

**Meeting** EXECUTIVE  
**Portfolio Area** RESOURCES  
**Date** 4 APRIL 2018



## NEW HOMES BONUS 2018/19

### KEY DECISION

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## 1 PURPOSE

- 1.1 To approve a range of schemes and initiatives to be funded from the 2018/19 New Homes Bonus allocation.
- 1.2 The Leader announced the proposals at the Council meeting on 28 February 2018. As these formed part of the budget they have been considered by the Overview & Scrutiny Committee and their comments are incorporated into this report.
- 1.3 To update Members on the progress of 2017/18 New Homes Bonus schemes announced at February 2017 Council meeting and approved by Members at the March 2017 Executive.

## 2 RECOMMENDATIONS

- 2.1 That an allocation of £260,600 from the 2018/19 New Homes Bonus allocation be approved for the implementation and delivery of the following schemes :
  - Scheme 1- Neighbourhood Wardens £41,600;
  - Scheme 2 - Stevenage Day £10,000;
  - Scheme 3 - Acknowledging the end of World War 1 £7,000;
  - Scheme 4 - Stevenage Cycling Festival incorporating the Tour Series £90,000; (considered by Overview and Scrutiny 9 March 2018)

- Scheme 5 - Imagine Stevenage, Mobilising our Cultural Offer £40,000;
- Scheme 6 - Supporting Town Centre events £10,000;
- Scheme 7- Participatory budgets £40,000;
- Scheme 8 - Recognising suffragette movement £7,000;
- Scheme 9 - Electric Charging points £15,000

2.2 That Members note the progress made in relation to delivery of the 2017/18 NHB initiatives.

### **3 BACKGROUND**

3.1 The New Homes Bonus scheme was originally designed to be a financial incentive for Council's to deliver housing growth and as such replaced the Housing and Planning Development Grant. It was also intended to make the link between growth and new finance more visible.

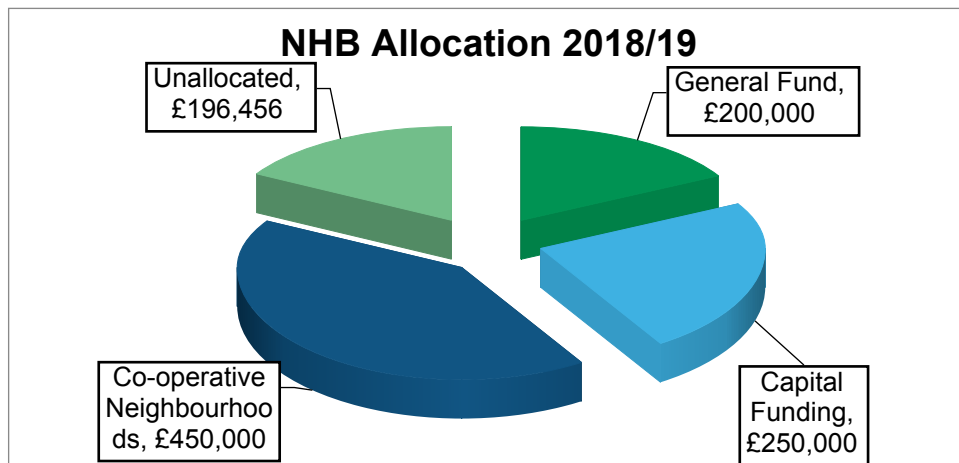
3.2 The original scheme started in April 2011 matching the additional Council Tax raised for new homes and properties brought back into use, with an additional amount of £350 for each affordable home for the following six years. In two tier areas the New Homes Bonus is split 80/20 between the District and County Councils.

3.3 The mechanism for determining the number of additional properties is to take the council tax base form completed by Council's in October, called the CTB1 and compare the number of properties between the current and previous year, less any long term empty properties. The value then applied is at 80% of the equivalent national average value Band D property.

3.4 For the 2017/18 NHB allocation the government revised the calculation for the NHB award from retaining an annual allowance for six years to four years and in addition a threshold of 40% increase in property numbers needs to be achieved before any NHB becomes payable. The government had consulted on the former change, however including the threshold calculation was not known until that years' allocation became due.

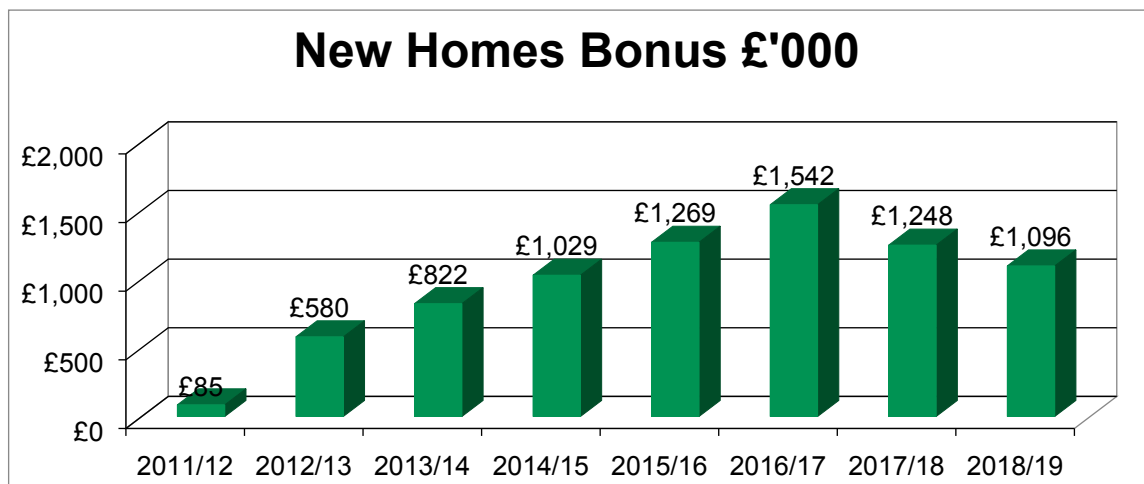
3.5 It has been the Council's policy to date not to rely on temporary income streams to fund permanent services, which includes the use of New Homes Bonus (NHB). To date, only £200,000 has been added to the General Fund base budget from NHB (and £250,000 for capital). Although it continues to be the view of the Assistant Director (Finance and Estates) that NHB should support one-off projects, a number of projects have received funding for the last few years. As part of the Business Unit Reviews (BUR) funding for three neighbourhood wardens has been secured from 2019/20. Other priority services such as the domestic abuse services and No More project may need to be resourced from the General Fund to secure their future long term.

3.6 Members have previously approved to ring fence funding of £450,000 for the co-operative neighbourhood FTFC work stream, which supports initiatives such as the playground improvement programme. The chart below details the 2018/19 NHB allocation of £1.096Million.



3.7 In addition to the £196,456 available for new schemes there is a further £67,645 that has not been allocated or returned to the NHB reserve as a result of actual costs being lower than budgeted. This means there is a total of £264,410 available to be allocated to new schemes.

3.8 Since 2011/12 the Council has received £7.67Million of NHB as shown in the chart below. The impact of reducing the award from six to four years and the threshold is clearly shown as the 2018/19 award has fallen to be in line with that received in 2014/15.



#### 4 REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

##### 4.1 2018/19 Schemes

4.1.1 A number of New Homes Bonus proposals were announced as part of the Leader's Budget Speech at Council on 28 February 2018. The following

schemes for the 2018/19 New Homes Bonus have therefore been identified for implementation:

<b>Scheme 1 : Neighbourhood Wardens</b>	
<b>Lead Portfolio Holder :</b> Neighbourhoods and Co-operative Council	
<b>Allocation :</b> £41,600	<b>Delivery Lead :</b> Assistant Director Communities and Neighbourhoods
<b>Timescales : 2018/19</b> This allocation will top up funding for the existing three wardens cost in 2018/19 (£6,500) and fund a fourth warden in 2018/19.	
<b>Priorities Supported : Co-operative Neighbourhood Management</b>	

- 4.1.2 The Neighbourhood Wardens initiative is considered to have been very successful in terms of developing the connection between the Council and its residents / local organisations. The Wardens have worked hard to resolve matters of concern and to help local people access the services they need.
- 4.1.3 Three wardens are currently employed and the use of NHB grant ensures funding up to the 31 March 2019, thereafter the three wardens will be funded from the Council's General Fund.
- 4.1.4 This additional allocation will fund a fourth warden for one year whilst further work is undertaken in year to consider future resourcing options.

<b>Scheme 2 : Stevenage Day</b>	
<b>Lead Portfolio Holder :</b> Children, Young People and Leisure	
<b>Allocation :</b> £10,000	<b>Delivery Lead :</b> Assistant Director Communities and Neighbourhoods
<b>Timescales : June 2018</b> The additional funding for 2018/19 will allow provision of a wide, extensive and diverse range of free activities for the family and allow the voluntary sector the opportunity to fund raise.	
<b>Priorities Supported : Co-operative Neighbourhood Management</b>	

- 4.1.5 Income for Stevenage Day is generated from two primary sources, catering and funfair franchises. Additional income is generated from stall fees which are predominantly taken up by charities and the voluntary sector. Over the

last few years live music stages have been added and officers have worked with Stevenage Festival to bring back Rock in the Park.

4.1.6 Infrastructure costs have increased significantly for, fencing, twin stages, PA and lighting, welfare and security. Whilst the charitable and voluntary sector provides some free activities, many of them view Stevenage Day as the biggest fund raising opportunity of the year.

4.1.7 The additional funding requested will allow more free activities to be included in Stevenage Day, which in turn will increase the footfall that should benefit the third sector organisations.

<b>Scheme 3 : Acknowledging the end of World War 1</b>	
<b>Lead Portfolio Holder :</b> Children, Young People and Leisure	
<b>Allocation :</b> £7,000	<b>Delivery Lead :</b> Assistant Director Communities and Neighbourhoods
<b>Timescales : November 2018</b> Various events to commemorate the end of WW1	
<b>Priorities Supported : Co-operative Neighbourhood Management</b>	

4.1.8 SBC supported the community and hosted a range of events and programmes marking the start of World War 1 (WW1). In 2018 it will be 100 years since the end of WW1 and the intention is to provide a range of relatively small but poignant events to mark the occasion. Pump prime funding of £3,000 was provided by the NHB fund for 2017/18. This has been used to plant poppies in various locations around the town which will flower in 2018.

4.1.9 A number of activities are planned for 2018 including:

- To lay a wooden cross at each WW1 War Grave at St Nicholas and St Mary's. The Last Post could also be played (November 10).

- A National Tribute will take place to remember the end of the WW1 War called “Battle’s Over”, A Nations Tribute. This event has been devised by The Royal Pageant-master and will be supported by The Royal British Legion. The pageant will have four main themes, each starting at a different time during the day (November 11).
- 06.00 “Battle’s Over - Sleep in peace, now the battles over”. This will take place at the start of the day with over 1,000 pipers playing the tune at each Cathedral throughout the country. In Stevenage the piper will play at the War Memorial at 06.00am (11 November).

<b>Scheme 4 : 2018 Stevenage Cycling Festival incorporating the Tour Series</b>	
<b>Lead Portfolio Holder :</b> Children, Young People and Leisure	
<b>Allocation :</b> £90,000	<b>Delivery Lead :</b> Assistant Director Communities and Neighbourhoods
<b>Timescales : 2018/19</b> A wide range of events from Easter until October the highlight being the hosting of a combined HCC Hertfordshire Tour Launch and a round of the National Tour Series Professional Cycle Race event on May 28 Bank Holiday Monday	
<b>Priorities Supported : Co-operative Neighbourhood Management</b>	

4.1.10 Stevenage Borough Council successfully hosted the Women’s Tour in 2015, the Pearl Izumi Tour Series in 2016 and The Tour Series final in 2017. These events have helped raise the profile of the town through national TV coverage as well as having a positive economic impact. They have also helped promote the benefits of exercise and use of the town’s cycleways.

4.1.11 Building upon previous cycling events the 2018/19 event will positively engage local cycling clubs, HCC and schools to co-produce an extensive cycling

programme. This will enable local people to have more involvement and control over what is delivered through the educational and community programme.

4.1.12 The Overview and Scrutiny Committee considered and confirmed their support for this initiative at its meeting of the 8 March 2018.

<b>Scheme 5 : Imagine Stevenage – Mobilising our Cultural Offer</b>	
<b>Lead Portfolio Holder :</b> Children, Young People and Leisure	
<b>Allocation :</b> £40,000	<b>Delivery Lead :</b> Assistant Director Communities and Neighbourhoods
<b>Timescales : 2018/19</b> The initiative links to the launch of Stevenage’s Cultural Strategy in 2018.	
<b>Priorities Supported : Co-operative Neighbourhood Management</b>	

4.1.13 The proposal is to appoint to a time limited-post to bring additional capacity to support the launch and mobilisation of the Cultural Strategy to ensure it becomes embedded in the way the Council and its partners think about the future of the town through a shared narrative / set of ambitions, creating new opportunities for cultural investment.

4.1.14 Deliverables will include:

- The establishment of a cultural partnership forum for the town.
- A minimum of 3 successful grant bids to cultural funders to support further cultural events, festivals, or installations in Stevenage in 2018 including Stevenage Day, the Suffragette Centenary Celebrations and Celebrate Stevenage.
- Public art installations as part of the Town Centre regeneration programme/Cycle network.
- Further stakeholder engagement with cultural organisations and cultural investors, both local and national, such as Creative Hertfordshire and Arts Council England.

<b>Scheme 6 : Supporting Town Centre events</b>	
<b>Lead Portfolio Holder :</b> Environment & Regeneration	
<b>Allocation :</b> £10,000	<b>Delivery Lead :</b> Assistant Director Planning & Regulation

**Timescales : 2018/19**

This additional funding will support and enhance a schedule of events to be held throughout the year in the town centre.

**Priorities Supported : Town Centre Regeneration**

4.1.15 Since the Council took back the management of town centre events, a Town Centre Manager has been appointed to promote business and events to bring increased footfall to the town centre by promoting the Stevenage offer through a new website and staging year round events. The additional £10,000 allocation will help with supporting a full programme throughout the year which could include (but not exclusively):

- Outdoor cinema
- Animal Crackers (small animal experience and education)
- Stevenage International Day (celebrating music, food & dance from different cultures)
- Halloween-Tastic (Face painting and Caldron making)
- And generally supporting a presence / activity in the town on a monthly basis.

**Scheme 7 : Participatory budgets**

**Lead Portfolio Holder :** Neighbourhoods and Co-operative Council

**Allocation :** £40,000

**Delivery Lead :** Assistant Director Communities and Neighbourhoods

**Timescales : 2018/19 - 2019/20**

A pilot to trial community involvement in decision making in the two wards where the co-operative neighbourhood management programme has been implemented.

**Priorities Supported : Co-operative Neighbourhood Management (CNM)**

4.1.16 The aim of this bid is to pilot participatory budgeting by engaging residents in meaningful consultation in the wards that the FTFC CNM programme is focussing upon. It is anticipated that this funding will facilitate effective decision making at a local level. The target Wards for next year are Martins Wood and St Nicholas.

4.1.17 The actual allocation of the budgets will be determined following public engagement and consultation.



<b>Scheme 8 : Recognising suffragette movement</b>	
<b>Lead Portfolio Holder : Leader of the Council</b>	
<b>Allocation : £7,000</b>	<b>Delivery Lead : Assistant Director Communities and Neighbourhoods</b>
<b>Timescales : 2018/19</b> Celebrating the suffragette movement with a series of events in conjunction with services such as the museum.	
<b>Priorities Supported : Co-operative Neighbourhood Management</b>	

4.1.18 This money will be used in conjunction with and is complementary to the programme of events which will be delivered by the museum. The funding will be used to mark the occasion in November 2018 when women could first become MPs and then December 2018 when women could vote in an election.

4.1.19 It is envisaged that this will include a town centre event which will be educational and involve local school children.

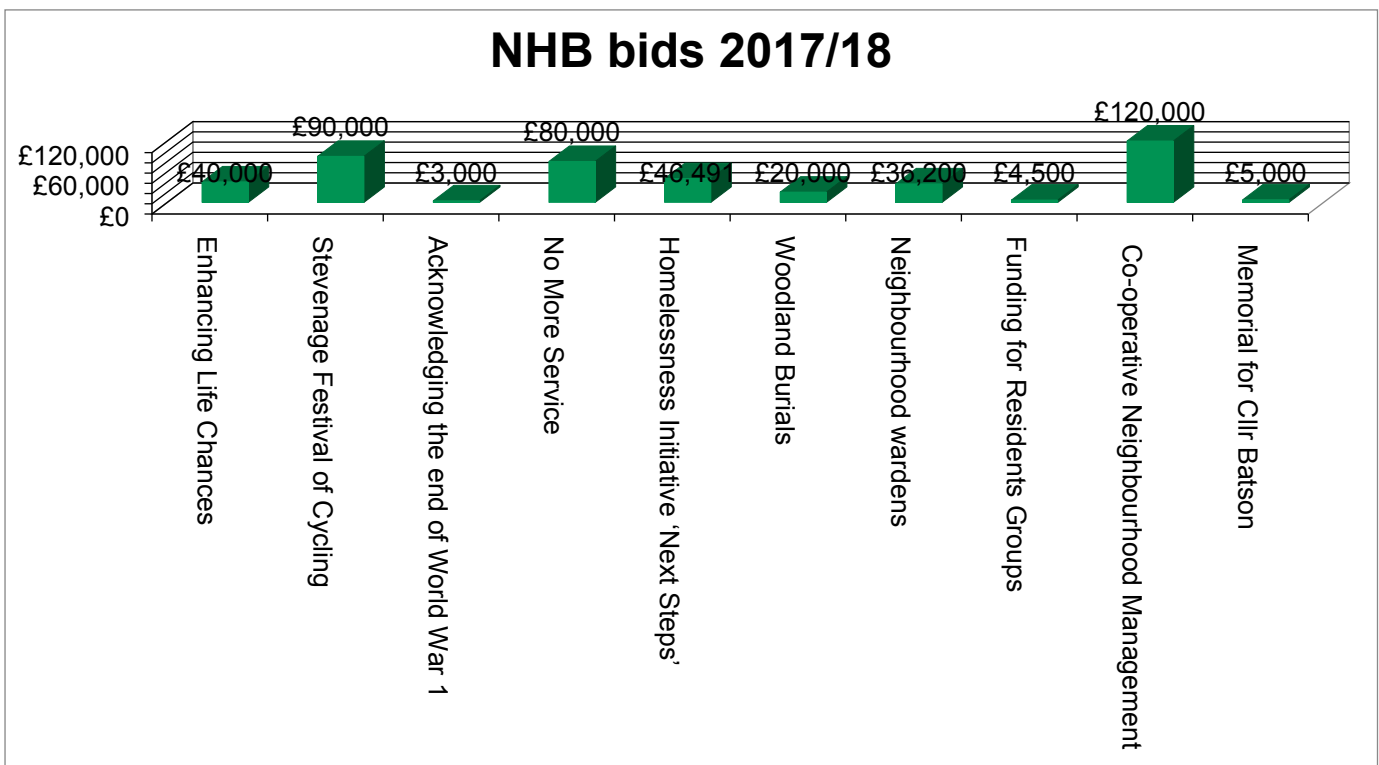
<b>Scheme 9 : Electric Charging Points</b>	
<b>Lead Portfolio Holder : Economic, Enterprise and Transport</b>	
<b>Allocation : £15,000</b>	<b>Delivery Lead : Assistant Director Planning &amp; Regulation</b>
<b>Timescales : 2018/19</b> Installation of electric charging points	
<b>Priorities Supported : Town Centre Regeneration</b>	

4.1.20 The funding will meet the cost of installing two twin charging point for electric vehicles in four existing parking bays in the Quadrant. This scheme aims to support the use of electric cars within Stevenage. The scheme will recover the cost of the electricity used through fees for parking in these bays. The cost of charging will match that at the other privately run bays in the town centre. This is open to the public and will not require users to be a member of a scheme. The users will still pay the parking charges for the bays.

4.1.21 This proposal supports the Council's sustainable transport policies and contribute towards improving air quality for Stevenage residents.

#### 4.1 Update on 2017/18 schemes

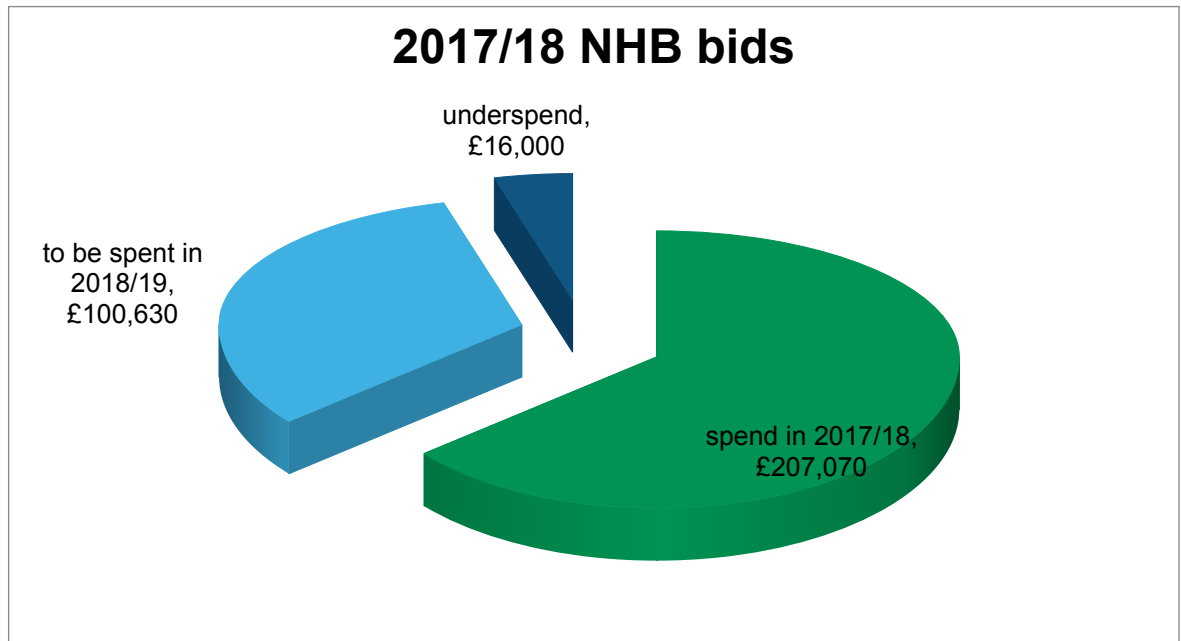
4.2.1 The 2017/18 schemes approved in the March 2017 report are summarised in the chart below.



4.2.2 Subsequent to the initial approval in April 2017, the 'next steps' project NHB funding was removed, as alternative central government homeless funding was allocated for 2017/18 which was used to resource the project.

4.2.3 A new project was approved by Members (included in the Medium Term Financial Strategy to the September Executive) to support the Stevenage Credit Union to be able to expand its membership and offer through introducing an ICT system which provides greater functionality. The Assistant Director Finance and Estates proposed a number of KPIs to demonstrate the success of the new software once implemented.

4.2.4 A summary of the 2017/18 scheme progress is included in Appendix A to this report and the projected amounts to be spent are summarised in the chart below.



## 4.2 Comments from the Overview and Scrutiny Committee

4.3.1 At the Overview and Scrutiny Committee on the 8 March, Members considered the NHB bid for the Stevenage Cycling Festival incorporating the Tour Series (£90,000). Members asked a number of questions about the event, including the logistics of running the event, how we quantifying the positive impact on the businesses, improvements to the cycle ways by HCC, and wider impact across the town. Members also asked how the additional Warden would be funded beyond the pilot year, and the priorities of Neighbourhood Wardens. Members did not suggest any changes to the proposal.

4.3.2 The Overview and Scrutiny Committee comments from their meeting of the 19 March will be highlighted to the Executive at their meeting of the 4 April 2018.

## 5. IMPLICATIONS

### 4.3 Financial Implications

5.1.1 The final New Homes Bonus allocations for 2018/19 have been published, with amounts paid monthly direct to councils with the first monthly payment April 2018.

5.1.2 As part of the budget setting process, Council approved a General Fund Revenue Account Contingency Sum in the Budget and Policy Framework for 2018/19 of £400,000 for expenditure determined by the Executive. This expenditure is funded from the New Homes Bonus reserve and the impact on the General Fund is neutral.

5.1.3 Part of the New Homes Bonus has been earmarked for previously approved budget policy commitments these summarised below:

<b>Policy Commitments</b>	<b>2017/18</b>
Contribution to the General Fund	£200,000
Contribution to the Capital Reserve	£250,000
Contribution to Co-operative Neighbourhood Management	£450,000
<b>Total</b>	<b>£900,000</b>

5.1.4 The total new homes bonus expenditure for 2018/19 is summarised below.

<b>2018/19 New Homes Bonus Allocation</b>	<b>£1,096,456</b>
<b>Balances from previous year unused/returned</b>	<b>£67,645</b>
<b>Total Possible allocation</b>	<b>£1,164,101</b>
Less : Contribution to General Fund Budget	-£200,000
Less : Contribution to Capital Reserve	-£250,000
Less: Neighbourhood Improvements programme	-£450,000
Less : Contingency left in reserve for scheme over-runs	-£3,501
<b>Allocation Remaining to Support Schemes</b>	<b>£260,600</b>

<b>New Homes Bonus</b>	<b>Spend</b>
Scheme 1- Neighbourhood Wardens	£41,600
Scheme 2- Stevenage Day	£10,000
Scheme 3- Acknowledging the end of World War 1	£7,000
Scheme 4- Stevenage Cycling Festival incorporating the Tour Series	£90,000
Scheme 5- Imagine Stevenage – Mobilising our Cultural	£40,000

New Homes Bonus	Spend
Offer	
Scheme 6- Supporting Town Centre events	£10,000;
Scheme 7- Participatory budgets	£20,000
Scheme 8- Recognising suffragette movement	£7,000;
Scheme 9- Electric Charging points	£15,000
<b>Total</b>	<b>£260,600</b>

#### 4.4 Legal Implications

5.2.1 The New Homes Bonus funding is a non-ring-fenced grant and as such can be spent as recommended by Members.

#### 4.5 Risk Implications

5.3.1 An amount of £3,501 has not been allocated to allow for any potential overspends. The schemes are monitored throughout the year and reported as part of the quarterly monitoring process.

#### 4.6 Policy Implications

5.4.1 The 2018/19 NHB proposals were considered at the Overview and Scrutiny meeting of the 19 March 2018 prior to Executive on the 4 April 2018.

#### 5.5 Equalities and Diversity Implications

5.5.1 Stevenage Borough Council has committed itself to providing high quality services that are relevant to the needs and responsive to the views of all sections of the local community, irrespective of their race, gender, disability, culture, religion, age, sexual orientation or marital status. The General Equality Duty (Section 149 of the Equality Act 2010) requires the Council to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations in the exercise of its functions. These considerations are the duty of decision makers. Initial Equality Impact Assessments (EqIAs) have been carried out on the recommended New Homes Bonus schemes and further full EqIAs will be carried out, where appropriate, if the schemes go ahead. It is anticipated that there will be a positive impact from the schemes and EqIAs will be used to ensure that all sections of the community can benefit from them.

## **BACKGROUND DOCUMENTS**

BD1 New Homes Bonus Report 2017/18 March 2017 Executive

<http://www.stevenage.gov.uk/content/committees/160923/160931/160995/20170314-Item7.pdf>

BD2 General Fund Medium Term Financial Strategy (2017/18-2021/22)  
September 2017 Executive

[http://www.stevenage.gov.uk/content/committees/182083/182087/182091/Executive-19-September\\_2107-Item5.pdf](http://www.stevenage.gov.uk/content/committees/182083/182087/182091/Executive-19-September_2107-Item5.pdf)

## **APPENDICES**

A Appendix A- 2017/18 New Homes Bonus Bids progress