

STEVENAGE BOROUGH COUNCIL

EXECUTIVE MINUTES

Date: Wednesday, 7 December 2022

Time: 2.00pm

Place: Council Chamber, Daneshill House, Danestrete, Stevenage

Present: Councillors: Baroness Taylor of Stevenage, OBE (Chair), Richard Henry (Vice-Chair), Sandra Barr, Lloyd Briscoe, Jackie Hollywell, Mrs Joan Lloyd, Simon Speller and Jeannette Thomas.

Start / End Start Time: 2.00pm

Time: End Time: 5.10pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

There were no apologies for absence.

There were no declarations of interest.

Baroness Taylor announced that this would be the final Executive meeting she would be chairing as Leader of the Council. She was pleased to report that Councillor Richard Henry had been elected as Leader of the Labour Group (w.e.f. 1 January 2023), and that his nomination to become Leader of the Council would be proposed at the Council meeting to be held on 14 December 2022. She wished Councillor Henry every success in his new role.

Baroness Taylor stated that it had been her pleasure and privilege to have chaired the Executive for the past 16+ years. She thanked all of the Council's officers for their professionalism, hard work and advice throughout that time, and she praised them for their tireless work in support of the Borough's residents and businesses. She then thanked her fellow Labour Group members of the Executive for their continued support, especially in the light of the challenging financial circumstances over the years due to reductions in Government funding for local authorities.

2 MINUTES - 16 NOVEMBER 2022

It was **RESOLVED** that the Minutes of the meeting of the Executive held on 16 November 2022 be approved as a correct record for signature by the Chair.

3 MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE AND SELECT COMMITTEES

It was **RESOLVED** that the following Minutes of meetings of the Select Committees be noted –

Environment & Economy Select Committee – 20 October 2022

4 COST OF LIVING CRISIS RESPONSE

The Executive considered an update report on the progress that the Council had made in implementing the action plan agreed in October 2022 in response to the national cost of living crisis.

Baroness Taylor confirmed that the Council was continuing to work with its partners, including the Stevenage Together Partnership, to try and mitigate some of the negative impacts that the cost of living crisis was having on residents and businesses, as well as on SBC services and budgets.

Baroness Taylor commented that there had been some positive measures announced by the Chancellor of the Exchequer in the Government's Autumn Budget Statement, but it would still be a difficult period with high inflation and increasing costs. The Council had already seen increases in rent arrears, domestic abuse referrals and requests for Discretionary Housing Fund support payments.

Baroness Taylor stated that changes announced by the Government to re-evaluate business rates could have a positive impact for local businesses. From an SBC perspective, there was the flexibility to increase Council Tax by a further 3%, although this additional income would only contribute a relatively small amount to the Council's overall budget deficit.

Baroness Taylor referred to the Cost of Living Action Plan approved by the Executive in October 2022. Progress had been made on a number of areas, as set out in the report. In particular, she drew attention to Stevenage Warm Spaces Network which promoted opportunities in Council-owned buildings across the Borough, as well as some offered by other public sector partners and the voluntary sector. The scheme was being promoted online, via community noticeboards, through the Council's Chronicle magazine, and through community partners.

Baroness Taylor explained that further cost of living updates would be reported as part of the quarterly performance and budget monitoring reports to the Executive, with the next of these scheduled for March 2023.

The following comments were made by Members:

- in respect of the statement in Section 7 of the report regarding the potential duplication of work of the Cost of Living Member Group and Environment & Economy Select Committee on the cost of living crisis, consideration could be given to a diluting and softening of the demarcation between Executive and scrutiny functions with regard to this issue;
- residents struggling with inflationary increases on bills were urged to apply for support under the Council Tax Support Scheme to see if they fulfilled the eligibility criteria;
- officers were requested to investigate and confirm whether or not Cold Weather payments were still available for certain residents for when temperatures

- dropped below a certain level; and
- attention was drawn to the Stevenage Community Trust who offered help to residents through an application for a heating grant (application forms were available from the Council, Citizens Advice Bureau, schools and Family Centres).

It was **RESOLVED**:

1. That the updates to the Cost of Living Action Plan, attached at Appendix A to the report, be noted.
2. That the Council continues to work with key local partners, including through the Stevenage Together Partnership, to develop a co-ordinated response across agencies to support residents, businesses and community groups.
3. That further cost of living updates be reported as part of the quarterly Corporate Performance and Budget Monitoring reports, the next of which for Quarter 2 of 2022/23 will be in March 2023.
4. That it be noted that the potential for reduced income from fee-based services and people struggling to pay council tax and/or rent, coupled with increased demand for services and higher costs, could significantly impact on the Council's short and medium-term finances, and that this will continue to be closely monitored and reported to Executive as part of the Medium-Term Financial Strategy and budget setting process.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

5 CORPORATE PERFORMANCE QUARTER 2 2022/23

The Executive considered a report in respect of Corporate Performance for Quarter 2 of 2022/23.

The Chief Executive gave a presentation concerning the Quarter 2 report, and summarised the Future Town Future Council (FTFC) performance highlights throughout the Quarter, under the headings of Transforming Our Town; More Social and Affordable Housing; Co-operative and Neighbourhoods; Making Your Money Count; and a Clean, Green, Safe and Thriving Town.

The Chief Executive reported that, as at Quarter 2, of the 63 Corporate Performance Indicators, 34 were at Green status; 7 were at Amber; 14 were at Red; and 8 were outstanding (mainly relating to voids, household waste and community safety), the reasons for which he outlined in his presentation.

The Chief Executive presented the improvement activities for the customer services and voids red indicators, and explained the performance challenges being experienced with regard to the human resources and other red indicators.

The following comments were made by Members:

- in respect of voids performance, it was felt that there should be an improved pre-void inspection regime when mutual exchanges or transfers are proposed, to ensure that properties are left in a good condition prior to exchange/transfer; and
- officers would look again at Adverts/Job Specifications for Customer Service Centre posts in respect of promoting part-time/job share, as well as full-time, employment opportunities.

It was **RESOLVED**:

1. That the delivery of priorities which form the Future Town Future Council Programme (Appendix A to the report) and service performance across the key themes for Quarter 2 2022/23 (Appendix B to the report) be noted.
2. That the strategic risk updates outlined in the report be noted.
3. That the performance challenges in relation to housing voids, customer services and human resources be noted, and the planned measures to improve performance be endorsed.
4. That the Executive Action Tracker, as set out at Appendix D to the report, be noted.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

6 COUNCIL TAX BASE 2023/24

The Executive considered a report in respect of the proposed Council Tax Base for 2023/24.

The Portfolio Holder for Resources, Transformation and ICT advised that the report projected the tax base for levying the 2023/24 Council Tax by all preceptors. This included an estimate of new properties likely to liable for the charge, together with an assessment of discounts likely to be given. The tax base included an assumption that council tax support given would increase by 5% next year as a result of the current economic conditions.

The Portfolio Holder for Resources, Transformation and ICT stated that the 2023/24 tax base had been estimated based upon there being 28,654.5 equivalent “Band D” properties, which was then reduced to 28,153.1 equivalent “Band D” properties after making allowances for a 98.25% collection rate.

It was **RESOLVED**:

1. That, in accordance with the Local Authorities (calculation of Council Tax Base) Regulations 2012, the amount calculated by Stevenage Borough Council for the year 2023/24 will be 28,654.5 equivalent “Band D” properties, reduced to 28,153.1 “Band D” properties after making allowance for a 98.25% collection

rate.

2. That the 2023/24 Council Tax Base be approved, subject to any changes made to the Council Tax Support (CTS) Scheme for 2023/24, the Executive having approved the CTS Scheme at its meeting held on 12 October 2022 for recommendation to Council.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

7 DRAFT HOUSING REVENUE ACCOUNT BUDGET SETTING AND RENT REPORT 2023/34

The Executive considered a report in respect of the draft Housing Revenue Account (HRA) Budget and Rent Setting for 2023/24.

The Portfolio Holder for Housing and Housing Development advised that the Council was grappling with HRA finances at a time of great turbulence. The coming winter would see an escalation in fuel poverty, further pressure on household incomes which along with other matters would lead to there being more uncertainty for the future. This affected support chains and the services provided to tenants

The Portfolio Holder for Housing and Housing Development stated that the tragic recent death of a child in Rochdale due to damp and mould in the property where he lived brought to the fore the need to maintain a proactive Housing Management service, with appropriate resources.

The Portfolio Holder for Housing and Housing Development commented that the Housing Team had been working closely with Finance colleagues to assess the overall impact of rent setting and charges for 2023/24. Accordingly, a number of areas of short-term growth had been factored into the HRA for 2023/24 to meet additional service requirements. The included additional capacity to address damp and condensation and repair cases.

The Portfolio Holder for Housing and Housing Development explained that complaints handling had improved, and this improvement would be driven further in order to meet a new regulatory requirement from the Social Housing Regulator. Compliance (particularly in relation to building and fire safety) would be a particular focus, with the Council being required to report a range of measures from 1 April 2023.

The Portfolio Holder for Housing and Housing Development advised that the Housing Income Team had been bolstered since the Covid pandemic. Rent arrears had increased in the first half of 2022/23, but not to the level that other housing providers had experienced.

The Portfolio Holder for Housing and Housing Development stated that the Council would continue to strive to maintain its housing development programme, building new and affordable Council homes.

The Portfolio Holder for Resources, Transformation and ICT advised that rents would normally be calculated on the current agreed formula of September CPI plus 1%. However, as the September CPI was at 10.1% and would have resulted in a 11.1% increase, the Government announced a rent cap of 7% as part of its Autumn Statement. It was therefore recommended that the HRA rents on dwellings be increased by 7%, which represented an average increase of £7.24 for social rents, £11.82 for affordable rents and £8.42 for Low Start Shared Ownership homes per week (based on a 52-week year).

The Portfolio Holder for Resources, Transformation and ICT stated that the net rental income increase for 2023/24 was estimated to be £3.3Million, which included the impacts of estimated right to buys, a significant number of expected new properties and properties taken out of management (awaiting redevelopment).

The Portfolio Holder for Resources, Transformation and ICT explained that service charges were not subject to the rental increase of 7%, but were based on cost recovery. It was recommended that service charge costs should increase with inflationary pressures and changes in usage. The report highlighted the large anticipated increase in utility charges next year, in particular the rise in gas costs, for those customers who utilised communal heating systems

The Portfolio Holder for Resources, Transformation and ICT commented that the cost of living crisis and the unprecedented increase in the cost of utility supplies had had a dramatic impact on service charges. The budget was modelled forecast on the basis of recovering the full cost of these increases in order to maintain a level playing field with those tenants who had to fund their utility costs independently. However, over the coming weeks, those accounts with the highest increases would be carefully considered, noting that any subsequent policy changes may have a budgetary impact on the HRA.

The Executive noted that 4,927, or 61%, of homes did not receive a service charge. 2,339, or 29%, would have increases below £2.50 per week. However, a significant minority were facing service charge increases above this amount with 475, or 6%, of tenants facing an increase of over £20 per week. The highest increase would see an additional £43 per week, or £2,236 per annum.

The Portfolio Holder for Resources, Transformation and ICT advised that new loans totalling £10.2Million and £32.4Million were expected to be taken in the current and next financial years for 2022/23 and 2023/24. However, the timing of when to take the new borrowing would be reviewed, weighing up the cost of carry and the prevailing PWLB rates. The interest payable in 2022/23 and 2023/24 was estimated to be £7.338Million and £8.699Million, respectively.

The Portfolio Holder for Resources, Transformation and ICT stated that the HRA balances were projected to be £0.4Million by the end of 2023/24, however this was £6.4Million lower than it was in the 2019 HRA Business Plan, and by 2026/27 balances were projected to be £11Million lower than the full 30 year Business Plan at £16.2Million. A review of the Business Plan would be undertaken in 2023 to consider the funding of the relative priorities. However, the current balances were deemed to be at a sufficient level for the 2023/24 budget to be set.

It was **RESOLVED**:

1. That the HRA rent on dwellings be increased, week commencing 3 April 2023, by 7% which is an average increase of £7.24 for social rents, £11.82 for affordable rents and £8.42 for Low Start Shared Ownership homes per week (based on a 52-week year). This has been calculated in line with the Government's change to rent policy announced in the Autumn Statement, as set out in Paragraph 3.3 of the report.
2. That Council be recommended to approve the 2023/24 HRA budget, as set out in Appendix A to the report.
3. That the 2023/24 growth options, as set out in Section 4.7 of the report, be approved.
4. That Council be recommended to approve the 2023/24 Fees and Charges, as set out in Appendix B to the report.
5. That Council be recommended to approve the 2023/24 service charges.
6. That Council be recommended to approve the minimum level of reserves for 2023/24, as shown in Appendix C to the report.
7. That the Rent Increases Equalities Impact Assessments, appended to the report in Appendix D, be noted.
8. That Council be recommended to approve the increase to the 2022/23 Working Budget by £884,400, to fund pressures detailed at Paragraph 4.3.1 of the report.
9. That the increase in tenant service charges to recover increased utility costs for the last 12 weeks of 2022/23, as set out in Paragraph 4.3.5 of the report, be approved.
10. That it be approved that, due to the current volatility of the market, utilities charges be kept under close review throughout 2023/24.
11. That the contingency sum of £250,000, within which the Executive can approve supplementary estimates, be approved for 2023/24 (unchanged from 2022/23).

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

8 URGENT PART I BUSINESS

Use of Ibis Hotel as accommodation for Asylum Seekers

The Leader (Baroness Taylor) advised that, on 3 December 2022, the Council was notified that the Home Office wanted to work with Hertfordshire County Council and

Stevenage Borough Council to determine which cohort would best fit the Ibis Hotel site up until 16 December 2022, noting that it had a maximum bedspace of 178. This was in addition to the 183 asylum seekers already placed by the Home Office in the Novotel Hotel adjacent to Junction 7 of the A1(M).

The Leader stated that neither she nor officers believed that the use of the Ibis Hotel was acceptable, and felt that it would bring significant challenges for public sector providers, for local communities, and for those accommodated.

The Leader commented that there was already stretched educational and health provision in the Borough and nationwide, which would be stretched further by the use of hotels by the Home Office for the above purpose. She recognised the Council's shared obligation to provide a safe environment for those seeking asylum, but considered that it was unacceptable that disruptive, challenging and inappropriate proposals for the use of large scale hotels within Stevenage were still being brought forward by the Home Office.

The Leader was surprised that the Home Office was prepared to use the Ibis Hotel for the accommodation of asylum seekers, which they had discounted some months ago. The Home Office had completely disregarded the work of the Regional Strategic Migration Partnership.

The Leader stated that she had no confidence in the Home Office's pledge that the Ibis Hotel would only be used for the purpose until 16 December 2022. She had also learned that the Home Office had signed a booking contract with the hotel owners in Mid November 2022, but had failed to notify the Council, the Local MP, or partner authorities of its pending use until 3 December 2022. As a result, the Council and its partners had been unable to put any support provision in place for the asylum seekers.

The Leader explained that the hotel would contain single male asylum seekers, a decision which had been taken with no regard to the community safety concerns already raised by the Council and its partner organisations since the Novotel had been identified as a similar contingency hotel.

The Leader advised that, in response to the Home Office notification, the Chief Executive had respectfully, but firmly, asked Home Office officials to remove the Ibis site for future consideration beyond 16 December 2022. The Council had also called for an urgent meeting with the Home Secretary and the Local MP to make the strength of local views known. This was in addition to a request that the Home Secretary (or her representative) visits the Novotel Hotel in Stevenage to see how unsuitable it was for the placing of asylum seekers.

The Leader expressed a further concern that moving existing hotel use into a dedicated form of hotel provision could breach planning regulations, noting that legal challenges had been launched elsewhere in the country. As a result, the Council was seeking legal advice on this matter.

The Leader also drew attention that no new burdens funding had been provided to the Council and its partners by the Home Office to support the asylum seekers, in

particular local health screening services. She added that inspections would be undertaken by the SBC Environmental Health Service and Hertfordshire Fire & Rescue Service to ensure that the hotel premises was a safe place to accommodate the asylum seekers.

The Leader referred to the Labour Group's motion being submitted to the Council meeting on 14 December 2022 urging the Government to carry out an urgent review of the policy of using hotels for the accommodation of asylum seekers. The motion also calls on the Government to work with local authorities to develop more sustainable options for the accommodation of asylum seekers, including for example the use of Ministry of Defence modular buildings, alongside properly resourced support packages that met the needs of individual asylum seekers. Also for a review of the asylum seeker application process to speed up decision making, and to ensure that appropriate infrastructure is in place before decisions were made.

The following comments were made by Members:

- a further reason why the Ibis Hotel was an inappropriate location was its distance from any green/open space areas in the town;
- it was confirmed that hotels used for the accommodation of asylum seekers were able to refuse approaches from the Home Office, but that it should be borne in mind that such use would provide guaranteed income for the hotels, some of which may be seeking to recover losses incurred as a result of under-occupation throughout the Covid pandemic;
- concerns regarding the potential lack of hotel accommodation for overnight business people as a result of two hotels in Stevenage being used to accommodate asylum seekers; and
- concerns regarding the impact on Knebworth Park of the current use of the Novotel Hotel (in terms of the reduced number of visitors, some of whom may have stayed overnight at the hotel). Similarly, the impact of cancelled weddings and Christmas and other events at the hotel.

9 EXCLUSION OF PRESS AND PUBLIC

It was **RESOLVED**:

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

10 PART II MINUTES - EXECUTIVE - 16 NOVEMBER 2022

It was **RESOLVED** that the Part II Minutes of the Executive held on 16 November 2022 be approved as a correct record for signature by the Chair.

11 LEISURE SERVICES AND ACTIVE COMMUNITIES MANAGEMENT CONTRACT

The Executive considered a Part II report seeking approval to award the Council's Leisure Services and Active Communities Management Contract for the period 1 April 2023 – 31 March 2033, following the outcome of an extensive procurement process.

It was **RESOLVED** that the recommendations set out in the report be approved.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

12 REGENERATION PROGRAMME UPDATE AND SG1 PROGRAMME IMPLEMENTATION

The Executive considered a Part II report in respect of progress on the delivery of the Council's "Transforming the Town Centre" regeneration programme, including the delivery of projects supported through the Stevenage Town deal funding package; and proposals to re-negotiate parts of the SG1 project Development Agreement to enable delivery of this project.

It was **RESOLVED** that the recommendations set out in the report be approved.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

13 MAKING YOUR MONEY COUNT OPTIONS 2023/24 (PART 2)

The Executive considered a Part II report recommending approval of Making Your Money Count (MYMC) budget options for 2023/24, following on from the MYMC report submitted to the November 2022 Executive meeting.

It was **RESOLVED** that the recommendations set out in the report be approved.

Reason for Decision: As contained in report.

Other Options considered: As contained in report.

14 URGENT PART II BUSINESS

None.

CHAIR