

STEVENAGE BOROUGH COUNCIL

EXECUTIVE MINUTES

Date: Wednesday, 14 February 2018

Time: 2.00 pm

Place: Shimkent Room - Daneshill House, Danestrete

Present: Councillors: S Taylor OBE CC (Chair), J Gardner (Vice-Chair), R Henry, J Hollywell, Mrs J Lloyd, R Raynor, S Speller and J Thomas.

Start / End Time: Start Time: 2.00 p.m.
End Time: 3.35 p.m.

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

There were no apologies for absence or declarations of interest.

2. MINUTES - EXECUTIVE - 23 JANUARY 2018

It was **RESOLVED** that the Minutes of the meeting held on 23 January 2018 are approved as a correct record for signature by the Chair.

3. MINUTES OF OVERVIEW & SCRUTINY COMMITTEE AND SELECT COMMITTEES

A typographical error in item 3B was corrected as there was reference to Councillor J Lloyd as 'CC', when in fact, he had stood down at the last County Council Election.

It was **RESOLVED** that the Minutes of the following meetings are noted –

- A. Community Select Committee – 8 January 2018
- B. Environment & Economy Select Committee – 16 January 2018
- C. Overview & Scrutiny Committee – 24 January 2018

4. FINAL GENERAL FUND AND COUNCIL TAX SETTING 2018/2019

The Executive considered a report for recommendation to Council concerning the Council's Final General Fund Budget for 2018/19 and projected 2017/18 General Fund Budget and Final proposals for the 2018/19 Council Tax.

The Portfolio Holder for Resources corrected a typographical error at recommendation 2.9 of the report. The figure quoted for Growth Options was £470,371 not '£430,371' as quoted.

It was reported that the final grant settlement had been published after this report was completed and there was an additional £5,160 of Section 31 grant payable in 2018/19, (due to an alteration in the compensation for changes in business rates).

The additional £5,160 would reduce the 2018/19 net budget and the contribution from balances by the same amount. This would be included in the report to Council on 28 February 2018 meeting.

The Executive was informed that whilst the HCC and Police & Crime Commissioner budgets had not been finalised it was understood that their increases would be in the region of 5.8% and 7.89% respectively.

The Executive was of the view that it was important that the Council's Budget leaflet made it clear that of the total Council Tax paid for a Band D property, only £198 went toward the funding of SBC's 120 services. It should also be noted that the budget had been drawn up based on extensive consultations and the residents' survey.

In response to a Member's question the Assistant Director (Finance & Estates) explained the difference between 'contingency' in recommendation 2.5 and 'reserves'. The contingency figure was recommended to be held by the Executive in order that if any spend arose that had not been included in the budget there was not a subsequent need to refer the matter to Council. There were two types of 'reserves'; allocated reserves that were ring-fenced and the reserves on General Fund balances calculated by risk assessments of the budget that were to be used to mitigate the likes of shortfall in income.

At this juncture the Executive recorded its disappointment that the Hertfordshire NNDR Pilot had not been approved by Government. Only five pilots, with one in London, were to proceed.

The Executive recorded its thanks to Councillor Mrs Lloyd, the Members of the Leader's Financial Security Group and the Assistant Director (Finance & Estates) who had worked on putting together the recommended budget for 2018/2019.

It was **RESOLVED** that the following proposals be recommended to Council on 28 February 2018:

1. That the 2017/18 revised net expenditure on the General Fund of £10,493,720 be approved.
2. That a Final General Fund Budget Requirement for 2018/19 of £8,288,919 be agreed, with a contribution from balances of £823,981 and a Band D Council Tax of £204.46 (assuming a 2.99% increase for inclusion in the draft council tax resolution).
3. That the Risk Assessments of General Fund Balances, as shown at Appendix B to this report, be approved.
4. That a minimum level of General Fund reserves of £2,760,570, in line with the 2018/19 risk assessment of balances, as shown at Appendix B to this report be approved.
5. That a contingency sum of £400,000 within which the Executive can approve supplementary estimates, be approved for 2018/19, (unchanged from 2017/18).
6. That the 2018/19 proposed Fees and Charges increase of £134,160 (Appendix C to this report) be approved for 2018/19.
7. That the 2018/19 proposed concessions (Appendix D to this report) be approved for 2018/19.
8. That the 2018/19 proposed new Financial Security Options of £342,399 (Appendix E to this report) be approved for 2018/19.

9. That the 2018/19 proposed Growth options of £470,371 (Appendix F to this report) be approved for 2018/19.
10. That the 2018/19 business rates gains of £356,610 above the baseline assessment be ring fenced for town centre regeneration (SG1), (paragraph 4.8.3 of the report refers) be approved for 2018/19.
11. That new capital receipts and unspent revenue balances (above the £350,000 transferred to the capital reserve) be earmarked for the Council's and resident's top priority, town centre regeneration be approved.
12. That the advice on of the Assistant Director (Finance and Estates) on the robustness of the draft budget and the adequacy of reserves (Appendix J) be noted.

Reason for Decision: As contained in the report.

Other Options considered: As contained in the report.

5. HEALTHY STEVENAGE STRATEGY

The Executive considered a report that outlined the development of the Healthy Stevenage Strategy.

The Assistant Director (Communities & Neighbourhoods) informed the Executive that he had met with the Community Select Committee Members who had welcomed the strategy and had given positive feedback.

It was noted that SBC had secured a significant amount of funding since 2014 to support health initiatives in the Town. The Strategic Director (Matthew Partridge) undertook to circulate details of this funding to Members of the Executive.

Members were of the view that there was a synergy between this Strategy and recently approved Cultural Strategy. It was very positive that the two strategies were developing in tandem and that they could bring together all the relevant partner agencies.

It was noted that the Clinical Commissioning Group (CCG) played the key role in the health and wellbeing of the community. However, but it was considered that the CCG could do more to address issues of deprivation and inequality although it was accepted that other partners did recognise the impact of these issues on health. There was particular concern that the CCG was responsible for a budget much larger than a district authority but there was seemingly little accountability.

The Executive thanked the Assistant Director (Communities & Neighbourhoods) and his team for the work undertaken on the Strategy.

It was **RESOLVED:**

1. That the Strategy accompanying the report is approved.
2. That it is noted that the Strategy and its implementation adopts a focus on primary prevention and health promotion given this approach has the greatest

potential to help address local health inequalities.

3. That it is noted that implementation of the Strategy will be achieved through co-operative working with our communities and key partners through the Healthy Stevenage Partnership overseen by Stevenage Together.

4. That the Strategy be launched at the Stevenage Together Forum on 6 March 2018.

Reason for Decision: As contained in the report.

Other Options considered: As contained in the report.

6. GENERAL FUND DRAFT ASSET MANAGEMENT STRATEGY AND ACTION PLAN

The Executive considered a report that sought approval to the new General Fund Asset Management Strategy and Action Plan.

The Portfolio Holder for Resources introduced the report. The last such strategy had come forward in 2010/2011 and therefore the draft was very welcome. Members were of the view however, that it was important for the Council's Co-operative principles to be incorporated in the Strategy. Working with the community was fundamental to managing the Council's assets. A working group was to be established, chaired by the Portfolio Holder for Resources, with the Portfolio Holders for Environment & Regeneration and Neighbourhoods & Co-operative Council and relevant officers to help develop this further and report back to the Executive in June/July.

With reference to the draft Action Plan, the policy development activities quoted provided were an opportunity for the Council to work imaginatively and co-operatively with the community.

It was **RESOLVED:**

1. That the draft Asset Management Strategy at Appendix A is noted.
2. That the draft Asset Management Action Plan, at Appendix B, is noted.
3. That the Asset Management Strategy adopts a cooperative approach to engagement with communities, in particular through reviews of assets in different localities.

Reason for Decision: As contained in the report and 3. To include the Council's co-operative principles.

Other Options considered: As contained in the report.

7. FINAL CAPITAL STRATEGY 2017/18-2022/23

The Executive considered a report for recommendation to Council that sought approval to revisions to the 2017/18 General Fund and Housing Revenue Account Capital Programme and the draft Capital Programme for 2018/19. The report also provided an update on the Council's draft 5 Year Capital Strategy and the resources available to fund the Capital Strategy.

The Portfolio Holder for Resources introduced the report. She explained that the Capital Strategy included £200K in 2018/19 for work on the bus station solution. The Strategy assumed that the works were to be funded from the LEP (GD3 monies) however, to date, the governance for these funds not been signed off by the Government. She therefore added a further recommendation that would allow for capital reserves to be used pending the sign off of the GD3 monies.

With reference to the additional recommendation the Chief Executive stated that there was a risk that if the GD3 monies were not agreed it would be necessary to re-prioritise the works capital programme. However, the work on the bus station could not be delayed and if need be it would be funded directly by the Council.

The Assistant Director (Finance & Estates) stated that the report to Council would include detail of the mitigation in place for the Council's investment in commercial property making it clear that the investments made were of economic benefit to Stevenage and are prudent.

It was **RESOLVED** that the following proposals be recommended to Council on 28 February 2018:

1. That the revised General Fund and HRA 2017/18 capital programme, as detailed in Appendix A and Appendix B to the report be approved.
2. That the final 2018/19 General Fund Capital Programme as detailed in Appendix A to the report be approved.
3. That the final 2018/19 HRA Capital Programme as detailed in Appendix B to the report be approved.
4. That the updated forecast of resources as summarised in Appendix A (General Fund) and Appendix B (HRA) to the report be approved.
5. That the Government's potential changes to prudential borrowing and MRP as outlined in paragraph 3.21-3.26 of the report be noted.
6. That the approach to resourcing the General Fund capital programme as outlined in paragraph 4.3.6 and 4.3.11 of the report be approved.
7. That the growth bids identified for inclusion in the Capital Strategy (Appendix C to the report) be approved.
8. That the 2018/19 de-minimis expenditure limit (section 4.8 of the report) be approved.
9. That the 2018/19 contingency allowance (section 4.9 of the report) be approved.
10. That the work undertaken by LFSG on behalf of the Executive in reviewing and challenging the General Fund Capital Strategy be noted.

11. That in 2018/19 SBC capital reserves be used to fund £200,000 of the Regeneration capital bid assumed from GD3 monies, to allow the SG1 regeneration scheme to progress. This is required because the government has not signed off governance which would allow the release of GD3 monies.

Reason for Decision: As contained in the report and 11. To ensure that there is no delay in undertaking this work.

Other Options considered: As contained in the report.

8. ANNUAL TREASURY MANAGEMENT STRATEGY INCLUDING PRUDENTIAL CODE INDICATORS 2018/19

The Executive considered a report for recommendation to Council concerning the approval of the Treasury Management Strategy 2018/19 including the Annual Investment Strategy and the prudential indicators.

The Executive was advised that this report had been fully debated by the Audit Committee on 5 February 2018 but no changes had been made.

It was **RESOLVED** that the following recommendations be made to Council -

1. That the Treasury Management Strategy be approved.
2. That the draft prudential indicators for 2018/19 be approved subject to any changes proposed by CIPFA to the Treasury Management Code and Prudential Code.
3. That the minimum revenue provision policy be approved and the proposed changes currently under consultation be noted.
4. That it be noted that no changes are being proposed to treasury limits contained within the Council's Treasury management policies.

Reason for Decision: As contained in the report.

Other Options considered: As contained in the report.

9. URGENT PART 1 BUSINESS

Town Centre Regeneration – SG1

The Chief Executive provided the Executive with an update on the progress of the decision taken at the last meeting regarding the appointment of the preferred developer for the SG1 Scheme.

The Developer chosen was preparing a formal launch of the plans on 27 February and the Council was producing a dedicated edition of Chronicle.

The Executive recorded its thanks to all the Members, Officers and Partners who

had worked to get the initiative to this stage.

10. EXCLUSION OF PUBLIC AND PRESS

It was **RESOLVED**:

1. That, under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information 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.

11. PART II MINUTES - EXECUTIVE - 23 JANUARY 2018

It was **RESOLVED** that the Part II section of the Minutes of the meeting of the Executive held on 23 January 2018 are approved for signature by the Chair.

12. URGENT PART II BUSINESS

None.

CHAIR