Stevenage is not normally in any pooling scheme it does benefit from a proportion of held gains as part of the wider scheme rules and for 2024/25 these amounts to £107K to be used for infrastructure and growth.

4.3.8. Members are asked to approve that £30K of the funding is used for improved wayfinding, structure improvements and additional seating for the Indoor Market leaving £77K that can be utilised for small projects where budgets have not been available due to historic funding cuts.

4.4. Projected Finance Settlement 2027/28

4.4.1 The Government set out a three-year funding settlement for the period 2026/27 to 2028/29 and these numbers have been reflected in the MTFS. There may be a minor change as a result of the September CPI (the multiplier with which NNDR is increased by (3.5%)) although an increase had already been built into fair funding settlement (2.29%). The 2027/28 finance provisional settlement is likely to be published in early December 2026, and any changes will be reflected in the draft budget at the January 2027 Cabinet meeting.

Funding Settlement £Million	2026/27	2027/28	2028/29	Incr. 2027/28	Incr. 2028/29
NNDR Funding level	£3.609	£3.692	£3.767	2.29%	2.02%
Revenue Support Grant	£2.849	£3.494	£4.130	22.60%	18.22%
Homeless, Rough Sleeping & Domestic Abuse grants	£1.095	£1.126	£1.163	2.82%	3.34%
Recovery Grant	£0.284	£0.284	£0.284	0.00%	0.00%
Total	**£7.838**	**£8.595**	**£9.344**	**9.669%**	**8.708%**
Council Tax Requirement	£7.306	£7.581	£7.867	3.77%	3.77%
Total funding incl. Council tax	**£15.143**	**£16.176**	**£17.210**	**6.822%**	**6.393%**

4.4.2 The MTFS assumes that a similar amount of '**Extended Producer Pays**' funding an initiative which the Department for Environment and Rural Affairs (DEFRA) pays will be a similar amount as in 2026/27. However, only the project officer is included in base funding, and the rest is used for recycling initiatives and funding vehicles. The draft budget report will include a summary of the proposed schemes once the funding amount is known.

4.4.3 Included in the General Fund's core resources are prior years gains and losses for council tax and business rates due to/from the Collection Fund. When the budget for the year is set an estimate is made of business rates (NNDR1), this is revised as part of the following years return and again at the outturn for the year (NNDR3). Historically business rate adjustments are

'matched' by a transfer to/from the NNDR reserve as there have been prior year gains, not unlikely for the next few years. Variations arose on:

- There are £622K of reduced gains for 2025/26, however the table in para. 4.3.2 identifies there were still realised gains for the year of £899K.
- The business rates rational for future losses is set out in para.4.3.5
- The projected 2026/27 council tax surplus is based on additional properties in the taxbase than assumed as set out in para. 4.2.5.

Collection Fund Core Resource movements	2026/27	2027/28	2028/29	2029/30	2030/31	Total
2024/25 Business rate lower gains (deficit)	£183,637					£183,637
2025/26 Business rate lower gains (deficit)	£536,717	£85,653				£622,370
Future years assumed losses business rates (deficit)		£184,606	£282,495	£291,506	£297,337	£1,055,943
2024/25 Council Tax (surplus)	(£160,330)					(£160,330)
2025/26 Council Tax (surplus)	(£74,661)	(£13,912)				(£88,572)
2026/27 Council Tax (surplus)		(£96,916)				(£96,916)
Total	**£485,363**	**£159,432**	**£282,495**	**£291,506**	**£297,337**	**£1,613,048**

4.5. The Balancing the Budget Target and Savings

4.5.1 The graphic below summarises the Balancing the Budget (BTB) priority and what activity the Council carries out to deliver a balanced budget.

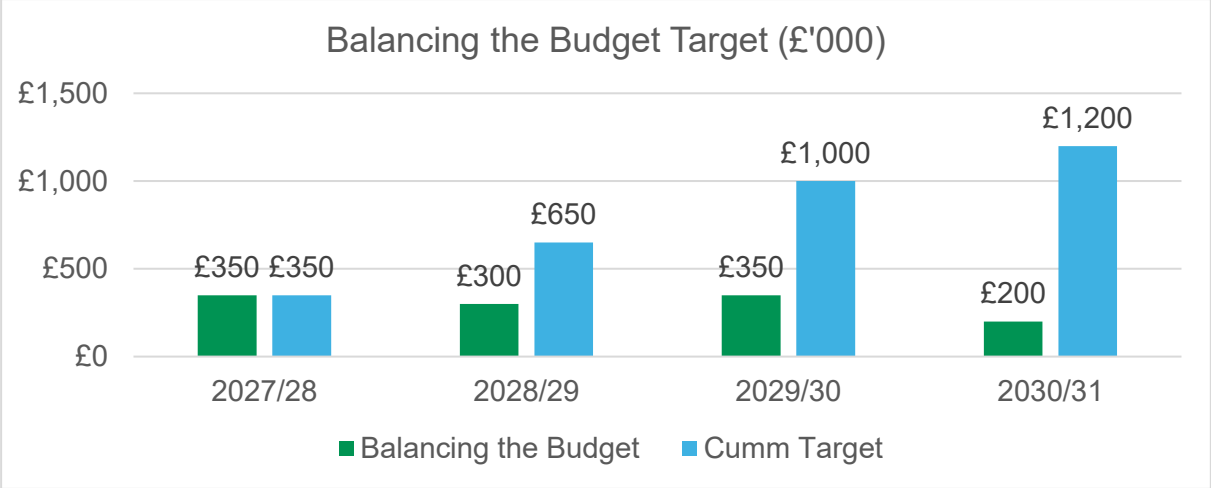


4.5.2 The BTB options are identified through a number of activities which are:

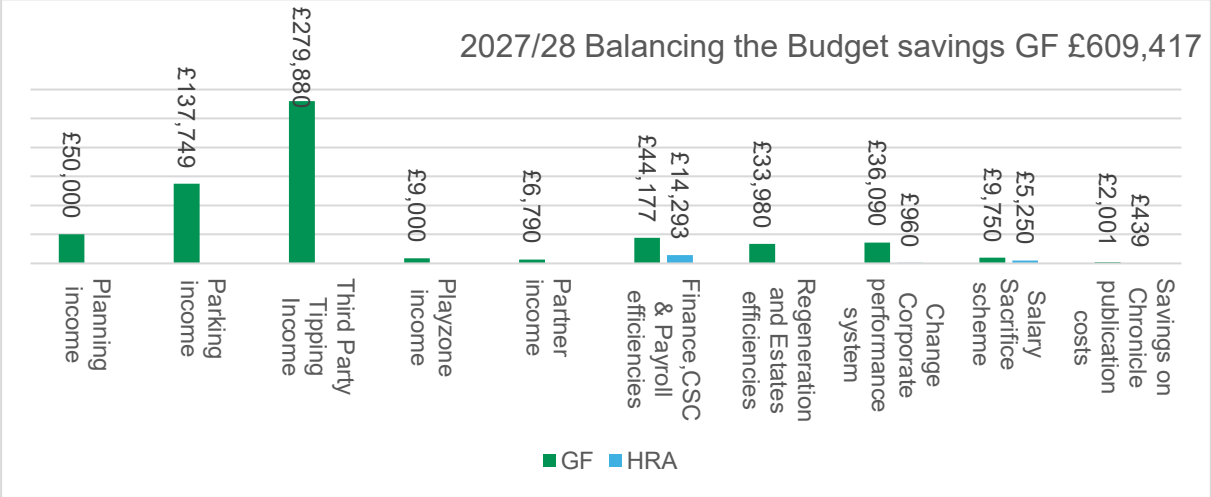
- Efficiency savings identified as part of budget monitoring
- Fees and Charges

- Co-operative Commercial and Insourcing activity
- Business Change activity including using digital solutions
- Star Chamber process
- Consultation with shared service partners

4.5.3 The MTFS (September 2026 Cabinet report) identified a General Fund four-year savings target of £1.2Million, based on the estimated inflation, pressures and growth allowance. However, although the actual level of proposed savings for approval are higher, recommended growth bids have also increased (see section 4.6).



4.5.4 As in 2026/27 the 2027/28 proposed savings are based on the efficiencies and commercial options and are set out in Appendix A to this report totalling £609,417 and summarised below which Members are asked to approve.



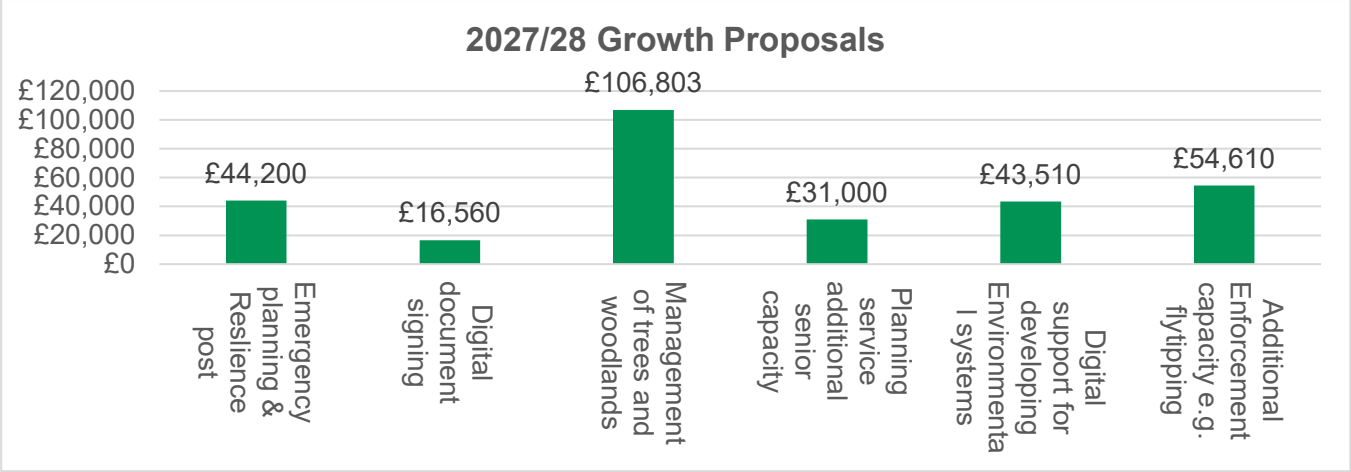
4.5.5 The total 2027/28 savings are £938,917 as summarised below.

General Fund Savings £'000	2027/28	2028/29	2029/30
Savings in Appendix A for approval	£609,417	£329,537	£274,438
Savings already approved para 3.3	£329,500	£329,500	£329,500
Total Savings	**£938,917**	**£659,037**	**£603,938**

4.5.6 Included above are additional transfer station income of £279,880, this has been assumed for one year only in the report as there is no formal contract in place and will be reviewed for 2028/29. In addition, the increase in planning fee income is dependent on the Governments planned legislation being implemented.

4.6. Growth for the General Fund 2027/28

4.6.1. The September 2026 MTFS assumed 2027/28 growth of £75,000, however growth bids total £296,683, they have been scrutinised by the Senior Leadership Team and are recommended for approval. Historic funding cuts have stifled the ability to increase budgets (see also para 3.3). The recommended growth is summarised below and in more detail in Appendix B.



4.7. Revised Balancing the Budget Savings Targets

4.7.1 The net position for savings and growth is summarised below, by 2029/30 there is only an improvement of £75,765 over that projected in the MTFS, so the additional net savings unlike the majority of the growth are not estimated to be sustained fully in the budget.

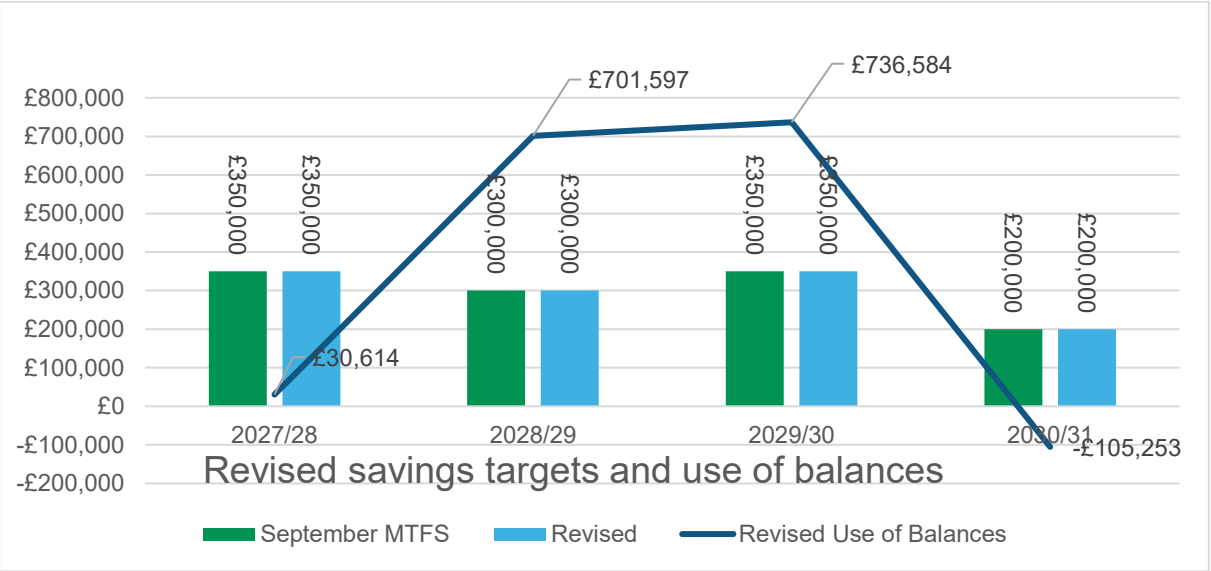
2027/28 General Fund Savings & Growth V Target	2027/28	2028/29	2029/30
Savings recommended	£938,917	£659,037	£603,938
Growth recommended	£296,683	£296,683	£253,173
Net Savings	**£642,234**	**£362,354**	**£350,765**
Savings and Growth net target	**£275,000**	**£275,000**	**£275,000**
Additional net savings above target	**£367,234**	**£87,354**	**£75,765**

4.7.2 The impact of the reprofiling LGR spend (as set out in paragraph 4.1.4) has decreased the 2027/28 use of balances* and increased 2028/29 in addition to net savings, growth, inflation and pressures as summarised below.

Movement from September MTFS	2027/28	2028/29	2029/30
Savings above the target	(£367,234)	(£87,354)	(£75,765)
Additional inflation	£380,980	£367,280	£336,722
Additional pressures	£315,582	£327,155	£221,190
LGR adjustment use of reserve	(£450,500)		
LGR funding change		£500,000	
Increased council tax surplus	(£49,805)		
Use of income equalisation reserve to reduce in year draw on balances		(£150,000)	
Remove DHP spend as grant removed		(£163,433)	(£163,433)
Net Position*	**(£170,977)**	**£793,648**	**£318,714**

Movement from September MTFS	2027/28	2028/29	2029/30	Total
Use of balances September	£201,591	(£92,051)	£417,871	£527,411
Revised draw on balances	£30,614	£701,597	£736,584	£1,468,795
(increase)/Decrease	**(£170,977)**	**£793,648**	**£318,713**	**£941,384**
LGR funding change included	(£500,000)	£500,000	£0	£0

4.7.3 The level of Government funding under the next reiteration of Fair Funding (2029/30) may be different from that modelled in the MTFS (2% increase beyond 2028/29), notwithstanding it is important not to open up a structural deficit gap that requires significant savings in any particular year and noting higher utility costs (para.4.1.2). Therefore, the CFO recommends a change to future savings targets as set out below, pending further data on higher utility costs. The draw on balances in 2028/29 includes £500K for LGR and is also the last year of the current three-year settlement.



4.7.4 In the following year (2029/30) there is still a larger use of balances (partly driven by the last year of debt set aside for repaying the Herts Futures loans, borrowed for regeneration and due to be repaid in 2029/30). For 2030/31 there is a net contribution to balances based on current assumptions about future government support and inflation.

4.7.5 The implementation date for LGR in Stevenage is likely now to be the earliest 1 April 2029, however the number of unitaries in Hertfordshire is not yet know, this may impact on the profile of LGR budget provision, see also para. 4.1.4.

4.7.6 Despite the revision to the savings targets for 2028/29 and 2029/30 these can in the main be met from annual increases in fees and charges. However, should inflation, pressures and growth increase the projected savings in future years may need to be higher to preserve the level of balances, noting that in 2030/31 there is a contribution to balances.

4.7.7 There may be additional pressures as the Draft General Fund is completed in terms of support for the Council's companies and if required this will be identified in the Draft General Fund budget report to the January Cabinet.

4.8. Level of Balances required for General Fund

4.8.1 The September 2026 MTFS assumed that the minimum level of balances required would be £3.92Million for 2027/28, this will be updated as part of the draft budget report based on the usual risk assessment of balances.

4.8.2 The General Fund reserves projected for 2027/28 are above that minimum level set out above and there is currently a £30Kdraw on General Fund balances in year.

4.9. Medium Term Financial Strategy General Fund Summary

4.9.1. The MTFS modelling has been updated to reflect the contents of this report which are subject to Members approval in the report and are:

- Growth of £296,683 as per paragraph 4.6.1 and detailed in Appendix B.
- Total 2027/28 Balancing the Budget options of £938,917 as set out in paragraph 4.7.4.
- The pressures set out in section 4.1.

General Fund balances £'000	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Opening Balance	(£7,572)	(£6,801)	(£6,770)	(£6,069)	(£5,332)	
In Year (surplus)/deficit	£771	£31	£702	£737	(£105)	£2,135
Closing Balance	(£6,801)	(£6,770)	(£6,069)	(£5,332)	(£5,437)	

4.9.2 There is a larger draw on balances in the current year due to carry forward budgets from 2026/27 (July 2026 outturn report) and the use of balances for the GSK taskforce (September 2026 report). Between 2026/27 and 2030/31

there is a net £2.1Million use of balances driven to a large degree by the projected cost of LGR.

4.9.3 There a significant number of risks to the General Fund budget which include:

- Higher inflation as a result of prolonged international conflicts particularly around utilities and fuel.
- Higher inflation leading to a further cost of living crisis and impact on debt and support required for residents.
- The timing of LGR and the level of revised funding required beyond 2027/28.
- The ability to fund capital investment which the latest modelling shows there are not sufficient funding for all schemes.
- Future funding settlements.
- Future need to support the Council's companies

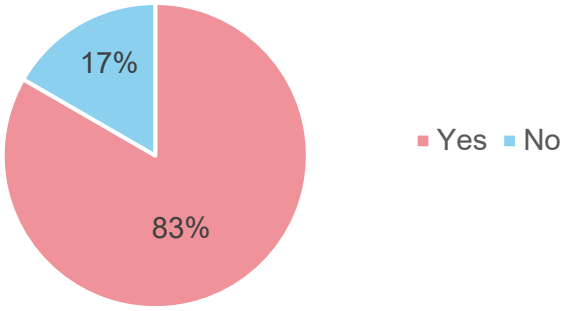
4.10 Approach to Consultation

4.10.1 The Council consulted on the 2025/26 budget via an on-line form on the SBC's website the responses were a small sample of 30 so not statistically sound. The growth for apprentices was supported and the graffiti growth was only narrowly not supported.

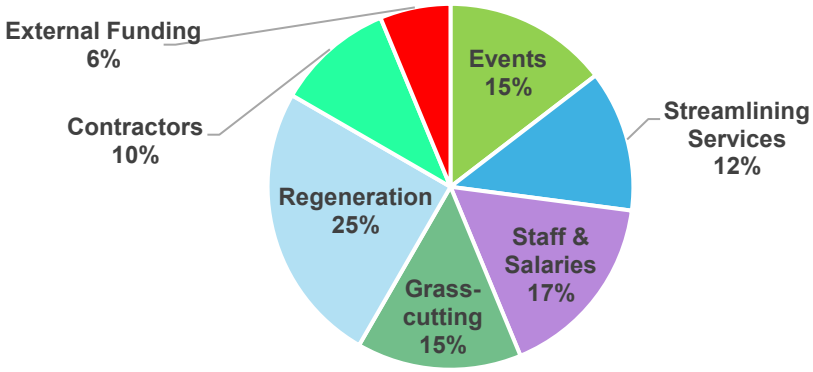
2025/26 Budget Feedback	Yes	No
Stevenage Resident	87%	13%
Stevenage business owner	3%	97%
Agree to increase council tax by 3%	63%	37%
Pay more council tax for more services	43%	57%
Support Apprentice growth	70%	30%
Support graffiti growth	47%	53%
Support savings delivered through more digital and on-line	67%	33%
savings delivered from more commercial income	40%	60%
Only cutting services if no other options available	67%	33%

4.10.2 Development of the Councils 2024/25 Corporate Plan included a period of public and stakeholder engagement and consultation to include ascertaining if:

- Agree that Balancing the Budget should be a priority so that the Council can remain financially resilient and continue to deliver key services as set out in the Corporate Plan?
- If no, is the alternative is to reduce services and provide less?
- If yes, what should the Council stop doing to generate £1.23Million savings?
- 83% of respondents to the consultation agreed that Balancing the Budget should be a priority:



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



- The Transforming Our Town programme will attract new businesses to the area which would increase business rate revenue and car parking income (25%). – *The Council has opened a new Multi Storey car park and is working with partners to bring new business into the town, also improving the business rates collected and retained by the Council*.
- Reduce Staff and Councillor salaries (17%). – *The Council's Member allowances are reviewed and agreed by an Independent Remuneration Panel and staff pay is governed by the collective pay agreements as agreed with the unions.*
- The Council should consider selective grass-cutting allowing green spaces to grow wilder (within safe reasons) and reduce maintenance costs for

grass cutting etc. (15%) – *The Council has already implemented this as a measure with an associated cost reduction*.

- Streamlining services (12%) – *The Council has a business change programme which is targeted at streamlining processes and reducing costs*.
- Reduce use of Contractors (10%) – *The Council has a Commercial and Insourcing Strategy which includes reviewing contracts to see if they can be brought back in-house where deemed viable to do so at the point of re-tendering*.
- Reducing or cancelling events such as the November Fireworks Display, or those held on the Event Island and the Stevenage Museum. (15%) – *the Council has been looking at how it manages and delivers future event activity with a view to driving out efficiencies where possible.*
- Seeking external funding to plug the financial gap (6%). *The Council has actively sought external funding and has received circa £80Million of revenue and capital funding over the last few years.*

Resident Survey (2025)

4.10.4 The 2025/26 Residents survey (on this Cabinet agenda) shows that resident's preferences with regards to achieving budget savings are firstly to reduce costs through the provision of more online services. This was ranked the highest (out of five options in 2025, 2021 and 2017) with 46%. This first-rate ranking has increased from 2021 and supports the Digital Strategy (approved at the December Cabinet) as a method to reduce costs and improve efficiency / productivity.

Please tell us your order of preference for each of the following options by ordering them 1 to 5	**2025 rank**	**2021 rank**	**1st**
Reduce time and money spent on paperwork by interacting with more residents and customers online/modenising services	1	1	46%
Make money by selling more of our services to residents and customers	2	4	9%
Increase income from fees and chargeable services, to keep the council's element of Council Tax as low as possible	3	2	24%
Spend less by reducing or cutting the services that you tell us are not a priority	4	3	10%
Increase our element of Council Tax (for example from 51p per day to 55p per day)	5	5	7%

4.10.5 The 2025 residents' survey asked residents whether the council tax represented value for money. While strongly disagree has decreased (from 15% to 12%), overall 44% (was 52% in 2021) of residents agree it represents value for money, with an increase in the number neither agreeing or disagreeing. It should be noted that Stevenage's performance remains above the LGA benchmark (2024) of 36%. Stevenage Borough Council is also the billing authority but only accounts for 10.8% of the overall council tax. The 2025 data and prior year comparators are shown in the chart below.

	Responses	2025	2021	2017	2015	2011
To what extent do you agree or disagree that the Council Tax paid to Stevenage Borough Council provides good value for money?	Strongly agree	5%	16%	10%	7%	6%
	Tend to agree	39%	36%	36%	39%	40%
	Neither	28%	18%	30%	30%	33%
	Tend to disagree	13%	10%	17%	18%	16%
	Strongly disagree	12%	15%	7%	6%	5%
	Don't know (DNRO)	4%	4%			
	Summary: Agree	**44%**	**52%**	**46%**	**46%**	**46%**
	Summary: Disagree	**12%**	**26%**	**24%**	**24%**	**21%**

5. IMPLICATIONS

5.1. Financial Implications

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

5.2. Legal Implications

5.2.1. The Council is required to set a balanced budget each year. The Local Government Finance Act 1992 requires the Council to estimate revenue expenditure and income for the forthcoming year from all sources, together with contributions from reserves, in order to determine a net budget requirement to be met by government grant and council tax.

5.3. Policy Implications

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

5.4. Staffing and Accommodation Implication

5.4.1. There are no changes to staffing budgets in the 2026/27 BTB options.

5.4.2. There is also proposed growth relating to staffing as set out in Appendix B.

5.5. Equal Opportunities Implications

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

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

5.5.2. These duties are non-delegable and must be considered by Council when setting the Budget in February 2027. An EQIA for the budget savings and growth has been included in Appendix C.

5.6. Risk Implications

5.6.1. There are risk implications to setting a prudent General Fund budget if the Balancing the Budget options identified in the report are not achieved and crucially if future options are not found to meet the targets outlined in the report.

5.6.2. There are a number of risks that have been identified and these are set out in the report.

5.7. Climate Change Implications

5.7.1. The Council declared a climate change emergency at the June 2019 Council meeting with a resolution to work towards a target of achieving net zero emissions by 2030. The Transformation programme and the digital on-line agenda will contribute to reducing the Councils carbon footprint.

5.8 Local Government Reorganisation

5.8.1 The future timing of LGR in Hertfordshire is now projected to be 1 April 2029 and funding has been set aside for that purpose.

5.8.2 When LGR proceeds a Section 24 (of the Local Government and Public Involvement in Health Act 2007) provides the Secretary of State with powers to control financial decisions made by local authorities that are due to be abolished or reorganised under a structural changes order. Under this provision, the Secretary of State may issue a direction that prevents a relevant authority from spending over financial thresholds.

5.8.3 The direction can specify that the consent must be obtained from the Secretary of State or a designated person of an authority (e.g. a shadow executive). The timing of the direction will be determined by the Secretary of State.

BACKGROUND DOCUMENTS

BD1 General Fund Medium Term Financial Strategy (2026/27-2030/31)

APPENDICES

Appendix A Balancing the Budget options

Appendix B Growth Options

Appendix C EQIA

STEVENAGE BOROUGH COUNCIL
BALANCING THE BUDGET 2027/28 - GROWTH

APPENDIX B

Ref No	Name of Service	Description of Growth Proposal	Budget 2026/27	Impact of Growth Proposal on Public/ Customers/ Staff/ Members/Partnerships etc. (include any impact on key corporate programmes/performance indicator measures) .	GF Year 1 (2027/28)	GF Year 2 (2028/29)	GF Year 3 (2029/30)	HRA Year 1 (2027/28)	HRA Year 2 (2028/29)	HRA Year 3 (2029/30)
2027/GF/G1	Emergency Planning	To provide additional emergency planning and resilience capacity to support organisational preparedness and business continuity. Shared between the GF and HRA.		This proposal will strengthen emergency preparedness, business continuity and organisational resilience, while reducing pressure on existing resources and supporting partnership working. The Council commisioned a report on strenthening reslience and there is an action plan to deliver.	£44,200	£44,200	£44,200	£23,800	£23,800	£23,800
2027/GF/G2	Business Change	To expand the use of DocuSign across key Council services, supporting secure digital document signing. Shared between the GF and HRA.		This proposal will improve customer access, reduce administrative effort and support more efficient digital processes across the Council.	£15,000	£15,000	£15,000	£10,000	£10,000	£10,000
2027/GF/G3	Business Change	To introduce DocuSign Sealing for eligible services, supporting the secure use of digital seals. Shared between the GF and HRA.		This proposal will modernise document sealing processes, improve efficiency and support the Council's wider digital transformation objectives.	£1,560	£1,560	£1,560	£1,560	£1,560	£1,560
2027/GF/G4	Environmental Operations	To provide additional resources to support the delivery of tree and woodland inspections across the Council's estate. Shared between the GF and HRA.		This proposal will strengthen public safety, improve risk management and support the sustainable management of the Council's tree and woodland assets.	£36,803	£36,803	£36,803	£9,767	£9,767	£9,767
2027/GF/G6	Planning Service	To provide permanent additional senior capacity across Planning Services to support development management, enforcement and planning policy functions		This proposal will strengthen service resilience, support the timely delivery of planning services and enhance capacity to deliver regeneration, housing and strategic planning priorities, including Local Government Reorganisation (LGR).	£31,000	£31,000	£31,000	£0	£0	£0
2027/GF/G7	Environmental Operations	To provide additional funding for priority woodland maintenance works identified through woodland inspections.		This proposal will improve public safety, reduce risk and support the sustainable management of the Council's woodland assets by addressing priority maintenance works and establishing a long-term woodland management programme.	£70,000	£70,000	£70,000	£0	£0	£0
2027/GF/G8	Environmental Operations	To provide additional digital support capacity to manage and develop Environmental Operations systems and digital services. (2 year post)		This proposal will strengthen service resilience by supporting the digital systems used to manage key frontline services, including waste and recycling, grounds maintenance, fleet operations, cemeteries and allotments. It will improve system performance and data quality, reduce reliance on a single officer and support the efficient delivery of services to residents.	£43,510	£43,510	£0	£0	£0	£0
2027/GF/G9	Environmental Operations	To provide additional environmental enforcement capacity and funding to tackle fly-tipping and environmental crime.		This proposal will strengthen enforcement activity, improve response times and support cleaner, safer neighbourhoods. It will help tackle fly-tipping and environmental crime, enhance visibility and deterrence, and support delivery of actions arising from the Select Committee review.	£54,610	£54,610	£54,610	£0	£0	£0
TOTAL GF GROWTH			**£0**		**£296,683**	**£296,683**	**£253,173**	**£45,127**	**£45,127**	**£45,127**

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STEVENAGE BOROUGH COUNCIL
BALANCING THE BUDGET 2027/28 - GROWTH

APPENDIX B

Ref No	Name of Service	Description of Growth Proposal	Budget 2026/27	Impact of Growth Proposal on Public/ Customers/ Staff/ Members/Partnerships etc. (include any impact on key corporate programmes/performance indicator measures) .	GF Year 1 (2027/28)	GF Year 2 (2028/29)	GF Year 3 (2029/30)	HRA Year 1 (2027/28)	HRA Year 2 (2028/29)	HRA Year 3 (2029/30)
2027/GF/G1	Emergency Planning	To provide additional emergency planning and resilience capacity to support organisational preparedness and business continuity. Shared between the GF and HRA.		This proposal will strengthen emergency preparedness, business continuity and organisational resilience, while reducing pressure on existing resources and supporting partnership working. The Council commisioned a report on strenthening reslience and there is an action plan to deliver.	£44,200	£44,200	£44,200	£23,800	£23,800	£23,800
2027/GF/G2	Business Change	To expand the use of DocuSign across key Council services, supporting secure digital document signing. Shared between the GF and HRA.		This proposal will improve customer access, reduce administrative effort and support more efficient digital processes across the Council.	£15,000	£15,000	£15,000	£10,000	£10,000	£10,000
2027/GF/G3	Business Change	To introduce DocuSign Sealing for eligible services, supporting the secure use of digital seals. Shared between the GF and HRA.		This proposal will modernise document sealing processes, improve efficiency and support the Council's wider digital transformation objectives.	£1,560	£1,560	£1,560	£1,560	£1,560	£1,560
2027/GF/G4	Environmental Operations	To provide additional resources to support the delivery of tree and woodland inspections across the Council's estate. Shared between the GF and HRA.		This proposal will strengthen public safety, improve risk management and support the sustainable management of the Council's tree and woodland assets.	£36,803	£36,803	£36,803	£9,767	£9,767	£9,767
2027/GF/G6	Planning Service	To provide permanent additional senior capacity across Planning Services to support development management, enforcement and planning policy functions		This proposal will strengthen service resilience, support the timely delivery of planning services and enhance capacity to deliver regeneration, housing and strategic planning priorities, including Local Government Reorganisation (LGR).	£31,000	£31,000	£31,000	£0	£0	£0
2027/GF/G7	Environmental Operations	To provide additional funding for priority woodland maintenance works identified through woodland inspections.		This proposal will improve public safety, reduce risk and support the sustainable management of the Council's woodland assets by addressing priority maintenance works and establishing a long-term woodland management programme.	£70,000	£70,000	£70,000	£0	£0	£0
2027/GF/G8	Environmental Operations	To provide additional digital support capacity to manage and develop Environmental Operations systems and digital services. (2 year post)		This proposal will strengthen service resilience by supporting the digital systems used to manage key frontline services, including waste and recycling, grounds maintenance, fleet operations, cemeteries and allotments. It will improve system performance and data quality, reduce reliance on a single officer and support the efficient delivery of services to residents.	£43,510	£43,510	£0	£0	£0	£0
2027/GF/G9	Environmental Operations	To provide additional environmental enforcement capacity and funding to tackle fly-tipping and environmental crime.		This proposal will strengthen enforcement activity, improve response times and support cleaner, safer neighbourhoods. It will help tackle fly-tipping and environmental crime, enhance visibility and deterrence, and support delivery of actions arising from the Select Committee review.	£54,610	£54,610	£54,610	£0	£0	£0
TOTAL GF GROWTH			**£0**		**£296,683**	**£296,683**	**£253,173**	**£45,127**	**£45,127**	**£45,127**

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BALANCING THE BUDGET (BTB) 2027/28 APPENDIX C

Overall Equality Impact Assessment (EqIA) of General Fund Growth & Savings Proposals

1. Equality at Stevenage Borough Council

1.1 Stevenage Borough Council is committed to promoting equality, diversity and inclusion across its services, workforce and local community. To demonstrate its commitment to the identification and mitigation of discrimination and inequality, the Council will complete and publish Equality Impact Assessments (EqIA) when there is a new or revised policy, procedure, function, or where there is a withdrawal of service. For more information about the Council's commitment to advancing equalities please refer to the Equality, Diversity & Inclusion Policy (2022-26).

1.2 We want to deliver services that are fair, accessible and open to everyone who needs them. Equality Impact Assessments (EqIAs) are an important part of the process in ensuring that our intention is translated into action. They help to ensure that decisions are made in a fair, transparent and accountable way, considering the needs and the rights of different people in the community.

1.3 Based on the protected characteristics under the Equality Act 2010, the Equality Impact Assessment considers the impact on the following groups when making decisions, updating policies and starting new projects:

- Age
- Disability
- Gender reassignment
- Marital status
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

1.4 Although non-statutory, the Council has chosen to adopt the Socio-Economic Duty and Care Experience. Council's elected members and officers are required to consider the impact of their decisions on people who are less fortunate because of their social/economic background.

1.5 EqIAs also help the Council to demonstrate compliance with the requirements of the Public Sector Equality Duty (Section 149 of the Equality Act 2010). The Duty states that a public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is unlawful under this Act
- advance equality of opportunity between people who share a protected characteristic and those who do not
- foster good relations between people who share a protected characteristic and those who do not

2. Balancing the Budget Proposals 2027/28

2.1 Prior to their consideration at Cabinet in November 2026, all savings and growth proposals were reviewed to determine any potential impact on Stevenage residents in terms of their protected characteristics under the Equality Act 2010. Some of these have no direct public impact and so have not been subject to any further EqIA.

2.2 Where a new change in policy, procedure, function, service or withdrawal of service is proposed, Assistant Directors and other appropriate managers have drafted EqIAs.

2.3 This year there are three new proposals for General Fund Savings that may potentially have a positive, negative or disproportionate impact. These are:

1) Remove the BCIS (Building Cost Information Service) subscription following a review of software and licence usage, ensuring costs are aligned to current service needs and eliminating unnecessary expenditure.
2) Cease the use of the recorded messaging and IVR support service (PremierCX), reducing costs by making greater use of in-house expertise, existing technology and AI-enabled solutions.
3) Achieve savings through the procurement of a lower-cost printing arrangement for the Chronicle residents' magazine, maintaining the current publication format and distribution while reducing production costs.

2.4 Further, there are also eight General Fund Growth Proposals that may potentially have a positive, negative or disproportionate impact. These are:

4) To provide additional emergency planning and resilience capacity to support organisational preparedness and business continuity. Shared between the GF and HRA.
5) To expand the use of DocuSign across key Council services, supporting secure digital document signing. Shared between the GF and HRA.
6) To introduce DocuSign Sealing for eligible services, supporting the secure use of digital seals. Shared between the GF and HRA.
7) To provide additional resources to support the delivery of tree and woodland inspections across the Council's estate. Shared between the GF and HRA.
8) To provide permanent additional senior capacity across Planning Services to support development management, enforcement and planning policy functions
9) To provide additional funding for priority woodland maintenance works identified through woodland inspections.
10) To provide additional digital support capacity to manage and develop Environmental Operations systems and digital services.
11) To provide additional environmental enforcement capacity and funding to tackle fly-tipping and environmental crime.

2.5 The potential impact of these proposals is summarised over the following pages and will inform the recommendations made at Cabinet on 24th February 2027. Action to further analyse or mitigate the impact on people with particular protected characteristics is identified where appropriate.

2.6 It should be noted that EqIA's are working documents and new equality impacts may be identified throughout the planning and implementation stages of the revised policy, procedure, function, service. To ensure that these changes are captured, EqIAs will be updated, and appropriate mitigations considered accordingly.

2.7 The following activity in relation to the 2027/28 Budget has or will occur as follows:

- 8th October 2026 - Fees & charges reviewed at Cabinet, alongside a series of dedicated EqIAs.
- 24th February 2027 - Consideration of this document at Cabinet meeting, alongside the budget proposals.
- Ongoing review and update of EQIA's and impact as proposals are further developed and implemented throughout 2026/27, including consultation and engagement as appropriate.

3. Summary of Potential Impacts Identified as a Result of Budget Proposals

#	*Element*	*Responsible Officer*
	GENERAL FUND SAVINGS PROPOSALS	
1	Remove the BCIS (Building Cost Information Service) subscription following a review of software and licence usage, ensuring costs are aligned to current service needs and eliminating unnecessary expenditure.	Director - Estates (MC)
2	Cease the use of the recorded messaging and IVR support service (PremierCX), reducing costs by making greater use of in-house expertise, existing technology and AI-enabled solutions.	Director – Business Change & Digital (NC)
3	Achieve savings through the procurement of a lower-cost printing arrangement for the Chronicle residents' magazine, maintaining the current publication format and distribution while reducing production costs.	Head of Communications (SE)
	GENERAL FUND GROWTH PROPOSALS	
4	To provide additional emergency planning and resilience capacity to support organisational preparedness and business continuity. Shared between the GF and HRA.	Head of HR & OD (KF & CD)
5	To expand the use of DocuSign across key Council services, supporting secure digital document signing. Shared between the GF and HRA.	Director – Business Change & Digital (NC)
6	To introduce DocuSign Sealing for eligible services, supporting the secure use of digital seals. Shared between the GF and HRA.	Director – Business Change & Digital (NC)
7	To provide additional resources to support the delivery of tree and woodland inspections across the Council's estate. Shared between the GF and HRA.	Director – Environment & Leisure (SD)
8	To provide permanent additional senior capacity across Planning Services to support development management, enforcement and planning policy functions	Director – Planning & Regulation (AR)
9	To provide additional funding for priority woodland maintenance works identified through woodland inspections.	Director – Environment & Leisure (SD)
10	To provide additional digital support capacity to manage and develop Environmental Operations systems and digital services.	Director – Environment & Leisure (SD)
11	To provide additional environmental enforcement capacity and funding to tackle fly-tipping and environmental crime.	Director – Environment & Leisure (SD)

4. Equality Impact Assessment

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
All	Stevenage has seen its population grow by 3% from 89,500 in 2021 to 92,100 according to mid-2025 estimates.	1. No impact on residents, customers or service delivery is anticipated. The subscription was not in active use, and the proposal improves value for money through more efficient management of software licences and subscriptions. 2. No significant impact on customers or service delivery is anticipated. Recorded messages and telephone menu options will continue to be maintained through existing resources, while the proposal reduces ongoing costs and reflects the service's increased self-sufficiency. 3. No impact on resident communications or service delivery is anticipated. The Chronicle will continue to be produced and distributed as at present, with the savings achieved through improved procurement and contract management, delivering better value for money. 4. This proposal will strengthen emergency preparedness, business continuity and organisational resilience, while reducing pressure on existing resources and supporting partnership working. 5. This proposal will improve customer access, reduce administrative effort and support more efficient digital processes across the Council. 6. This proposal will modernise document sealing processes, improve efficiency and support the Council's wider digital transformation objectives. 7. This proposal will strengthen public safety, improve risk management and support the sustainable management of the Council's tree and woodland assets.	N/A

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
		8. This proposal will strengthen service resilience, support the timely delivery of planning services and enhance capacity to deliver regeneration, housing and strategic planning priorities, including Local Government Reorganisation (LGR). 9. This proposal will improve public safety, reduce risk and support the sustainable management of the Council's woodland assets by addressing priority maintenance works and establishing a long-term woodland management programme. 10. This proposal will strengthen service resilience by supporting the digital systems used to manage key frontline services, including waste and recycling, grounds maintenance, fleet operations, cemeteries and allotments. It will improve system performance and data quality, reduce reliance on a single officer and support the efficient delivery of services to residents. 11. This proposal will strengthen enforcement activity, improve response times and support cleaner, safer neighbourhoods. It will help tackle fly-tipping and environmental crime, enhance visibility and deterrence, and support delivery of actions arising from the Select Committee review.	
Age	15.9% of Stevenage residents were over 65, compared to significantly higher rates in Hertfordshire (17.9%) and England (19.3%). Further, Stevenage's population of 92,081 usual residents was made up of 18,347 people aged 0 to 15 years (19.9%); 59,091 people aged 16 to 64 years (64.2%);	5., 6. & 10. The expanded use of DocuSign and other digital services across key Council services may impact elderly residents who are not as technologically proficient as younger generations.	5., 6. & 10. The Customer Service Centre offers support to all residents who need it, and regularly assists residents with accessing and utilising digital services the Council provide. This offer will only expand as more services become digitised.

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
	The Office for National Statistics (ONS) report that those in their 40s receive the highest median full-time weekly pay and lowest for younger workers aged 16-17 and 18-21. Average earnings by age and region - House of Commons Library		
Disability	According to the 2021 Census, 17.3% of Stevenage residents had a disability covered under the Equality Act that limited their day-to-day activities, compared to 14.4% in Hertfordshire and 17.3% in England.	No differential impacts directly related to people having this characteristic have been identified as a result of these proposals.	
Gender reassignment	0.4% of residents have a different gender identity to the sex registered at birth, compared to 0.41% in Hertfordshire and 0.44% in England	No differential impacts directly related to people having this characteristic have been identified as a result of these proposals.	
Marital status	The majority of Stevenage residents (43.9%) were married or in a registered civil partnership. In comparison, 48.4% of residents are married or in a registered civil partnership in Hertfordshire and 44.7% in England.	No differential impacts directly related to people having this characteristic have been identified as a result of these proposals.	
Pregnancy and maternity	The birth rate in Stevenage in 2024 sat at 12.2 live births per 1,000 people, which is higher than 10.9 in Hertfordshire and 10.5 in England.	No differential impacts directly related to people having this characteristic have been identified as a result of these proposals.	
Race	24.7% of Stevenage residents were from an ethnic minority (non-White British) in 2021, compared to 16.9% in the 2011 Census. In comparison,	No differential impacts directly related to people having this characteristic have been identified as a result of these proposals.	

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
	28.2% of residents in Hertfordshire and 26.5% in England overall are from an ethnic minority group.		
Religion or belief	44.9% of Stevenage residents identify with no specified religion, which is significantly higher than Hertfordshire and England levels (36.6% and 33.7%).	No differential impacts directly related to people having this characteristic have been identified as a result of these proposals.	
Sex	50.4% of Stevenage residents were female and 49.6% were male in mid-2025 ONS estimates. In April 2025, the UK's gender pay gap stood at 6.8%, down from 7.2% in April 2025.	No differential impacts directly related to people having this characteristic have been identified as a result of these proposals.	
Sexual Orientation	2.7% of residents identify with LGBTQ+ sexual orientations, which is higher than Hertfordshire's average of 2.3% but lower than the national average of 3.17% in England.	No differential impacts directly related to people having this characteristic have been identified as a result of these proposals.	
Socio-economic	According to the 2025 English Index of Multiple Deprivation, Stevenage continues to be the most deprived authority in Hertfordshire. Of this, Bedwell is the most deprived ward in Town. In May 2026, 9,733 households were in receipt of Universal Credit in	No differential impacts directly related to people having this characteristic have been identified as a result of these proposals.	Fee increases and charges are reviewed annually by the Council to ensure that the cost of providing the service is met. To help mitigate the increase in Planning Fees, the Council does offer a free enquiry

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
	Stevenage, a 8.25% increase from 8,991 households in May 2025. In July 2026, there were 5,945 Personal Independent Payment (PIP) claimants in Stevenage, which is a 7.9% increase from 5,505 in July 2025. In July 2026, there were 3,445 Council Tax Support (CTS) recipients who were of working age. This represents a 4.9% increase on 2025.		service to ensure a person is provided the advice they need prior to making an application. To help mitigate any negative impacts on residents the Council is able to offer concessions to those who are eligible. Eligibility is dependent on the service but typically will include residents in receipt of a means tested benefit. Please see the Council's Concessionary Policy for further information on the Council's approach to setting concessions. To help mitigate any negative impacts on residents the Council will continue to offer financial assistance through multiple support schemes and activities, including both DHP and the Council tax hardship fund.

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Part 1

Agenda item:

Meeting CABINET

Portfolio Area RESOURCES and PERFORMANCE

Date 19 November 2026



BALANCING THE BUDGET 2027/28 - HOUSING REVENUE ACCOUNT

KEY DECISION

Authors Keith Reynoldson/ Clare Fletcher

Contributor Senior Leadership Team

Lead Officers Clare Fletcher

Contact Officer Clare Fletcher

1. PURPOSE

1.1 To update Members on the Balancing the Budget priorities and the options from 2027/28 onwards that meet the required financial projections for the Housing Revenue Account (HRA).

1.2 To propose a range of HRA Balancing the Budget options (in addition to those identified in the Quarter one Monitoring report to the September Cabinet and included in the HRA Medium Term Financial Strategy (MTFS)), to be incorporated in the 2027/28 Revenue Budget Process.

1.3 To update Members on the HRA reserves, as a result of the Balancing the Budget options, and growth and service pressures for 2027/28 onwards.

2. RECOMMENDATIONS

2.1 The Balancing the Budget options, as set out in the report and Appendix A, totalling £1.204 Million (savings) for the HRA 2027/28, be approved and incorporated into the Council's budget setting processes.

2.2 Members note the need for further savings as set out in section 4.5.

2.3 The revised HRA MTFS financial summary, as shown in section 4.8 to this report be noted.

2.4 That the Council's recognised unions be consulted regarding the proposed budget package.

2.5 That key partners and other stakeholders be consulted, and their views considered as part of the 2027/28 budget setting process.

2.6 That Members note HRA Balancing the Budget savings options as set out in Appendix A and the overarching Equalities Impact Assessment at Appendix B.

3. BACKGROUND

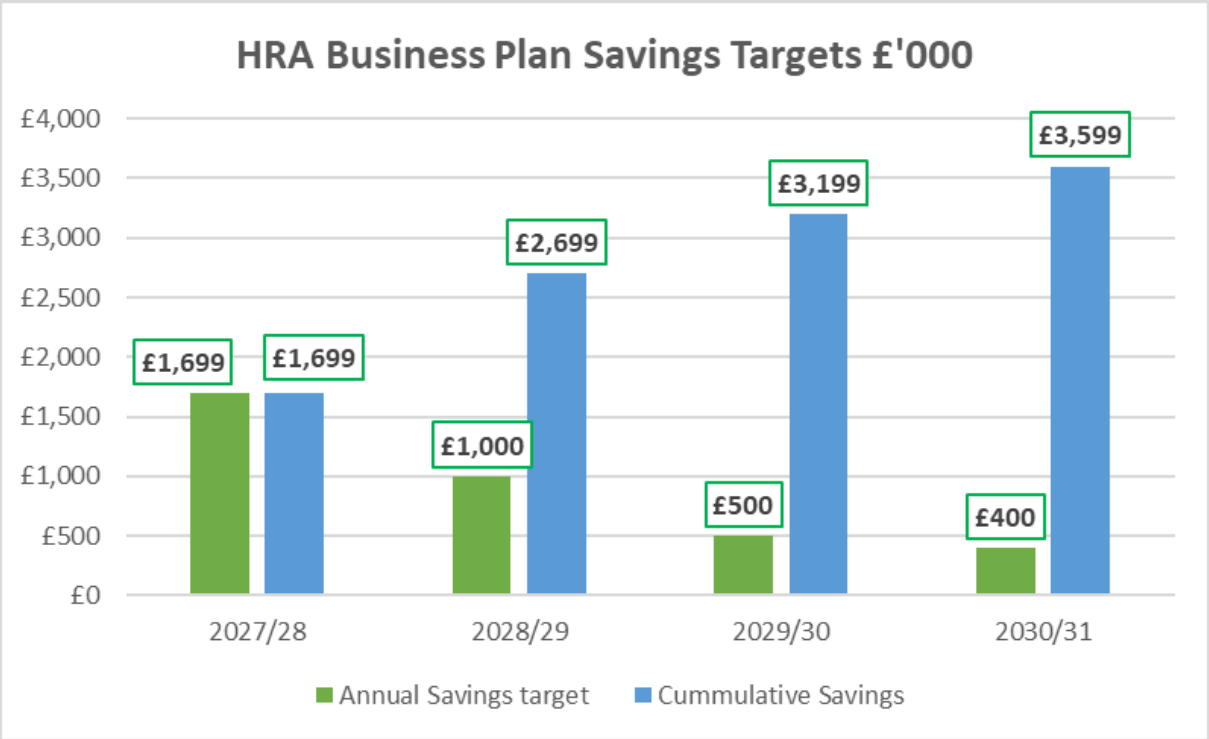
3.1. This report follows on from the HRA Medium-Term Financial Strategy (MTFS) approved at the September 2026 Cabinet. This set out the Council's assumptions about inflation, pressures and the annual funding gap and saving options that ensure the HRA remains financially resilient.

3.2 The HRA continues to operate within an increasingly challenging legislative, regulatory and financial environment, which has added significant financial pressures to the fund. These pressures have arisen from regulation, and other environment impacts such as:

- Implementation of Awaab's Law that enforces new health and safety standards for repairs in social housing.
- Reforms to the Housing Health and Safety Rating System (HHSRS), all of which place greater emphasis on the quality, safety and condition of tenants' homes.
- Significant long-term investment requirements across the housing stock relating to building safety and the future investment needs of the Council's five high-rise residential blocks. A report containing the financial impact of this work is on the same Cabinet agenda as this report.
- Higher construction and build costs, as a result of international conflicts.
- Higher borrowing costs from the Public Works Loans Board (PWLB) linked to the Government's cost of borrowing, which has seen interest rates increase from the self-financing average percentage of 3.42% to over 5% in 2026 (including a 60bsp preferential discounted housing rate).

3.3 The pressures above have resulted in a significantly higher level of savings being required for the HRA of £1.699 Million for next year, as identified in the HRA MTFS to the September 2026 Cabinet. The Council will therefore need to

carefully consider future investment options and priorities to ensure compliance with evolving building safety legislation, whilst maintaining the long-term sustainability of the HRA.



3.4 Some of the required 2027/28 savings to meet the Balancing the Budget target have already been identified and approved by Members, detailed in the table below.

HRA Savings £'000	Report	2026/27	2027/28	Total
Disrepair Claim Work	Qtr. one	£150,000	£150,000	£300,000
Decent Homes 2 revenue costs	Qtr. 1/MTFS	£279,000	£799,000	£1,078,000
Renegotiation of Citizens Advice contract	Qtr. one	£9,950	£9,950	£19,900
Charge for Housing Development time on General Fund disposals	Qtr. one	£20,330	£20,330	£40,660
Increase in Procurement income from shared service (HRA share)	Qtr. one	£5,400	£5,400	£10,800
Fees and Charges	Oct 2026 Cabinet report		£11,860	£11,860
Total		**£464,680**	**£996,540**	**£1,461,220**

3.5 The budget setting timetable dictates that 2027/28 pressures and savings are approved by Members at this stage ahead of the budget setting process, as it is the Chief Finance Officer's view that unidentified budget targets should not be

included in the 2027/28 budget. This is important, as it allows Members to compare the relative priority of all options for approval.

3.6 The budget setting timetable is set out below.

Date	Meeting	Report
Nov-26	Cabinet	Balancing the Budget Report with the savings proposals for the General Fund and HRA
	Overview and Scrutiny	Balancing the Budget Report with the savings proposals for the General Fund and HRA
Dec-26	Cabinet	Draft 2027/28 HRA budget and rent setting report
	Overview and Scrutiny	Draft 2027/28 HRA budget and rent setting report
Jan-27	Cabinet	Final 2027/28 HRA budget and rent setting report
	Overview and Scrutiny	Final 2027/28 HRA budget and rent setting report
	Council	Final 2027/28 HRA budget and rent setting report

4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1. The Requirement to make Budget Savings

4.1.1. The requirement to make significant HRA savings, which is set out in paragraph 3.3, is further compounded by the need to fund the cost of remedial works to the Council's five high rise blocks (as set out in a separate report on this Cabinet agenda). Savings are also required to meet inflation and other cost pressures. A summary of inflation now projected in the MTFS is detailed below and remains unchanged in the projections from the September report to Cabinet, with further details regarding utility inflation included in paragraph 4.1.3.

Inflation	2027/28	2028/29	2029/30	2030/31
Pay	£411,494	£369,435	£378,756	£387,818
Maintenance	£458,978	£501,655	£482,630	£496,400
Other Management Costs	£31,786	£45,772	£50,039	£55,954
Utility Costs	£148,398	£97,943	£103,819	£110,048
General Fund Recharges	£173,068	£159,655	£145,109	£148,011
Total	**£1,223,724**	**£1,174,460**	**£1,160,353**	**£1,198,231**

4.1.2. The 2027/28 inflation projections include an assumption of a 3% pay award, an increase of 0.25% would increase pay inflation by further £40K in 2027/28.

4.1.3. Since the MTFS was finalised, further October 2026 utility data on gas and electricity has indicated that costs could increase significantly for next year by circa £418K. If utility prices continue to be impacted by international events this could rise even further. The majority of gas and electricity costs are recharged to customers, both tenants & leaseholders, and so this would increase service charges for 2027/28. The draft HRA budget will include the latest known position and will likely increase the net budget for the irrecoverable part of these costs.

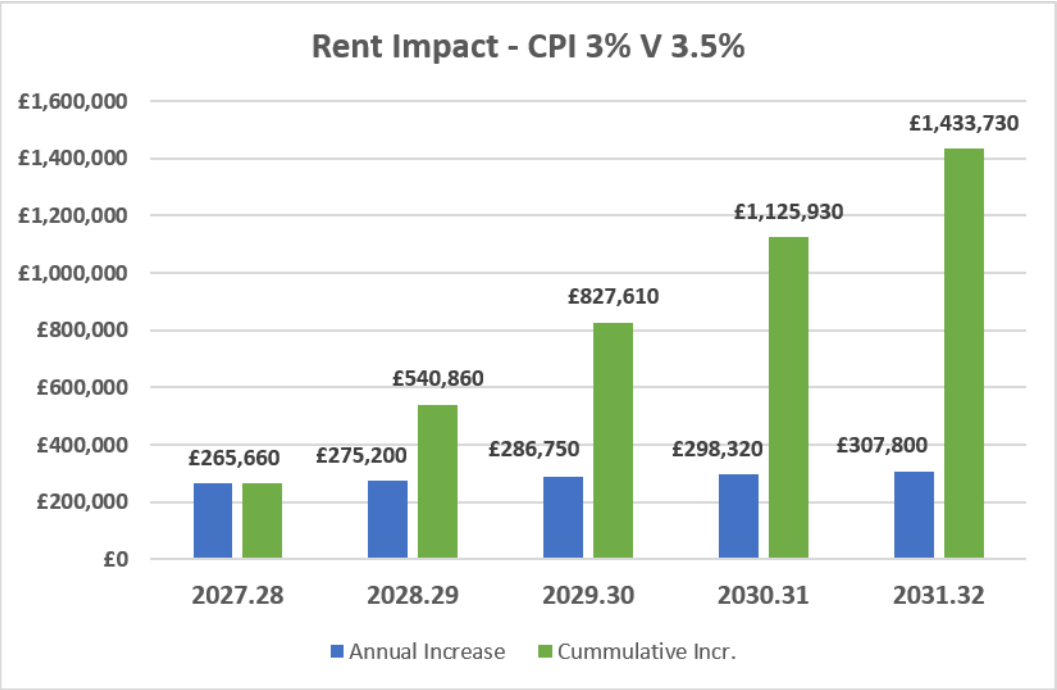
4.1.4. The HRA also has projected additional costs of £1.1 Million by 2029/30 which are summarised in the table below and are included in the updated MTFS balances, summarised in section 4.8. However, most of the additional costs (post the September MTFS) impact 2026/27 only and more information can be found in the 2nd quarterly monitoring report on this Cabinet agenda.

£'000	2026/27	2027/28	2028/29	2029/30	Total
Budget Increases reported Sept. MTFS	**£107**	**£579**	**£707**	**£807**	**£2,200**
Awaab's Law implementation	£100	£0	£0	£0	£100
Q2 other in-year Growth adj.	£748	£0	£0	£0	£748
Additional Loc. Gov. Reorg. cost	£50	(£50)	£0	£0	£0
NEC Officer Decision	£85	£0	£0	£0	£85
Additional Growth	£45	£45	£45	£45	£180
Total Budget increases post September	**£1,028**	**(£5)**	**£45**	**£45**	**£1,113**
Total Budget increases	**£1,135**	**£574**	**£752**	**£852**	**£3,313**

4.2. **Rents**

4.2.1 The MTFS report in September set out the national rent policy decisions made by the Government relating to the reintroduction of rent restructuring, starting with a maximum £1 convergence to the Government's national formula rents in 2027/28 and an assumption of 3% for the September 2026 Consumer Price Index (CPI) (the inflation level used in the rent formula to set social housing rent nationally for 2027/28). This would mean a projected rent increase of 4%, plus an additional £1 per week for properties not at the formula rent. The 2027/28 rent increase is slightly lower than the 2026/27 increase of 4.8%.

4.2.2 The September CPI inflation measure was half a percent higher than the 3% MTFS estimate for rents and the impact of this increase on rental income for the HRA is summarised in the graph below.



4.2.3 The impact of the 0.5% increase in rents for next year will result in an estimated £266K more income in 2027/28, rising to £307K by 2031/32. Over the next five years this will provide the HRA with an additional £1.4 Million of projected rental income. This will help increase the financial resilience of the HRA, meeting additional costs and unallocated savings targets that remain in the MTFS.

4.2.4 The 2027/28 Draft Budget will be reported to the December 2026 Cabinet and will include the proposed rents and service charges for next year. Based on the 2026/27 average rents, the projected weekly increase is shown in the table below. For social rent, the additional 0.5% increase would mean an extra 64p per week. Properties not at the formula rent calculation (see also paragraph 4.2.1), would also have an additional £1 per week added to their rent. It should be noted that rents, and some service charges, are eligible for housing benefit support, subject to individual tenant's financial circumstances.

Estimated 2027/28 rents	LSSO	Social	Affordable
Average rent 2026/27	£158.43	£128.72	£193.21
Estimated rent increase 4.5%	£7.13	£5.79	£8.69
Total average 52 week rent	£165.56	£134.51	£201.90

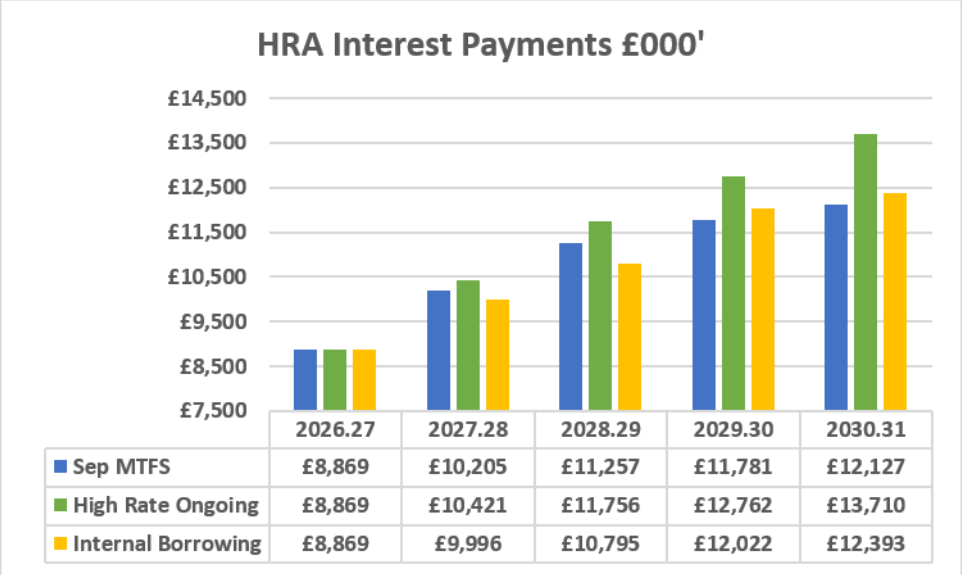
4.3. **Borrowing**

4.3.1 A number of changes were made to the projected capital programme included in the MTFS in September (and via the revenue and capital quarter one monitoring report). This included re-phasing of capital works in order to create headroom for the potential high rise building safety works that are included in a separate report to this Cabinet meeting (not yet included in the

MTFS projections in this report). The potential costs of these works will be included in the HRA Draft Budget report 2027/28 in December, based on the approved proposal.

4.3.2 The planned re-phasing was to reduce the overall amount of borrowing in the HRA in the short-term, resulting in lower interest before the impact of any required high rise works are taken into account.

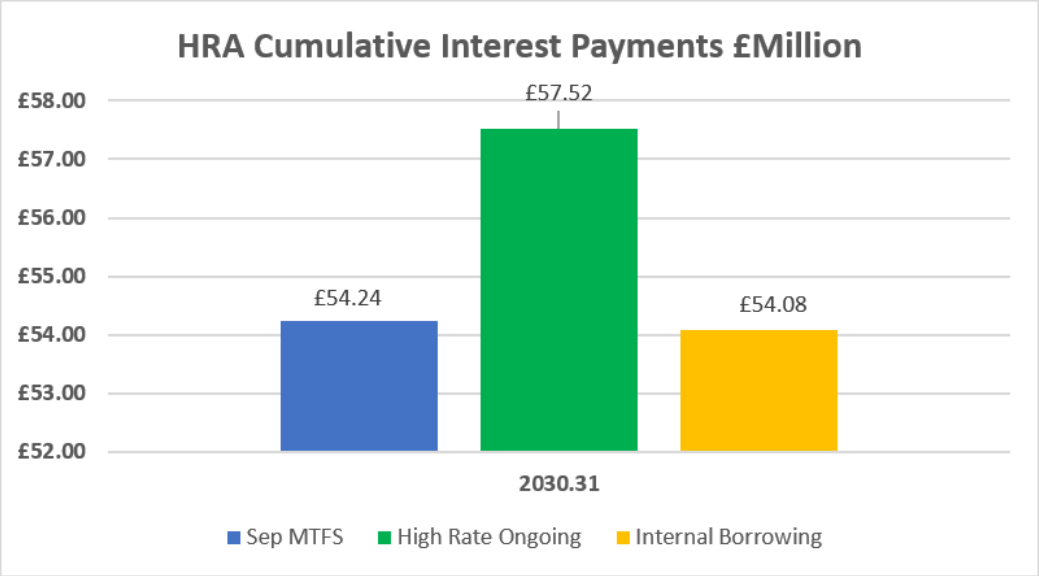
4.3.3 The September MTFS had assumed that borrowing rates would reduce and fall in line with the last business plan at 4.8%, falling to a longer-term average of 3.75% in the medium term. However, due to the ongoing conflict in the Middle East and high domestic inflation, UK borrowing rates have remained high, at over 5% for short term loans.



	2026.27	2027.28	2028.29	2029.30	2030.31
Sep MTFS	£8,869	£10,205	£11,257	£11,781	£12,127
High Rate Ongoing	£8,869	£10,421	£11,756	£12,762	£13,710
Internal Borrowing	£8,869	£9,996	£10,795	£12,022	£12,393

4.3.4 The graph above shows the impact of three different scenarios on interest payments in the HRA. The first scenario is from the September MTFS and broadly aligns with the last HRA Business Plan. The second projection shows the impact on financing costs if the current high rates of interest do not reduce in the medium term. This would lead to annual interest costs £1.6 Million higher than the September MTFS by 2030/31. The final scenario shows the use of internal borrowing, against balances, for £16 Million of required borrowing.

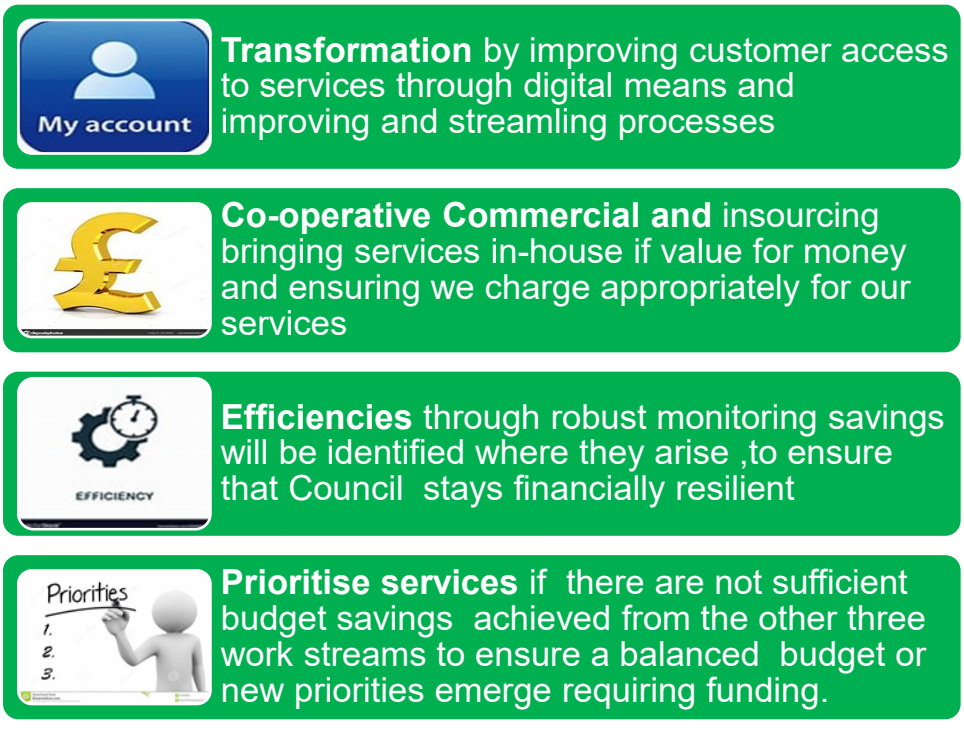
4.3.5 Of these three scenarios, in the current financial climate, the medium-term financing requirement has been reviewed on the assumption of the last option. This means £8 Million of internal borrowing in the current year and a further £8 Million in the following year, with the resulting £16 Million borrowing requirement refinanced through external debt in year three. In practice, this means that £16 Million of capital expenditure will initially be funded from available balances rather than through new external borrowing. This approach reduces exposure to current high borrowing costs, while retaining the flexibility to secure external debt later, when interest rates are expected to be lower.



4.3.6 Adopting a funding strategy that utilises some internal borrowing should slightly reduce total interest in the medium term by £163K, compared to the September MTFS. However, this is before any further capital investment required for the high-rise blocks is included. This funding strategy will need to be monitored closely and adapted, based on the ability to use internal borrowing and the prevailing interest rates.

4.4. The Balancing the Budget Target to Find

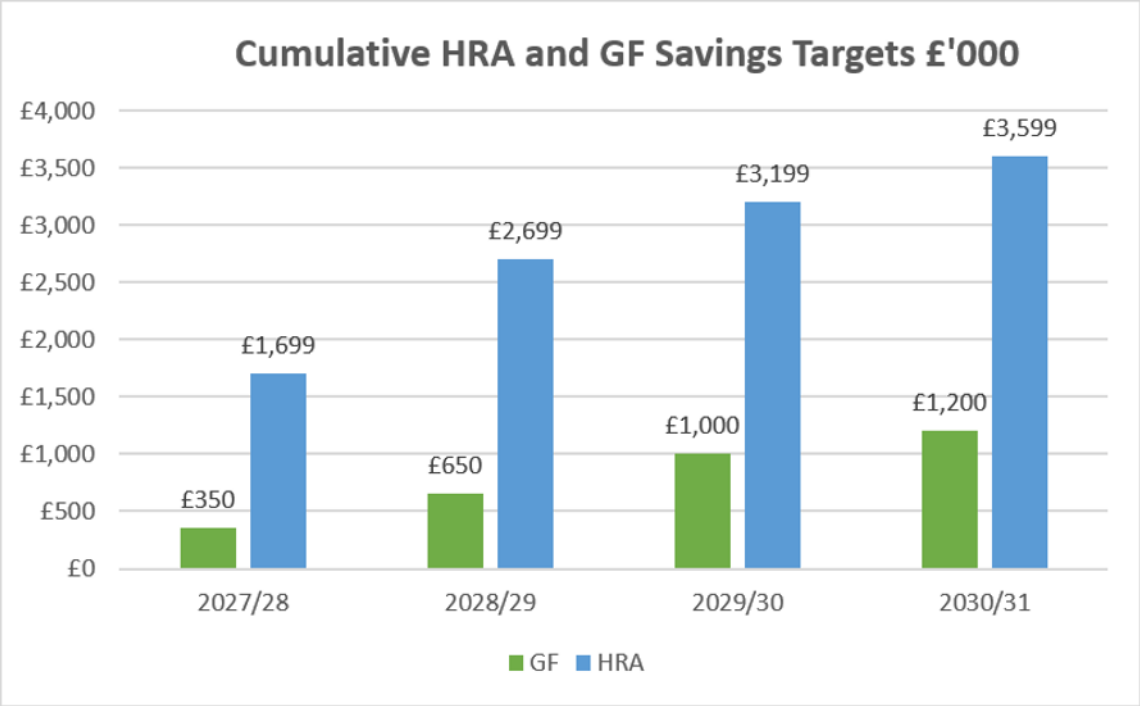
4.4.1. The graphic below summarises the Balancing the Budget (BTB) activity strands that the Council resources through the Business change team, Commercial Team and The Finance Team.



4.4.2. The BTB options are identified through a number of activities which are:

- Efficiency savings identified as part of budget monitoring
- Fees and Charges
- Co-operative Commercial and Insourcing activity
- Business Change activity including using digital solutions
- Star Chamber process
- Consultation with shared service partners

4.4.3. The MTFS (September 2026 Cabinet report) identified a four-year savings target of £3.599 Million (see also paragraph 3.3), significantly higher than the £1.2 Million required for the General Fund. The latter being diminished through the Fair Funding review and can be predominately achieved through annual Fees and Charges reviews. This is arguably harder for the HRA with rents set by regulation and costs such as interest on borrowing subject to the prevailing financial climate.



4.4.4. The graph above illustrates the cumulative impact of savings targets in the General Fund and the HRA, with the latter facing a significant net reduction in spending in order to keep the ring-fenced account in balance.

4.5. **Additional savings identified from 2027/28 Onwards**

4.5.1. The Senior Leadership Team ran a series of ‘Star Chamber’ meetings with Service Directors to identify ‘Balancing the Budget’ options for HRA sustainability and identified potential areas of efficiency savings, income generation and cost avoidance, whilst seeking to minimise any adverse impact on tenants and frontline service delivery. The proposals include service charge reviews, improvements in operational efficiency, and measures to reduce

future borrowing and financing costs. A summary of the proposals can be seen below, with further details provided in Appendix A:

Ref.	Proposed saving	Summary	Saving in 2027/28	Savings by 2029/30
S1	Oval development contribution	Secure a third-party contribution towards the proposed Oval development, reducing borrowing and associated financing costs without affecting service delivery.	£110,000	£110,000
S2	External grant funding for housing development	Maximise external grant funding for HRA development schemes, supporting affordable housing delivery while reducing the HRA's borrowing requirement.	£300,000	£400,000
S3	Repairs and Maintenance	Reduce expenditure on support contractors and improve operational efficiency, while continuing to meet statutory, regulatory and contractual requirements.	£271,000	£271,000
S4	Housing Asset Management	Remove one vacant Asset Management Officer post and absorb the responsibilities within the existing team. No adverse impact on residents or service delivery is anticipated.	£50,000	£50,000
S5	Temporary Accommodation	Standardise Temporary Accommodation charges for new placements using a Formula Rent approach, differentiated by property type and incorporating an allowance for void loss. This will not affect households currently in TA.	£70,400	£70,400
S6	Independent Living Service - cleaning vacant posts	Remove two vacant part-time cleaning posts, totalling 40 hours, without affecting current service delivery.	£35,000	£35,000
S7	Independent Living Service - cleaning service charges	Phase in increased charges at schemes where current cleaning charges are materially below the cost of providing the service, thereby reducing the existing subsidy.	£42,700	£128,200
S8	Independent Living Service - support charges	Move support service charges to full cost recovery, removing the current subsidy. Subject to individual entitlement, residents receiving Housing Benefit or Universal Credit could benefit from the charge being treated as a benefit-eligible service charge.	£270,000	£270,000

Ref.	Proposed saving	Summary	Saving in 2027/28	Savings by 2029/30
S9	Income Recovery	Delete a vacant Floating Income Officer post, with no redundancies required and no adverse service impact anticipated.	£55,000	£55,000
S10	HRA share of General Fund savings	Apply the HRA's share of savings identified within General Fund services.	£20,900	£20,900
	Total Proposed Savings		**£1,225,000**	**£1,410,500**

4.5.2. The proposals identified are estimated to save £1.225 Million in 2027/28, rising to £1.368 Million in 2028/29 and £1.411Million by 2029/30.

4.5.3. The total savings identified for 2027/28 onwards are summarised in the table below:

HRA Balancing the Budget Savings Summary (£'000)	2027/28	2028/29	2029/30
September MTFS Report	£959	£959	£959
Fees & charges (October Cabinet)	£12	£12	£12
BTB Options (Appendix A)	£1,225	£1,368	£1,411
Total HRA Budget Savings Identified	**£2,196**	**£2,339**	**£2,382**

4.5.4 This is a positive result from the current year's Balancing the Budget process. However, while the savings in the table are higher than the target of £1.699 Million(paragraph 4.4.3), the table below at paragraph 4.6.3 shows that there has also been growth of £575K and that the net savings identified to date are £78K below target. Furthermore, the potential for sustained higher borrowing costs and the need to accommodate the financial impact of the decision on high rise remedial works, mean that higher savings targets are likely to be required for the HRA in future years.

4.5.5 In developing the savings proposals, consideration has been given to the potential impact on residents, service delivery and the Council's statutory and regulatory responsibilities. Where proposals involve changes to charges or could have a direct financial impact on residents, more detailed assessments have been undertaken to understand the effect on different groups and identify appropriate mitigation. More detail has been provided below on specific options that have a wider impact on the service, or customers.

Standardise Temporary Accommodation charges (S5)

4.5.6 Temporary Accommodation rents have developed over time and are not currently applied through a single, consistent framework. It is therefore proposed to introduce a standardised charging framework for Council-owned Temporary Accommodation, using Formula Rent as an objective and nationally recognised benchmark. Existing households in Temporary Accommodation would not be affected, as the new approach would apply only to new placements. Rents would be standardised by property type and bedroom size and incorporate an appropriate allowance for void loss. The proposal will

provide a more transparent and equitable basis for setting rents across comparable accommodation, maximise Housing Benefit recovery and ensure the HRA receives an appropriate contribution for the use of its housing assets.

4.5.7 Financial modelling indicates that the revised framework could increase annual income from approximately £1.172 Million to £1.249 Million, an increase of around £77K per annum before allowing for void loss. For budget purposes, a prudent recurring saving of £70.4K is proposed. The approach also supports the continued use of Council-owned Temporary Accommodation, helping to reduce reliance on more expensive private sector and nightly-paid accommodation. Service charges are outside the scope of this proposal and will be considered separately as part of the next phase of the wider Temporary Accommodation review.

4.5.8 The potential impact on future placements has been assessed using the circumstances of households currently accommodated. The majority of households in Temporary Accommodation receive Housing Benefit, although a small number do not currently receive full Housing Benefit. To provide additional assurance, an Affordability and Assistance Framework will be developed alongside implementation, enabling individual household circumstances to be considered and appropriate support provided where required. This will help ensure that the revised charging framework supports the financial sustainability of the service without creating barriers to accessing Temporary Accommodation or compromising the Council's ability to meet its statutory homelessness duties.

Independent Living Service: Cleaning Service Charges (S6)

4.5.9 A review of cleaning service charges within the Independent Living Service has identified a number of schemes where the charges paid by residents are materially below the actual cost of providing the service, with the difference currently being subsidised by the HRA. It is proposed to progressively reduce this subsidy by moving charges towards the cost of service provision, creating a fairer and more consistent approach across schemes.

4.5.10 Recognising the potential financial impact on residents, the increase would be phased over three years, rather than implemented in full, from April 2027. This would deliver an estimated HRA saving of £42.7K in 2027/28, increasing as the subsidy is reduced and reaching £128.2K per annum by 2029/30.

4.5.11 The phased approach provides a balance between improving the financial sustainability of the service and managing the impact on residents. Changes would be communicated in advance, with the effect of the revised charges monitored as they are introduced.

Independent Living Scheme (ILS) Service Charges (S8)

4.5.12 It is proposed that, from April 2027, ILS service charges move to a full cost recovery basis, with the charge reclassified as benefitable for eligible residents. This will remove the existing HRA subsidy and deliver an estimated £270,000 recurring annual saving, while enabling eligible residents to receive Housing Benefit or Universal Credit support towards the charge, subject to individual entitlement.

4.5.13 The Council has 863 ILS accommodation properties. Current records identify 472 Housing Benefit claimants and 139 Universal Credit claimants. Based on

current benefit information, the majority of residents receiving benefit are expected to be financially better off under the revised arrangements, subject to individual assessment. Residents who do not receive Housing Benefit or Universal Credit already pay the full £20.20 weekly charge and would therefore see no change to their current contribution.

4.5.14 An impact assessment has shown around 44 residents receiving lower levels of benefit (due to higher weekly incomes) may experience an increase of between approximately £0.90 and £10.90 per week, depending on individual circumstances. Implementation will therefore include individual benefit assessment, communication with affected residents and ongoing monitoring of the impact.

4.5.15 The 32 affordable rented properties at Brodie Court are exempt from the revised account arrangements. Their service charges will continue to be administered through separate accounts, with existing debt recovery arrangements unchanged.

4.5.16 More information regarding the saving for Supported Housing charges can be found in Appendix A and the impact is included in the Equality Impact Assessment to this report, (Appendix B).

4.6 Growth for the HRA 2027/28

4.6.1 The September 2026 MTFS included HRA pressures of £579K for 2027/28, £707K for 2028/29 and £807K for 2029/30. Since the MTFS was approved further growth pressures of £1.1 Million have also been identified (see also paragraph 4.1.4) for 2026/27, but many of these are “in year” and not ongoing. Continuing growth is shown in the table below.

4.6.2 There are also a number of growth requirements that have a financial impact on both the General Fund and HRA recommended for approval, (see also Balancing the Budget report General Fund Appendix B), totalling £45K. These relate to service resilience, statutory compliance and digital transformation.

4.6.3 The net position of savings and growth is summarised below:

2027/28 HRA Savings & Growth V Target £000	2027/28	2028/29	2029/30
MTFS Reported Savings	(£959)	(£959)	(£959)
Fees and Charges Report	(£12)	(£12)	(£12)
Balancing the Budget recommended	(£1,225)	(£1,368)	(£1,411)
Total Savings	**(£2,196)**	**(£2,339)**	**(£2,382)**
MTFS Reported Growth	£579	£707	£807
Balancing the Budget recommended	(£4)	£45	£45
Total Growth	**£575**	**£752**	**£852**
Net Savings	(£1,621)	(£1,587)	(£1,530)
MTFS Net Savings target	(£1,699)	(£2,699)	(£3,199)
Current Savings shortfall	**£78**	**£1,112**	**£1,669**
Rent Gain – ½% on Sep CPI	(£265)	(£275)	(£287)
Borrowing Changes	(£209)	(£462)	£241
Net position	**(£396)**	**£376**	**£1,624**

4.6.4 The MTFS currently assumes a high level of savings need to be found, of £3.6 Million per annum by 2030/31, shown at section 3.3. The table above details the net savings that have currently been identified and also includes the impact of the rent increase and borrowing assumptions on the net position for the HRA. The net position for 2027/28 is ahead of targeted savings, but due to expected additional cost pressures in the HRA, particularly from high rise remediation works, these targets will need to be reviewed and are likely to increase for future years.

4.7 Level of Balances required for HRA

4.7.1 The final HRA budget presented to full Council in January 2026 included a calculated risk based minimum balance required of £10 Million. This was set at a relatively high level due to the amount of borrowing required in the medium term, recent volatility in repairs costs and the level of savings required to balance the ring-fenced account that were identified in the MTFS. This will be revised for the 2027/28 budget reporting cycle, taking into account any changes to the risk profile of HRA activity.

HRA balances Minimum Level Assessment	2026/27 £Million
Amount to cover a 1.25% interest rate risk	£2.68
Amount to cover a delay in savings options being met	£0.90
Amount to cover capital and responsive repairs volatility	£5.39
Amount to cover other smaller risks	£1.03
Total Estimated HRA Risk Reserve Limit	**£10.00**

4.8 Medium Term Financial Strategy HRA Summary

4.8.1 The MTFS modelling has been updated to reflect the contents of this report, subject to Members approval, and the revised balance position is detailed in the table below.

HRA balances £'000	2026/27	2027/28	2028/29	2029/30	2030/31
Opening Balance	(£12,469)	(£11,958)	(£12,012)	(£12,220)	(£12,776)
In Year	£511	(£54)	(£208)	(£556)	£303
Closing Balance	**(£11,958)**	**(£12,012)**	**(£12,220)**	**(£12,776)**	**(£12,473)**
MTFS (September) closing balance	(£12,537)	(£11,840)	(£10,941)	(£11,038)	(£10,289)
Variance	**£579**	**(£172)**	**(£1,279)**	**(£1,738)**	**(£2,184)**

4.8.2 The level of balances has increased since the September report, and this is mainly due to the level of savings that have been identified for next year and the additional rent forecast from the higher September CPI figure.

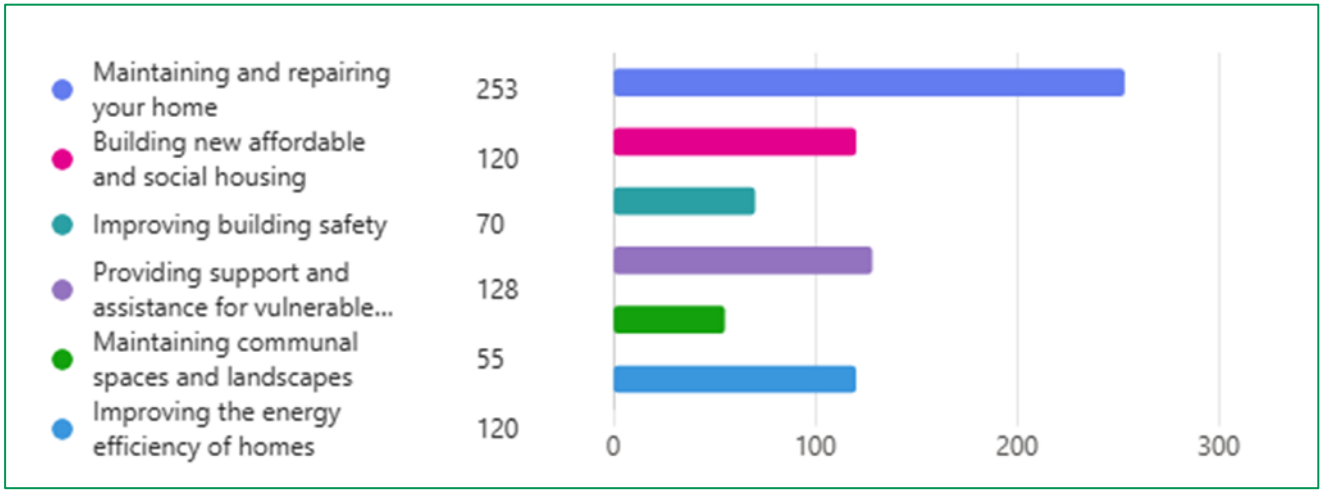
4.8.3 While this shows the HRA has £2.2 Million higher balances in the medium term, these estimates do not include the financial impact of the high rise remedial works that are subject to a separate report at this meeting, which require funding headroom. All potential decisions from the high rise report will have revenue impacts, but these will be included in the budget report to the December 2026 Cabinet.

4.9. Approach to Consultation

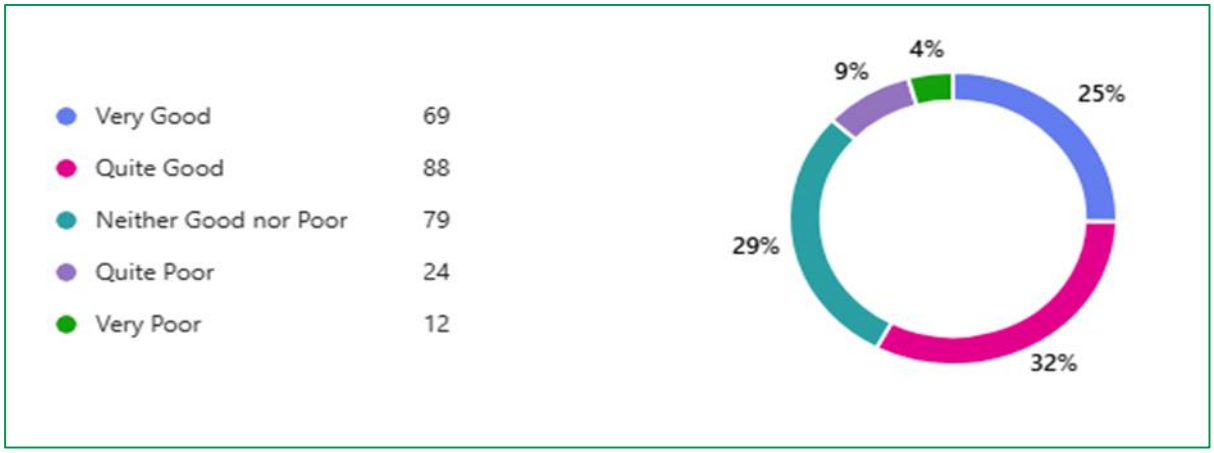
4.9.1 For 2026/27, a dedicated webpage was created to explain the purpose of the Housing Revenue Account (HRA) and the Council's planned investment in homes and services for residents. The webpage set out the longer-term priorities contained within the HRA Business Plan and explained the 2026/27 budget proposals, including the proposed rent increase.

4.9.2 Alongside the information provided on the webpage, tenants were invited to complete a survey on their priorities for future HRA investment. More than 5,000 emails were sent to residents, setting out the key information and inviting feedback. A total of 270 responses were received, representing a response rate of approximately 5%.

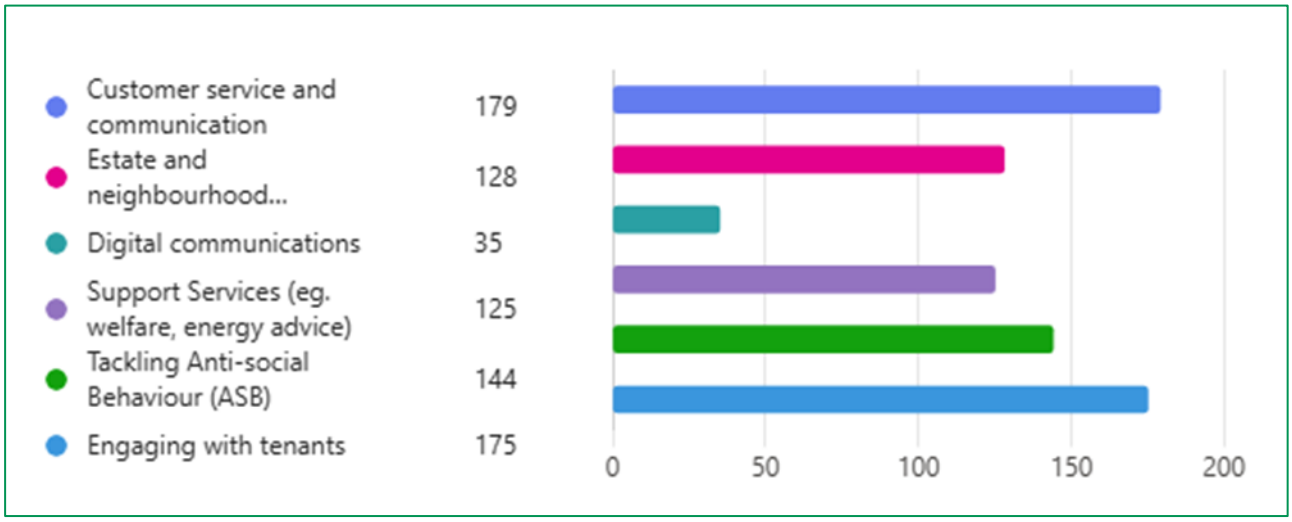
Question 1 - Which of the following areas do you think are most important to you? (Choose your top3)



Question 2 - Do you think that the rent you pay represents good 'Value for money?



Question 3 - Which types of service should receive additional focus as part of the Council's housing service?



4.9.3 In summary, following the 270 responses the three top priorities for our residents were:

- **253** Maintaining and repairing your home
- **128** Providing support and assistance for vulnerable tenant to live independently

2 priorities scored the same, with 120 votes each

- **120** Building new affordable and social housing
- **120** Improving the energy efficiency of homes

The lowest priorities for our residents were;

- **70** Improving building safety

- **55** Maintaining communal spaces and landscapes

4.9.4 These survey results are used to inform decision making for both officers and members.

5 IMPLICATIONS

5.1 Financial Implications

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

5.2 Legal Implications

5.2.1 The Council is required to set a balanced budget each year. The Local Government Finance Act 1992 requires the Council to estimate revenue expenditure and income for the forthcoming year from all sources, together with contributions from reserves, in order to determine a net budget requirement to be met by government grant and council tax.

5.3 Policy Implications

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

5.4 Staffing and Accommodation Implication

5.4.1 There are changes to staffing budgets in the 2027/28 BTB options, but the reductions identified in Appendix A, only relate to vacant posts and do not have a direct impact on individual employees.

5.5 Equal Opportunities Implications

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

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

5.5.2 These duties are non-delegable and must be considered by Council when setting the Budget in January 2027.

5.6 Risk Implications

5.6.1 There are risk implications to setting a prudent HRA budget if the Balancing the Budget options identified in the report are not achieved and crucially if future options are not found to meet the targets outlined in the report.

5.6.2 There are a number of risks that have been identified in this report, and these will be considered when reserve levels are calculated as part of the budget report.

5.7 Climate Change Implications

5.7.1 The Council declared a climate change emergency at the June 2019 Council meeting with a resolution to work towards a target of achieving net zero emissions by 2030. There are still large funding gaps in the HRA thirty-year business plan to make its housing stock meet the net zero target. This work would require additional funding and technological changes that are not currently known. However, the Council has continued to secure Government grant to reduce carbon emissions and improve building efficiency and will also continue to investigate all opportunities to move towards the Council's climate target.

5.8 Local Government Reorganisation

5.8.1 The future timing of Local Government Reorganisation (LGR) in Hertfordshire is now projected to be 1 April 2029 and funding has been set aside for that purpose.

5.8.2 When LGR proceeds, Section 24 (of the Local Government and Public Involvement in Health Act 2007) provides the Secretary of State with powers to control financial decisions made by local authorities that are due to be abolished, or reorganised, under a structural changes order. Under this provision, the Secretary of State may issue a direction that prevents a relevant authority from spending over financial thresholds.

5.8.3 The direction can specify that the consent must be obtained from the Secretary of State, or a designated person of an authority (e.g. a shadow executive). The timing of the direction will be determined by the Secretary of State.

BACKGROUND DOCUMENTS

BD1 HRA Medium Term Financial Strategy 2027/28 – September 2026 Cabinet

APPENDICES

Appendix A - HRA Savings 2027/28

Appendix B – HRA Saving Options 2027/28 Overarching EQIA

STEVENAGE BOROUGH COUNCIL
APPENDIX A: BALANCING THE BUDGET 2027/28 - HRA SAVINGS

Ref No	Name of Service	Description of Savings Proposal	Budget 2026/27	Impact of Saving Proposal on Public/ Customers/ Staff/ Members/Partnerships etc. (include any impact on key corporate programmes/performance indicator measures) .	HRA Year 1 (2027/28)	HRA Year 2 (2028/29)	HRA Year 3 (2029/30)
S1	Land, Development, Neighbourhood Regeneration	Secure a contribution from a third party towards the proposed development at The Oval, reducing the Council's borrowing requirement and the associated capital financing costs.	£0	Reduces the long-term revenue cost of the project by lowering borrowing costs and represents good value for money for residents. The proposal also strengthens partnership working with third parties with no adverse impact on service delivery. The savings shown represents the reduction in borrowing required	£110,000	£110,000	£110,000
S2	Land, Development, Neighbourhood Regeneration	Continue to maximise external grant funding for HRA development programmes, reducing the need for borrowing and supporting the delivery of new affordable homes.	£0	Supports the continued delivery of affordable housing while reducing borrowing costs and improving the long-term financial sustainability of the HRA. Securing additional external funding maximises investment in housing provision and delivers better value for residents without impacting service delivery. The savings shown represents the reduction in borrowing required.	£300,000	£400,000	£400,000
S3	Repairs and Maintenance	Reduce expenditure on support contractors and improve operational efficiency, lowering costs while continuing to meet statutory, regulatory and contractual responsibilities.	£1,237,000	No direct impact on customers or service delivery is anticipated, with statutory and contractual requirements continuing to be met. The proposal supports a more efficient and sustainable service model by reducing reliance on external resources, while any workforce implications would be managed through the Council's normal processes.	£271,000	£271,000	£271,000
S4	Housing Asset Management	Review asset management resources and remove one vacant Asset Management Officer post through better utilisation of existing team capacity and resources, while maintaining service priorities.	£50,000	No adverse impact on residents or service delivery is anticipated. The proposal will be managed within existing resources, with responsibilities absorbed across the team while maintaining service standards and asset management activities.	£50,000	£50,000	£50,000
S5	Temporary Accommodation	Standardising Temporary Accommodation charges.		Savings based on adopting a Formula Rent approach for new placements, with rents standardised by property type and incorporating an allowance for void loss. This will not affect those households currently in TA.	£70,422	£70,422	£70,422
S6	ILS Cleaning	Remove 2 vacant part time cleaning posts (total 40 hours)		There are two vacant part time posts in the ILS cleaning team that can be removed with no impact on the current delivery of the service.	£35,000	£35,000	£35,000
S7	ILS Cleaning	A review of the cost of the ILS cleaning service		A review of the current cleaning service charges has identified that, whilst most residents are paying a charge broadly aligned to the cost of provision, some schemes remain significantly subsidised. The proposal seeks to phase in increases where there is a material gap between the current charge and the actual cost of the service.	£42,719	£85,437	£128,156

Ref No	Name of Service	Description of Savings Proposal	Budget 2026/27	Impact of Saving Proposal on Public/ Customers/ Staff/ Members/Partnerships etc. (include any impact on key corporate programmes/performance indicator measures) .	HRA Year 1 (2027/28)	HRA Year 2 (2028/29)	HRA Year 3 (2029/30)
S8	Support Charge for ILS	Increase support service charges to the full cost-recovery level, removing the current subsidy.		Residents receiving Universal Credit or Housing Benefit are expected to benefit from the reclassification of the charge as a benefitable service charge, with many residents becoming financially better off through increased benefit support towards the charge, subject to individual entitlement. Residents not receiving Housing Benefit or Universal Credit will continue to pay the full charge per week, with no change to their current position.	£270,000	£270,000	£270,000
S9	Income Recovery	Deletion of a vacant Floating Income Officer post, delivering a staffing saving with no requirement for redundancies.		No adverse impact anticipated, as the post is currently vacant and service delivery will continue to be managed within existing resources.	£55,000	£55,000	£55,000
TOTAL HRA SAVINGS			**£1,287,000**		**£1,204,140**	**£1,346,859**	**£1,389,577**
HRA SHARE OF GENERAL FUND SAVINGS					**£20,942**	**£20,942**	**£20,942**
TOTAL SAVINGS					**£1,225,082**	**£1,367,801**	**£1,410,519**

Appendix B
BALANCING THE BUDGET (BTB) 2027/28

Overall Equality Impact Assessment (EqIA) of Housing Revenue Account (HRA) Savings Proposals

1. Equality at Stevenage Borough Council

1.1 Stevenage Borough Council is committed to promoting equality, diversity and inclusion across its services, workforce and local community. To demonstrate its commitment to the identification and mitigation of discrimination and inequality, the Council will complete and publish Equality Impact Assessments (EqIA) when there is a new or revised policy, procedure, function, or where there is a withdrawal of service. For more information about the Council's commitment to advancing equalities please refer to the Equality, Diversity & Inclusion Policy (2022-26).

1.2 We want to deliver services that are fair, accessible and open to everyone who needs them. Equality Impact Assessments (EqIAs) are an important part of the process in ensuring that our intention is translated into action. They help to ensure that decisions are made in a fair, transparent and accountable way, considering the needs and the rights of different people in the community.

1.3 Based on the protected characteristics under the Equality Act 2010, the Equality Impact Assessment considers the impact on the following groups when making decisions, updating policies and starting new projects:

- Age
- Disability
- Gender reassignment
- Marital status
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

1.4 Although non-statutory, the Council has chosen to adopt the Socio-Economic Duty and Care Experience. Council's elected members and officers are required to consider the impact of their decisions on people who are less fortunate because of their social/economic background.

1.5 EqIAs also help the Council to demonstrate compliance with the requirements of the Public Sector Equality Duty (Section 149 of the Equality Act 2010). The Duty states that a public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is unlawful under this Act
- advance equality of opportunity between people who share a protected characteristic and those who do not

- foster good relations between people who share a protected characteristic and those who do not

2. Balancing the Budget Proposals 2027/28

2.1 Prior to their consideration at Cabinet in November 2026, all savings proposals were reviewed to determine any potential impact on Stevenage residents in terms of their protected characteristics under the Equality Act 2010. Some of these have no direct public impact and so have not been subject to any further EqIA.

2.2 Where a new change in policy, procedure, function, service or withdrawal of service is proposed, Directors and other appropriate managers have drafted EqIAs.

2.3 This year there are new proposals for HRA Savings that may potentially have a positive, negative or disproportionate impact. These are:

1. Secure a contribution from a third party towards the proposed development at The Oval, reducing the Council's borrowing requirement and the associated capital financing costs.
2. Continue to maximise external grant funding for HRA development programmes, reducing the need for borrowing and supporting the delivery of new affordable homes.
3. Reduce expenditure on repairs & maintenance contractors and improve operational efficiency, lowering costs while continuing to meet statutory, regulatory and contractual responsibilities.
4. Review asset management resources and remove one vacant Asset Management Officer post through better utilisation of existing team capacity and resources, while maintaining service priorities.
5. Standardising Temporary Accommodation charges.
6. Remove 2 vacant part time cleaning posts (total 40 hours)
7. A review of the cost of the Independent Living Schemes cleaning service to reduce subsidy.
8. Increase support service charges to the full cost-recovery level for Independent Living Schemes , removing the current subsidy.
9. Deletion of a vacant Floating Income Officer post, delivering a staffing saving with no requirement for redundancies.

2.4 It should be noted that EqIA's are working documents and new equality impacts may be identified throughout the planning and implementation stages of the revised policy, procedure, function, service. To ensure that these changes are captured, EqIAs will be updated, and appropriate mitigations considered accordingly.

2.5 The following activity in relation to the 2027/28 Budget has or will occur as follows:

- October 2026 - Fees & charges reviewed at Cabinet, alongside a HRA specific EqIA.
- November 2026 – Balancing the budget review at Cabinet and consideration of this document alongside the savings proposals.

- Ongoing review and update of EQIA's and impact as proposals are further developed and implemented throughout 2026/27, including consultation and engagement as appropriate.

3. Summary of Potential Impacts Identified as a Result of Budget Proposals

#	*Element*	*Responsible Officer*
	HRA SAVINGS PROPOSALS	
1	Secure a contribution from a third party towards the proposed development at The Oval, reducing the Council's borrowing requirement and the associated capital financing costs.	Director – Land, Development and Neighbourhood Regeneration
2	Continue to maximise external grant funding for HRA development programmes, reducing the need for borrowing and supporting the delivery of new affordable homes.	Director – Land, Development and Neighbourhood Regeneration
3	Reduce expenditure on repairs & maintenance contractors and improve operational efficiency, lowering costs while continuing to meet statutory, regulatory and contractual responsibilities.	Director – Building Safety and Housing Property Services
4	Review asset management resources and remove one vacant Asset Management Officer post through better utilisation of existing team capacity and resources, while maintaining service priorities.	Director – Building Safety and Housing Property Services
5	Standardising Temporary Accommodation charges.	Director – Housing & Neighbourhoods
6	Remove 2 vacant part time cleaning posts (total 40 hours)	Director – Housing & Neighbourhoods
7	A review of the cost of the Independent Living Schemes cleaning service to reduce subsidy.	Director – Housing & Neighbourhoods
8	Increase support service charges to the full cost-recovery level for Independent Living Schemes , removing the current subsidy.	Director – Housing & Neighbourhoods
9	Deletion of a vacant Floating Income Officer post, delivering a staffing saving with no requirement for redundancies.	Director – Housing & Neighbourhoods

4. Equality Impact Assessment

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
All	Stevenage has seen its population grow by 3% from 89,500 in 2021 to 92,100 according to mid-2025 estimates.	1&2. No impacts have been identified for any protected characteristic group. The proposal generates savings through a reduction in borrowing costs following a third-party contribution and external funding towards the developments. There is no change to service delivery, access to services, or staffing arrangements.	N/A
		3. No adverse impacts have been identified for any protected characteristic group. The proposal focuses on reducing expenditure on support contractors and improving operational efficiency while continuing to meet statutory, regulatory and contractual requirements. No changes to service provision, access to services, eligibility criteria or customer-facing arrangements are proposed. Any workforce implications will be managed through the Council's normal processes. As a result, a neutral impact is anticipated across all protected characteristics.	N/A
		4. No adverse impacts have been identified for any protected characteristic group. The proposal removes a vacant Asset Management Officer post through better utilisation of existing team capacity and resources. No changes to service provision, access to services or eligibility criteria are proposed, and service standards and asset management activities will continue to be maintained.	N/A
		5. The proposal introduces a consistent and transparent charging framework for Temporary Accommodation based on Formula Rent and standardised charges by property type. Most households are expected to have their accommodation costs met through Housing Benefit, and an Affordability and	An Affordability and Assistance Framework will be developed to ensure individual circumstances are considered. The Council will continue to

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
		Assistance Framework will be developed to support households where affordability is a concern. No disproportionate impact on any protected characteristic group has been identified.	assess affordability when making placements and provide appropriate support where needed.
		6. No adverse impacts have been identified.	N/A
		7. The proposal seeks to align cleaning service charges more closely with the cost of providing the service and improve consistency in charging arrangements. Whilst some residents may experience an increase in charges, the impact will vary depending on individual circumstances and current levels of subsidy. No disproportionate impact on any protected characteristic group has been identified at this stage.	Changes will be introduced on a phased basis where appropriate, with residents consulted on service levels and provided with clear information on any proposed changes. Individual circumstances will be taken into account, and the impact of the revised charging arrangements will be monitored as part of implementation.
		8. The proposal reclassifies the Sheltered Accommodation service charge as a benefitable charge, enabling eligible residents to receive Housing Benefit or Universal Credit support towards the charge. Whilst many residents are expected to be financially better off under the revised arrangements, a small number of residents may experience an increase in their contribution depending on their individual benefit entitlement and circumstances.	Individual benefit assessments will be undertaken before implementation, with clear resident communications provided on the revised arrangements and available support. Residents will be signposted to welfare benefits and money advice where appropriate, and the financial impact on residents will be monitored as part of the implementation process.

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
		9. No impact identified. The proposal relates to the deletion of a vacant Floating Income Officer post. As the post is currently vacant, there is no anticipated impact on residents, service delivery, access to services, or existing employees.	No specific mitigation is required. Service delivery will continue to be managed within existing resources and arrangements will be monitored to ensure service standards are maintained.
Age	15.9% of Stevenage residents were over 65, compared to significantly higher rates in Hertfordshire (17.9%) and England (19.3%). Further, Stevenage's population of 92,081 usual residents was made up of 18,347 people aged 0 to 15 years (19.9%); 59,091 people aged 16 to 64 years (64.2%); The Office for National Statistics (ONS) report that those in their 40s receive the highest median full-time weekly pay and lowest for younger workers aged 16-17 and 18-21. Average earnings by age and region - House of Commons Library	1&2. No impact identified. 3. No impact identified. 4. No impact identified. 5. No impact identified. In most circumstances accommodation charges will be met by Housing Benefit. 6. No impact identified. 7. Older residents, particularly those on fixed incomes, may be more affected by small increases in cleaning service charges where schemes are currently subsidised. However, the impact will vary depending on individual circumstances and the level of any increase.	N/A N/A N/A The Council will continue to consider affordability when making placements and will develop an Affordability and Assistance Framework to ensure individual circumstances are considered and appropriate support is provided where required. N/A Changes will be introduced on a phased basis where appropriate. Residents will be consulted on service levels, provided with clear information

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
		8. Older residents are likely to be most affected as sheltered accommodation is primarily occupied by older people. Whilst many residents are expected to be financially better off under the revised arrangements, a small number of residents on partial benefit may experience an increase in their contribution. Those not on benefits will not be affected. 9.No impact identified.	about any proposed changes, and the impact on older residents will be monitored as part of implementation. Individual benefit assessments will be undertaken before implementation and clear information provided to residents on how the changes affect them. Residents will be signposted to welfare benefits and money advice, and the impact on affordability for older residents will be monitored throughout implementation
Disability	According to the 2021 Census, 17.3% of Stevenage residents had a disability covered under the Equality Act that limited their day-to-day activities, compared to 14.4% in Hertfordshire and 17.3% in England.	1&2. No impact identified. 3. No impact identified. 4.No impact identified. 5. Residents with disabilities may be more affected by changes to accommodation charges where they have fixed incomes or additional living costs. Most households are expected to have their accommodation costs met through Housing Benefit, and no disproportionate impact on disabled residents has been identified.	The Council will continue to assess affordability when making placements and will develop an Affordability and Assistance Framework to ensure individual circumstances are considered

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
			and appropriate support is provided where required.
		6.No impact identified.	
		7. Residents with disabilities may be more affected by increases in cleaning service charges where they have fixed incomes or additional living costs. The impact will vary depending on individual circumstances and the level of any increase.	Changes will be introduced on a phased basis where appropriate, with clear communication provided to residents. Individual circumstances will be considered, and support will continue to be available for residents experiencing affordability concerns.
		8. Residents with disabilities or long-term health conditions may be more affected by any increase in service charge contributions due to additional living costs and reliance on fixed incomes. Whilst many residents are expected to be financially better off under the revised arrangements, a small number of residents with lower levels of benefit entitlement may experience an increase in their contribution. Those not on benefits will not be affected.	Individual benefit assessments will be undertaken before implementation, with clear information and support provided to residents. Appropriate assistance, including signposting to welfare benefits and money advice, will be available, and the impact on affordability will be monitored throughout implementation.
		9.No impact identified.	

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
Gender reassignment	0.4% of residents have a different gender identity to the sex registered at birth, compared to 0.41% in Hertfordshire and 0.44% in England	1&2. No impact identified. 3. No impact identified. 4. No impact identified. 5. No impact identified. 6. No impact identified. 7. No specific impacts relating to gender reassignment have been identified. The proposal relates to changes in cleaning service charges and would apply consistently to residents receiving the service. 8.No impact identified. 9.No impact identified.	The Council will continue to consider affordability when making placements and will develop an Affordability and Assistance Framework to ensure individual circumstances are considered and appropriate support is provided where required.
Marital status	The majority of Stevenage residents (43.9%) were married or in a registered civil partnership. In comparison,	1&2. No impact identified. 3. No impact identified.	

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
	48.4% of residents are married or in a registered civil partnership in Hertfordshire and 44.7% in England.	4. No impact identified. 5. The proposal introduces standardised Temporary Accommodation charges for new placements based on property type and Formula Rent. No specific impacts relating to marital or civil partnership status have been identified. 6. No impact identified. 7.No impact identified. 8.No Impact identified. 9.No impact identified.	The Council will continue to consider affordability when making placements and will develop an Affordability and Assistance Framework to ensure individual circumstances are considered and appropriate support is provided where required.
Pregnancy and maternity	The birth rate in Stevenage in 2024 sat at 12.2 live births per 1,000 people, which is higher than 10.9 in Hertfordshire and 10.5 in England.	1&2. No impact identified. 3. No impact identified. 4. No impact identified. 5. The proposal introduces standardised Temporary Accommodation charges for new placements based on property type and Formula Rent. No specific impacts relating to pregnancy or maternity have been identified.	Most households occupying Temporary Accommodation are expected to have their accommodation costs met through Housing Benefit. The

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
		6. No impact identified. 7. No specific impacts relating to pregnancy or maternity have been identified. 8.No specific impact identified. 9.No impact identified.	Council will continue to consider affordability when making placements and will develop an Affordability and Assistance Framework to ensure individual circumstances are considered and appropriate support is provided where required.
Race	24.7% of Stevenage residents were from an ethnic minority (non-White British) in 2021, compared to 16.9% in the 2011 Census. In comparison, 28.2% of residents in Hertfordshire and 26.5% in England overall are from an ethnic minority group.	1 & 2. No impact identified. 3. No impact identified. 4.No impact identified. 5. The proposal introduces standardised Temporary Accommodation charges for new placements based on property type and Formula Rent. No specific impacts relating to race, ethnicity or nationality have been identified, although some households may experience changes to accommodation charges. 6. No impact identified.	As above

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
		7. No specific impacts relating to race, ethnicity or nationality have been identified. 8.No impact identified. 9.No impact identified.	
Religion or belief	44.9% of Stevenage residents identify with no specified religion, which is significantly higher than Hertfordshire and England levels (36.6% and 33.7%).	1 & 2. No impact identified. 3. No impact identified. 4. No impact identified. 5. No impact identified. 6. No impact identified. 7. No specific impacts relating to religion or belief have been identified. 8. No impact identified. 9.No impact identified.	As above
Sex	50.4% of Stevenage residents were female and 49.6% were male in mid-2025 ONS estimates. In April 2025, the UK's gender pay gap stood at 6.8%, down from 7.2% in April 2025.	1& 2. No impact identified. 3. No impact identified. 4. No impact identified. 5. No impact identified. 6. No impact identified.	As above

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
		7.No impact identified. 8.No impact identified. 9.No impact identified.	
Sexual Orientation	2.7% of residents identify with LGBTQ+ sexual orientations, which is higher than Hertfordshire's average of 2.3% but lower than the national average of 3.17% in England.	1 & 2. No impact identified. 3. No impact identified. 4. No impact identified. 5. No impact identified. 6. No impact identified. 7.No specific impact identified. 8.No specific impact identified. 9.No impact identified.	As above
Socio-economic	According to the 2025 English Index of Multiple Deprivation, Stevenage continues to be the most deprived authority in Hertfordshire. Of this, Bedwell is the most deprived ward in Town. In May 2026, 9,733 households were in receipt of Universal Credit in Stevenage, a 8.25%	1& 2. No impact identified. 3. No impact identified. 4. No impact identified. 5. The proposal will apply to new placements and may impact households on lower incomes where accommodation charges increase under the new framework. However, most Temporary Accommodation households are expected to have their accommodation costs met through Housing Benefit, reducing the direct financial impact on many residents.	N/A N/A As above

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
	increase from 8,991 households in May 2025. In July 2026, there were 5,945 Personal Independent Payment (PIP) claimants in Stevenage, which is a 7.9% increase from 5,505 in July 2025. In July 2026, there were 3,445 Council Tax Support (CTS) recipients who were of working age. This represents a 4.9% increase on 2025.	6. No impact identified. 7. Residents on lower incomes may be more affected by increases in cleaning service charges, particularly where current charges are subsidised. The impact will vary depending on individual financial circumstances, benefit entitlement and the level of any increase. 8. Residents on lower incomes may be affected differently by the proposed changes. Whilst many residents are expected to be financially better off as a result of receiving support through the Housing Benefit or Universal Credit system, 44 residents with lower levels of benefit entitlement may experience an increase in their contribution towards the service charge. The impact assessment has shown such residents may experience an increase of between approximately £0.90 and £10.90 per week, depending on individual circumstances. The Council has 863 ILS accommodation properties. Current records identify 472 Housing Benefit claimants and 139 Universal Credit claimants. Based on current benefit information, the majority of residents receiving benefit are expected to be financially better off under the revised arrangements, subject to individual assessment. Residents who do not receive Housing Benefit or Universal Credit	N/A Changes will be introduced on a phased basis where appropriate, with residents consulted on service levels and provided with clear information about the proposed changes. Residents will be signposted to welfare benefits and money advice, and the impact on affordability will be monitored throughout implementation. Individual benefit assessments will be undertaken before implementation to ensure residents receive the support they are entitled to. Clear information and advice will be provided, including signposting to welfare benefits and money advice services, and the financial impact on residents will be monitored throughout implementation.

Protected characteristic	Local/National Information	Summary potential impact(s)	Mitigating action(s)
		already pay the full £20.20 weekly charge and would therefore see no change to their current contribution. 9.No impact identified.	

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