

NORTH HERTFORDSHIRE DISTRICT COUNCIL



16 June 2025

Our Ref Cabinet Tuesday, 24 June 2025
Contact. Committee Services
Direct Dial. 01462 474655
Email. committee.services@north-herts.gov.uk

To: Members of the Cabinet:

Executive Members Councillors: Daniel Allen (Chair), Val Bryant (Vice Chair),
Ian Albert, Amy Allen, Mick Debenham, Tamsin Thomas, Laura Williams and
Donna Wright.

**NOTICE IS HEREBY GIVEN OF A
MEETING OF THE CABINET**

to be held in the

**COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES, GERNON
ROAD, LETCHWORTH, HERTS SG6 3JF**

on

TUESDAY, 24TH JUNE, 2025 AT 7.30 PM

Yours sincerely,

Jeanette Thompson
Director – Governance

****MEMBERS PLEASE ENSURE THAT YOU DOWNLOAD ALL AGENDAS AND REPORTS VIA THE MOD.GOV APPLICATION ON YOUR TABLET BEFORE ATTENDING THE MEETING****

Agenda

Part I

Item		Page
1.	APOLOGIES FOR ABSENCE	
2.	MINUTES - 20 MAY 2025 To take as read and approve as a true record the minutes of the meeting of the Committee held on the 20 May 2025.	(Pages 7 - 10)
3.	NOTIFICATION OF OTHER BUSINESS Members should notify the Chair of other business which they wish to be discussed at the end of either Part I or Part II business set out in the agenda. They must state the circumstances which they consider justify the business being considered as a matter of urgency. The Chair will decide whether any item(s) raised will be considered.	
4.	CHAIR'S ANNOUNCEMENTS <u>Climate Emergency</u> The Council has declared a climate emergency and is committed to achieving a target of zero carbon emissions by 2030 and helping local people and businesses to reduce their own carbon emissions. A Cabinet Panel on the Environment has been established to engage with local people on matters relating to the climate emergency and advise the council on how to achieve these climate change objectives. A Climate Change Implementation group of councillors and council officers meets regularly to produce plans and monitor progress. Actions taken or currently underway include switching to green energy, incentives for low emission taxis, expanding tree planting and working to cut food waste. In addition the council is a member of the Hertfordshire Climate Change and Sustainability Partnership, working with other councils across Hertfordshire to reduce the county's carbon emissions and climate impact. The Council's dedicated webpage on Climate Change includes details of the council's climate change strategy, the work of the Cabinet Panel on the Environment and a monthly briefing on progress. <u>Ecological Emergency</u> The Council has declared an ecological emergency and is committed to addressing the ecological emergency and nature recovery by identifying appropriate areas for habitat restoration and biodiversity net gain whilst ensuring that development limits impact on existing habitats in its process.	

The Council has set out to do that by a) setting measurable targets and standards for biodiversity increase, in both species and quantities, seeking to increase community engagement, b) to work with our partners to establish a Local Nature Partnership for Hertfordshire and to develop Nature Recovery Networks and Nature Recovery Strategy for Hertfordshire and c) to investigate new approaches to nature recovery such as habitat banking that deliver biodiversity objectives and provide new investment opportunities.

Declarations of Interest

Members are reminded that any declarations of interest in respect of any business set out in the agenda, should be declared as either a Disclosable Pecuniary Interest or Declarable Interest and are required to notify the Chair of the nature of any interest declared at the commencement of the relevant item on the agenda. Members declaring a Disclosable Pecuniary Interest must withdraw from the meeting for the duration of the item. Members declaring a Declarable Interest, wishing to exercise a 'Councillor Speaking Right', must declare this at the same time as the interest, move to the public area before speaking to the item and then must leave the room before the debate and vote.

5. PUBLIC PARTICIPATION

To receive petitions, comments and questions from the public.

6. ITEMS REFERRED FROM OTHER COMMITTEES

Any Items referred from other committees will be circulated as soon as they are available.

7. STRATEGIC PLANNING MATTERS

REPORT OF THE INTERIM DIRECTOR – PLACE

(Pages
11 - 20)

This report identifies the latest position on key planning and transport issues affecting the Council.

8. CODICOTE NEIGHBOURHOOD PLAN

REPORT OF THE INTERIM DIRECTOR – PLACE

(Pages
21 - 56)

To consider the examiner's report and the proposed modifications to the Codicote Neighbourhood Plan and to agree that officers make arrangements to conduct a referendum within the designated neighbourhood planning area for Codicote.

9. SUSTAINABILITY STRATEGY 2025-2030

REPORT OF THE DIRECTOR – ENVIRONMENT

(Pages
57 - 84)

This report proposes a replacement of the Climate Change Strategy 2022-2027, which was approved in 2022. This replacement is The Sustainability Strategy 2025-2030 and aligns with the Council Plan 2024-2028 priority of Sustainability.

10. COUNCIL DELIVERY PLAN 2024-25 (END OF YEAR)

REPORT OF THE DIRECTOR – RESOURCES

(Pages
85 - 124)

This report presents progress on delivering the Council Delivery Plan for 2024-25.

- | | | |
|-----|---|-------------------------|
| 11. | REVENUE BUDGET OUTTURN 2024/25
REPORT OF THE DIRECTOR - RESOURCES | (Pages
125 -
148) |
| | The purpose of this report is to inform Cabinet of the summary position on revenue income and expenditure at the end of the financial year 2024/25. | |
| 12. | INVESTMENT STRATEGY (CAPITAL AND TREASURY) END OF YEAR REVIEW 2024/25
REPORT OF THE DIRECTOR – RESOURCES | (Pages
149 -
182) |
| | To consider the Investment Strategy (Capital and Treasury) End of Year Outturn Review. | |
| 13. | RISK MANAGEMENT GOVERNANCE - YEAR END REVIEW
REPORT OF THE DIRECTOR – RESOURCES | (Pages
183 -
202) |
| | To provide the Committee with an update on the effectiveness of the Risk Management Governance arrangements at the Council. The review is referred on to Cabinet and the Committee can make recommendations on how we can improve our risk management arrangements. | |
| 14. | EXCLUSION OF PRESS AND PUBLIC
To consider passing the following resolution: That under Section 100A of the Local Government Act 1972, the Press and Public be excluded from the meeting on the grounds that the following report will involve the likely disclosure of exempt information as defined in Paragraph 3 and 5 of Part 1 of Schedule 12A of the said Act (as amended). | |
| 15. | PART 2 MINUTES - 14 JANUARY 2025 AND 18 MARCH 2025
To take as read and approve as a true record the Part 2 minutes of the meeting of the Committee held on the 14 January 2025 and 18 March 2025. | 203 -
206 |
| 16. | THE ARENA, BALDOCK - PART 2
REPORT OF THE PRINCIPAL ESTATES SURVEYOR | 207 -
234 |
| | This report sets out proposals for dealing with the balance on the rent account; regularising underlettings; a new rent and details how future rent reviews will be assessed. This will enable the club to progress replacement of the pitch. | |
| 17. | THE ARENA, BALDOCK - PART 1
REPORT OF THE PRINCIPAL ESTATES SURVEYOR | (Pages
235 -
240) |
| | This report sets out proposals for dealing with the balance on the rent account; regularising underlettings; a new rent and details how future rent reviews will be assessed. This will enable the club to progress replacement of the pitch. | |
| 18. | EXCLUSION OF PRESS AND PUBLIC
To consider passing the following resolution: That under Section 100A of the Local Government Act 1972, the Press and Public be excluded from the meeting on the grounds that the following report will involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the said Act (as amended). | |

- 19. RADBURN WAY, LETCHWORTH GARDEN CITY - PART 2** 241 -
REPORT OF THE PRINCIPAL ESTATES SURVEYOR 262

This reports is to consider whether the Council should not progress development or disposal of the site. Instead, the Council should consider capitalising on the site's biodiversity, with a view to improving public use of the site and exploring the site's value as part of a habitat bank.

- 20. RADBURN WAY, LETCHWORTH GARDEN CITY - PART 1** (Pages
REPORT OF THE PRINCIPAL ESTATES SURVEYOR 263 -
278)

This reports is to consider whether the Council should not progress development or disposal of the site. Instead, the Council should consider capitalising on the site's biodiversity, with a view to improving public use of the site and exploring the site's value as part of a habitat bank.

This page is intentionally left blank

Public Document Pack Agenda Item 2

NORTH HERTFORDSHIRE DISTRICT COUNCIL

CABINET

**MEETING HELD IN THE COUNCIL CHAMBER, DISTRICT COUNCIL OFFICERS, GERONON ROAD, LETCHWORTH, SG6 3JF
ON TUESDAY, 20TH MAY, 2025 AT 7.30 PM**

MINUTES

Present: *Councillors: Daniel Allen (Chair), Val Bryant (Vice-Chair), Ian Albert, Amy Allen, Mick Debenham and Dave Winstanley.*

In Attendance: *Amy Cantrill (Trainee Committee, Member and Scrutiny Officer), Ian Couper (Director - Resources), Sarah Kingsley (Director - Environment), Susan Le Dain (Committee, Member and Scrutiny Officer), James Lovegrove (Committee, Member and Scrutiny Manager) and Jeanette Thompson (Director - Governance).*

Also Present: *At the commencement of the meeting there were no members of the public.*

127 APOLOGIES FOR ABSENCE

Audio recording – 1 minute 11 seconds

Apologies for absence were received from Councillor Tamsin Thomas.

128 MINUTES - 18 MARCH 2025

Audio recording – 1 minute 22 seconds

Councillor Daniel Allen proposed and Councillor Mick Debenham seconded and, following a vote, it was:

RESOLVED: That the Minutes of the Meeting of the Committee held on 18 March 2025 be approved as a true record of the proceedings and be signed by the Chair.

129 NOTIFICATION OF OTHER BUSINESS

Audio recording – 2 minutes 3 seconds

There was no other business notified.

130 CHAIR'S ANNOUNCEMENTS

Audio recording – 2 minutes 7 seconds

(1) The Chair advised that, in accordance with Council Policy, the meeting would be recorded.

(2) The Chair reminded Members that the Council had declared both a Climate Emergency and an Ecological Emergency. These are serious decisions, and mean that, as this was an emergency, all of us, Officers and Members had that in mind as we carried out our various roles and tasks for the benefit of our District.

- (3) The Chair drew attention to the item on the agenda front pages regarding Declarations of Interest and reminded Members that, in line with the Code of Conduct, any Declarations of Interest needed to be declared immediately prior to the item in question.
- (4) The Chair advised for the purposes of clarification that 4.8.23(a) of the Constitution did not apply to this meeting.

131 PUBLIC PARTICIPATION

Audio recording – 3 minutes 9 seconds

There was no public participation at the meeting.

132 ITEMS REFERRED FROM OTHER COMMITTEES

Audio recording – 3 minutes 14 seconds

The Chair advised that the item referred from the Overview and Scrutiny Committee would be taken with the respective item on the agenda.

133 DECARBONISATION OF LEISURE CENTRES CONTRACT AWARD

Audio recording - 3 minutes 31 seconds

Councillor Mick Debenham, as Executive Member for Environment, Leisure and Green Spaces, presented the referral from the Overview and Scrutiny Committee, on behalf of the Chair of Overview and Scrutiny, on this item and advised that the Committee expressed the view that:

- There was concern about the increase in costs of the project over the past 18 months.
- The construction contract should ideally include protections against any further unforeseen costs related to extended closure of facilities.
- The Committee recognised the work done by officers and the project board to mitigate the impact of extended closures at the three leisure centres whilst the decarbonisation work was carried out.
- It was understood that no membership direct debit payments would be taken during the closures of the leisure centres.
- The communication plan should be proactive and used on all available media channels to ensure information was passed on to all customers.

In response to a question from Cllr Daniel Allen, Cllr Mick Debenham advised that at the recent Overview and Scrutiny Committee meeting, a cross party of Members had voted unanimously to continue with the project.

Councillor Mick Debenham, as Executive Member for Environment, Leisure and Green Spaces, then presented the report entitled 'Decarbonisation of Leisure Centres Contract Award' and advised that:

- In February 2024 the Council was awarded £7.74 million grant funding from Salix for the decarbonisation works of the three leisure centres.
- This project included the extension of the gym at Royston Leisure Centre, refurbishment of the changing village at Royston Leisure Centre and conversion of the wet change at North Herts Leisure Centre into a change village.

- Cabinet were being asked to award the construction contract for the works to Willmott Dixon Construction Limited at a value of £15.890 million and to agree to increase the overall project budget to £16.271 million, to ensure a reasonable contingency was allowed for any unseen issues. The contracting sum and budget included a £110K contribution from Everyone Active
- Due to the requirement of the grant funding from Salix, early orders had been placed and therefore the spend to date was £6.709 million on this project.
- Everyone Active had provided an indicative figure for the revenue impact the Council would have to incur for closures of approximately £900K.
- Due to the scale of the project, there would inevitably be some disruption to customers whilst works were undertaken.
- Everyone Active would look to the redeployment of staff and other operational efficiencies where possible to reduce costs.
- A significant issue would be the 23-week partial closure of the Hitchin pool from 8am to 4pm Monday to Friday (with a two-week full reopening over Christmas) required to install insulation and solar PVs to the roof, as detailed in paragraph 8.8 of the report. The pool would reopen at 4pm to allow swimming lessons to take place and would also be fully open at weekends.
- Cabinet were being asked to consider extending the outdoor pool seasons at Letchworth to coincide with the indoor pool closures at Letchworth until early October and at Hitchin until the end of October to accommodate swimmers.
- This project would cut the emissions of the leisure centres by approximately two thirds.
- This decarbonisation project would not only ensure that the facilities remained fit for purpose for many years but would also take the Council a significant step towards reaching climate targets and a greener North Hertfordshire.

In response to questions from Cllr Daniel Allen, Cllr Mick Debenham advised that:

- There would be a 5% capital tolerance on the revised project budget, which could be used for contingency for any issues during the construction phase.
- The planned works of the Royston gym extension, the refurbishment of the Royston Leisure Centre change village and the North Herts Leisure Centre change village would be carried out during the planned decarbonisation closures of the leisure centres.

The following Members took part in the debate:

- Councillor Ian Albert
- Councillor Daniel Allen
- Councillor Dave Winstanley

Points raised during the debate included:

- The importance of holding discussions with the project board to ensure the Council was right to proceed with this project.
- It would be good to see an extension of lido sessions at Hitchin and Letchworth.
- This project would be kept under review by the project board as works progressed and the project board would keep Cabinet informed.
- This project would provide the Council with three leisure centres fit for many years to come with net zero emissions.
- Cabinet fully supported this project and wanted to thank everyone involved in making this happen.

Councillor Mick Debenham proposed and Councillor Amy Allen seconded and, following a vote, it was:

RESOLVED: That Cabinet:

- (1) Agreed to increase the project capital budget to £16.271 million.
- (2) Approved the extension of the lido seasons at both Hitchin and Letchworth as per paragraphs 8.13-8.14.
- (3) Approved the changes to the 2025/26 General Fund budget, resulting from the planned closures and extended opening of the lidos, a £937k increase in net expenditure.
- (4) Awarded the leisure decarbonisation construction contract to Willmott Dixon Construction at a value of £15.890 million.

REASON FOR DECISIONS: To enable Cabinet to review the progress of the leisure decarbonisation project, including spend to date and anticipated increases in capital budget expenditure, as well as revenue implications (loss of income during closures and net costs of extending outdoor pool opening), and approve the award of the construction contract to Willmott Dixon Construction.

The meeting closed at 7.49 pm

Chair

CABINET

24 June 2025

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: STRATEGIC PLANNING MATTERS

REPORT OF: NIGEL SMITH, INTERIM DIRECTOR: PLACE

EXECUTIVE MEMBER: CLLR DONNA WRIGHT, EXECUTIVE MEMBER FOR PLANNING & TRANSPORT

COUNCIL PRIORITY: THRIVING COMMUNITIES / ACCESSIBLE SERVICES / RESPONSIBLE GROWTH / SUSTAINABILITY

1. EXECUTIVE SUMMARY

- 1.1 This report identifies the latest position on key planning and transport issues affecting the Council.

2. RECOMMENDATIONS

- 2.1. That the report on strategic planning matters be noted.

3. REASONS FOR RECOMMENDATIONS

- 3.1. To keep Cabinet informed of recent developments on strategic planning matters.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. None

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. The Executive Member has been briefed on the relevant matters in this report. Where appropriate these have also been reported to the Council's internal, informal Strategic Planning Project Board. This includes cross-party representation from all political groups. The Project Board is chaired by the Executive Member for Planning & Transport. Local ward members have been invited to participate in relevant meetings of the Board

6. FORWARD PLAN

- 6.1 This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

7. BACKGROUND

- 7.1. Members will be aware of, and familiar with, many of the issues surrounding the strategic planning matters referred to in paragraph 1.1 above. This report is intended to provide Members with the current positions on the following key matters where there has been substantive change since the report in January 2025.

8. RELEVANT CONSIDERATIONS

Government Changes

- 8.1. On 7 February 2025, the government updated the [National Planning Policy Framework \(NPPF\)](#) by amending paragraph 155 to make its intention clear. Paragraph 155 sets out criteria relating to the circumstances in which the development of homes, commercial and other development in the Green Belt should not be regarded as inappropriate. The amendment requires all the criteria [utilisation of grey belt land whilst not fundamentally undermining the purposes of the remaining Green Belt; a demonstrable unmet need for the type of development proposed; being in a sustainable location; and ensuring the Golden Rules relating to provision of affordable housing, infrastructure or improving accessible green spaces] to apply rather than one of the criteria only.
- 8.2. On 11 March 2025, the Planning and Infrastructure Bill was taken to the House of Commons and is currently going through its committee stages. The Bill contains the following provisions:
- speeding up the consenting process for national infrastructure projects;
 - introducing a new Nature Recovery Fund to help drive positive outcomes in nature recovery whilst unlocking development;
 - changing the way planning committees operate to speed up decision making¹;
 - reforms to enable planning authorities to increase planning fees;
 - introducing a new system spatial planning to ensure full coverage of Strategic Development Strategies across the country;
 - legislating to strengthen Development Corporations to make it easier to deliver large-scale new communities; and
 - changing the way compensation is paid to landowners through the Compulsory Purchase Process

¹ <https://www.gov.uk/government/consultations/reform-of-planning-committees-technical-consultation/reform-of-planning-committees-technical-consultation>

- 8.3. Other changes on the horizon include the consultation of National Development Management Policies (NDMPs). The purpose of these is to provide consistency across the country and should not be repeated in local plans, therefore freeing up planning authorities to concentrate on more locally specific policies. It is not clear what policies will be included and /or how detailed they will be. These were expected to be consulted on in the spring, however it is more likely this will be towards the end of July. The Council will provide a response to this consultation once published. As NDMPs will become part of authorities' Development Plan, the Local Plan will need to take account of these changes as it is prepared.

Proposed Expansion of Luton Airport

- 8.4. The Council received a copy of the Notice of the decision by the Secretary of State for Transport on [3 April 2025](#) to approve Luton Rising's Development Consent Order (DCO) application for the expansion of London Luton Airport to increase passenger numbers from the currently consented 19mpa to 32mpa by 2040s following completion of a lengthy Examination on 10 February 2024. This decision was despite National Planning Inspectors recommending refusal against the proposed development due to its significant environmental harms. The decision was subject to a 6-week High Court challenge period called a Judicial Review.
- 8.5. The Luton And District Association for the Control of Aircraft Noise (LADACAN) initiated legal proceedings to challenge the Transport SoS decision considering it to be unlawful, and after seeking legal advice, the association launched a Judicial Review to have the SoS's decision quashed. In the interim while this legal process is ongoing, officers are in the process of reviewing the current decision and its implications for the Council.

Strategic Sites

- 8.6. The Strategic Planning Project Board continues to meet regularly. The status of work on the six, largest Strategic Sites in the Local Plan is summarised below:

Policy SP14: North of Baldock	The strategic masterplan report has been endorsed by the Strategic Sites Project Board and Cabinet. The Report will seek endorsement at Full Council in June, following a member briefing.
SP15: North of Letchworth	The masterplan for this site was adopted as a material consideration for any future planning applications by Full Council in July 2024. The applicant is currently in the process of procuring a development partner.
SP16: North of Stevenage	The masterplan for this site was adopted as a material consideration for any future planning applications by Full Council in November 2024.

	<p>An outline planning application is under consideration (Council application reference 23/02935/OP).</p> <p>A draft design code is being prepared for the site.</p>
SP17: Highover Farm, Hitchin	<p>Outline planning permission for this site was granted in November 2024 on completion of the s106 legal agreement following a resolution to grant permission by the Planning Committee in October 2023.</p> <p>Reserved matters applications have recently been received for infrastructure and the first phases of new homes, along with a proposed Design Code for the site.</p>
SP18: North-east of Great Ashby	<p>The masterplan for this site was adopted as a material consideration for any future planning applications by Full Council in November 2024.</p> <p>An outline application is expected in September 2025.</p>
SP19: East of Luton	<p>The masterplan for this site was adopted as a material consideration for any future planning applications by Full Council in January 2025.</p> <p>Two outline planning applications are under consideration (Council application references 17/00830/1 and 16/02014/1).</p>

- 8.7. Other masterplans for significant sites are being progressed through a variety of PPAs, pre-application discussions and current planning applications lodged with the Council ([Masterplans in current applications | North Herts Council \(north-herts.gov.uk\)](https://www.north-herts.gov.uk/masterplans)).

North Herts Local Plan

- 8.8. It was agreed at Cabinet in January 2024 to undertake a review of the Local Plan. The Plan is prepared in a number of stages.
- Regulation 18 (an options document) - expecting to consult towards the end of 2025
 - Regulation 19 document (the draft Local Plan) – expecting to consult towards the end of 2026
 - Examination in Public – summer 2027
 - Adoption – end of 2027

- 8.9. An indicative programme for this work is set out in the Local Development Scheme which is published on the Council's website [Local Development Scheme | North Herts Council](#).
- 8.10. Work is underway on preparing the evidence base to support the Local Plan including Strategic Market Housing Assessment, Economic Land Study, joint Green Belt Review, Viability Study, Landscape Study, etc. We are imminently consulting on a Call for Sites - expression of interest for people to submit sites that have the potential for development which the team will analyse for potential suitability. This work will inform the site allocations work to support the Local Plan.

Other Local Authorities' Local Plans

- 8.11. We are neighboured by eight other Local Authorities who are all at differing stages of their Local Plans. As part of Duty to Co-operate, we maintain regular contact with regard to the status of their Local Plans and input to consultations as appropriate. Details of the most recent positions of our neighbours is set out below.

St. Albans City and District Council

- 8.12. Examination of the St Albans Local Plan started 29 April 2025. Following representations made by the Council (reported in the January SPM report), it is not anticipated that it is necessary for us to appear at the hearing sessions.
- 8.13. Examination is expected to continue until February 2026 with a view to adopt in March 2026. More details can be found on [St Albans City and District Council's website](#).

Uttlesford District Council

- 8.14. Examination of the Uttlesford Local Plan will start on 10 June 2025. Following representations made by the Council (reported in the January SPM report), it is not anticipated that it is necessary for us to appear at the hearing sessions.
- 8.15. Examination is expected to continue until March 2026 with a view to adopt in April 2026. More details can be found on [Uttlesford District Council's website](#).

Stevenage Borough Council

- 8.16. Stevenage Borough Council are undertaking a partial review of their Local Plan. The Regulation 19 consultation, or pre-submission consultation has now ended, and SBC are preparing to submit their Plan to the Secretary of State this summer.
- 8.17. We have made representations on the Plan and await direction as to the next steps in terms of the examination of the Plan. More details can be found on [Stevenage Borough Council's website](#).

Luton Borough Council

- 8.18. Luton Borough Council are undertaking a review of their Local Plan. The Council are currently undertaking a second round of Call for Sites. These sites will help to identify areas for the provision of growth in the Borough.
- 8.19. More details can be found on [Luton Borough Council's website](#).

Central Bedfordshire Council

- 8.20. A Call for Sites exercise was carried out November 2024 to January 2025. This has been published and can be viewed here [Call for Sites | Central Bedfordshire Council](#).

East Hertfordshire District Council

- 8.21. A Call for Sites exercise was carried out July to September 2024. Results of this exercise are currently being assessed and will be published in due course.
- 8.22. More details can be found on [East Herts Council's website](#).

Welwyn Hatfield District Council

- 8.23. A Call for Sites exercise was carried out recently and closed March 2025. Results of this exercise are currently being assessed and will be published in due course.
- 8.24. More details can be found on [Welwyn Hatfield District Council's website](#).

South Cambridgeshire District Council

- 8.25. The Council are undertaking a Local Plan with Cambridge City Council under the Greater Cambridge Local Plan. A Call for Sites was previously undertaken and they plan to consult on a draft Plan in autumn/winter 2025.
- 8.26. More details can be found on [Greater Cambridge Shared Planning's website](#).

Neighbourhood Plans

- 8.27. A referendum for the Barkway and Nuthampstead Neighbourhood Plan was held on 1 May 2025. The result of the referendum was 325 votes in favour of the neighbourhood plan with 49 votes against. The neighbourhood plan was “made” by [delegated decision](#) on 15 May 2025.
- 8.28. The examination for the Codicote Neighbourhood Plan has concluded and is subject to a separate report on this agenda.

Other matters

North, East & Central Herts Authorities Strategic Planning

- 8.29. Since 2019 the Council together with East Herts District Council, Stevenage Borough Council, Welwyn Hatfield District Council, Broxbourne Borough Council and Hertfordshire County Council along with the help of consultants, have been working together on the strategic planning of the area. This included establishing a Vision and a Growth Study for North East Central (NEC) Herts. The intention of the Growth Study is to create a key piece of initial evidence to support the preparation of a joint strategic plan for the area and inform the next round of Local Plans from the 2030s to 2050.

- 8.30. The production of the Stage 2 Growth Study is now underway with a final report expected towards the end of the summer with member briefings prior to final publication. Outcomes of this will be reported in the next Strategic Matters Report.

Chilterns National Landscape proposed extension

- 8.31. As reported in MIS recently, Natural England have announced that the long-anticipated review of the Chilterns National Landscape boundary has been cancelled due to funding cuts from Defra.
- 8.32. It was anticipated that the boundary review of the Chilterns National Landscape would result in more of North Herts Council being included in the National Designation, which would have recognised the beauty and value of the landscape within the Council's area.
- 8.33. A full statement from Chilterns Conservation Board² on the Chilterns National Landscape cancellation can be found here [Deep Disappointment at Cancellation of the Chilterns Boundary Review | Chilterns National Landscape](#).

North Herts Council's Draft Town Centres Strategy

- 8.34. Officers presented an overview of the Town Centres Strategy to the Strategic Planning Board on 20th May 2025. The Board received a presentation from officers and their consultants, Lichfields & Partners Ltd ("Lichfields"), on the status of the project, timeline and next steps, including a 'You said – We did' section from the last Project Board meeting. Lichfields were previously commissioned for the work of the Town Centres and Retail Study Evidence, base and more recently to assist officers with the Town Centres Strategy redrafting.
- 8.35. The Board members acknowledged receipt of the presentations and the comprehensive work undertaken by the Consultants, Lichfields, and officers. Since the last Project Board meeting (30 Oct 2024), the project has progressed with:
- Reviewing proposed town centre boundaries, to be less restrictive: i.e. to only remove areas from existing boundaries if these are residential or non-main town centre uses.
 - Reviewing the population figures and update tables as needed (specifically considering strategic housing allocations).
 - Completion of the Town Centre and Retail Study (Final in Dec 2024) and taking forward the recommendations in the Town Centre Strategy.
 - Researching individual town centre documents and strategies.
 - Restructuring the document to reduce the length and to simplify the context.

² an independent body established by Parliamentary Order in July 2004, its members are all drawn from local communities including representatives from local authorities and DEFRA

- Reviewing the evidence base and policy and prioritising individual town centre aspirations.
 - Engaging with Officers across various services, with the view to engage with the Bids and other key stakeholders such as the Royston Town Council and the Letchworth Garden City Heritage Foundation over the next month.
- 8.29 The Board members recognised the need for a more policy weighted strategy supported by a robust evidence base in order to respond and guide future development proposals, with sub-sections detailing specific town centre aspirations to be more visionary setting out the Council's proposed direction of travel and priorities for each of the town centres that could be taken forward as part of the Local Plan review.
- 8.30 The Board, recognising that some additional work needed to be undertaken following the discussion around the priorities for the town centres, and to allow time for officers and their consultants to complete the draft, the Board requested to have sight of the draft once complete for their review prior to it being submitted to Cabinet at a future date, (anticipated for September Cabinet meeting).

9. LEGAL IMPLICATIONS

- 9.1. Under (Section 5, paragraph 5.7.18) of the Council's Constitution (the Terms of Reference for Cabinet), the Constitution states that Cabinet may exercise the Council's functions as Local Planning Authority and receive reports on strategic planning matters, applications for, approval/designation, consultation/referendums revocations (or recommend revocation) of neighbourhood plans and orders, (except to the extent that those functions are by law the responsibility of the Council or delegated to the Service Director: Regulatory).
- 9.2. The preparation of statutory plans and supporting documents is guided by a range of acts and associated regulations including the Planning and Compulsory Purchase Act 2004 (as amended) and the Localism Act 2011.
- 9.3. Under the Council's Constitution (14.6.10 (b) iv B) all functions relating to National Infrastructure Planning including co-ordination of the Council's response to any consultation, examination or other any other matter concerned with major infrastructure projects, is delegated to the Service Director Place.

10. FINANCIAL IMPLICATIONS

- 10.1. The general costs of activities identified in this report - including the additional, temporary posts identified in Section 15 below - are met through existing revenue budgets or benefit from external funding or other arrangements to recover costs.
- 10.2. £20k has been set aside in the budget for any additional work associated with the London Luton Airport DCO application following the conclusion of the Examination from the SoS following the Judicial Review and any ongoing work arising from a positive decision, such as implementing monitoring levels and the enforcement of the approved scheme.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. Delays to the publishing of secondary legislation relating to Local Plans poses risks to the progression of the Local Plan update. However, we will keep this under review.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. There are not considered to be any direct equality issues arising from this report. Future individual schemes or considerations may well be subject to appropriate review to ensure they comply with latest equality legislative need. Any risks and opportunities identified will also be subject to assessment for impact on those that share a protected characteristic.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. Several of the schemes noted at section 8 will have considerable impact on the environment as they come to fruition. Many of these will be subject to their own statutory requirements for environmental assessment such as Sustainability Appraisal or Environmental Impact Assessment. The need for further assessment, for example where there is no statutory requirement, is considered on a case-by-case basis.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1. There is one permanent vacancy in the Strategic Planning Team. This was unsuccessfully advertised in 2024 and will be readvertised shortly along with an additional fixed-term post (18 months) to support work on the Local Plan. A further temporary post is being created within the design service to assist with projects including the District Design Guide. Interim and backfill / temporary arrangements have been put in place following the recent retirement of the Director: Place.

16. CONTACT OFFICERS

Nigel Smith, Interim Director: Place

01462 474847 nigel.smith@north-herts.gov.uk

Rachael Rooney, Interim Strategic Planning Manager

rachael.rooney@north-herts.gov.uk

Louise Symes, Strategic Projects & Infrastructure Manager

01462 474359 louise.symes@north-herts.gov.uk

Deborah Coates, Principal Strategic Planning Officer

01462 474353 deborah.coates@north-herts.gov.uk

Clare Skeels, Senior Strategic Planning Officer

01462 474424 clare.skeels@north-herts.gov.uk

Sohanna Srinivasan, Principal Planning and Urban Design Officer

sohanna.srinivasan@north-herts.gov.uk

Douglas Trail-Stevenson, Acting Legal Manager & Deputy Monitoring Officer

01462 474653 douglas.trail-stevenson@north-herts.gov.uk

Ian Couper, Service Director of Resources

01462 474243 ian.couper@north-herts.gov.uk

Jo Keshishian, Human Resources Operations Manager

01462 474314 Jo.keshishian@north-herts.gov.uk

Reuben Ayavoo, Policy and Community Manager

01462 474212 reuben.ayavoo@north-herts.gov.uk

CABINET

24 JUNE 2025

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: CODICOTE NEIGHBOURHOOD PLAN – EXAMINERS REPORT

REPORT OF INTERIM DIRECTOR – PLACE

EXECUTIVE MEMBER FOR PLACE: CLLR DONNA WRIGHT

COUNCIL PRIORITY: THRIVING COMMUNITIES / RESPONSIBLE GROWTH / SUSTAINABILITY

1. EXECUTIVE SUMMARY

- 1.1 To consider the examiner's report and the proposed modifications to the Codicote Neighbourhood Plan and to agree that officers make arrangements to conduct a referendum within the designated neighbourhood planning area for Codicote.

2. RECOMMENDATIONS

- 2.1. That the Examiner's report for the Codicote Neighbourhood Plan should be noted.
- 2.2. That following the inclusion of the Examiner's proposed modifications to the Codicote Neighbourhood Plan, as set out in Appendix A, the Codicote Neighbourhood Plan is approved, and it is approved to proceed to a referendum.
- 2.3. That the Counting Officer be instructed to conduct a referendum on the Codicote Neighbourhood Plan.

3. REASONS FOR RECOMMENDATIONS

- 3.1. To progress the Codicote Neighbourhood Plan, enable a referendum to take place and if more than 50% of those voting in favour of the Codicote Neighbourhood Plan to "make" the Codicote Neighbourhood Plan.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. There are a number of alternative options which have been considered:
- To propose additional modifications to the neighbourhood plan: The independent examiner's report sets out a number of modifications to the neighbourhood plan and it is considered that no further modifications, other than those, are necessary.
 - To reject the examiner's proposed modifications; if the examiner's recommendations are not followed, the Parish Council as the qualifying body could request that the Secretary of State intervenes. Officers do not recommend this option given the recommendations of the examiner.

- The Parish Council, as the Qualifying Body, has a right to withdraw the neighbourhood plan at any time before the local planning authority decides on the examination report. However, the Parish Council has confirmed that it is content with the Examiners recommendations and wishes the neighbourhood plan to proceed to a referendum.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. The Codicote Neighbourhood Plan has been subject to public consultation which is described in paragraph 7.3 below. Members have been kept informed of the progress of this neighbourhood plan through the Strategic Planning reports to Cabinet.

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 21 March 2025.

7. BACKGROUND

- 7.1. Codicote Parish Council applied for the designation of a neighbourhood planning area in January 2014. Consultation on the neighbourhood planning area was undertaken and the neighbourhood planning area designated at a Cabinet meeting on 24 June 2014.
- 7.2. Codicote Parish Council submitted their neighbourhood plan to North Herts Council on 30 October 2024. Consultation on the Proposed Submission Neighbourhood Plan (Regulation 16) took place between 10 December 2024 and 28 January 2025.
- 7.3. A total of 57 representations were received, 2 objections, 9 supporting representations and 46 comments. The plan was then submitted for examination.
- 7.4. An independent examiner, Andrew Mead, was appointed by the Council in consultation with Codicote Parish Council.
- 7.5. The role of the examiner is to assess whether a neighbourhood plan meets the basic conditions and other matters set out in paragraph 8 of Schedule 4B of the Town and Country Planning Act 1990 (as amended). Details about the basic conditions are set out in paragraphs 1.8 and 1.9 of the examiner's report, as attached at Appendix A.
- 7.6. Following the examination, the examiner must make one of the following recommendations:
- The neighbourhood plan can proceed to a referendum on the basis it meets all the necessary legal requirements;
 - The neighbourhood plan can proceed to a referendum subject to modifications; or
 - The neighbourhood plan should not proceed to a referendum on the basis it does not meet the necessary legal requirements.

8. RELEVANT CONSIDERATIONS

- 8.1. The examination of the neighbourhood plan took place between April and May 2025 and was conducted by written representations, rather than a public hearing. During the examination, the examiner asked a number of clarification questions of both the District and the Parish Council. The responses to those questions of clarification are listed as one of the background papers to this report.
- 8.2. The examiner's report was issued on 14 May 2025, with the following recommendation: "I recommend that the Plan, once modified, proceeds to referendum on the basis that it has met all the relevant legal requirements."
- 8.3. The examiner has considered all of the policies and the supporting text in the neighbourhood plan. The examiner has set out a series of modifications which ensure that the neighbourhood plan meets the basic conditions and that it can be used in determining planning applications and will provide a practical framework for decision making.
- 8.4. A schedule of the examiner's proposed modifications has been prepared which is attached as Appendix B. The Parish Council, as the Qualifying Body have confirmed that they are content to accept all of the Examiner's proposed modifications. There are a number of minor modifications proposed which the Examiner did not include in his proposed modifications, but these are limited to typographical and consequential numbering modifications and are noted in the schedule. The schedule of modifications has been prepared in consultation with the Parish Council. Overall, officers consider that the examiner's modifications all help to make the neighbourhood plan clear and one which can be used in determining planning applications.
- 8.5. The examiner states, that subject to the proposed modifications being made to the neighbourhood plan, he recommends that the Codicote Neighbourhood Plan can go forward to a referendum, as described in the second recommendation in paragraph 7.6 above.
- 8.6. As part of the examination process, the examiner must also consider whether the referendum area should be extended beyond the neighbourhood planning area to which it relates. In this case, the examiner considers that there is no reason to alter or extend the area for the referendum.
- 8.7. Once the decision has been made by the local planning authority to hold a referendum, the Neighbourhood Plan Referendum (NPR) must be held within 56 working days of the decision (or 65 days if the NPR is being combined with a scheduled election). The Referendum is the responsibility of the Counting Officer, who is the person designated as the Council's Returning Officer for local government elections in the area. If the local planning authority orders a Referendum this will be held on Thursday 14 August 2025.
- 8.8. For the Referendum to be successful, a majority of votes is needed, where more than 50% of those voting, vote in favour of the Neighbourhood Plan. The result is binding once it is declared, and the local planning authority must "make" the Neighbourhood Plan within 8 weeks of the referendum. Once the neighbourhood plan is "made", it will form part of the statutory Development Plan. Policies in the neighbourhood plan will be used in determining planning applications within the Codicote neighbourhood planning area (see also Paragraph 9.5 below).

9. LEGAL IMPLICATIONS

- 9.1. Under the Terms of Reference for Cabinet Paragraph 5.7.18 of the Constitution states that the Cabinet should exercise the Council's functions as Local Planning Authority except where functions are reserved by law to the responsibility of the Council or delegated to the Service Director: Place.
- 9.2. The Localism Act 2011 provided a new statutory regime for neighbourhood planning. The Neighbourhood Planning (General) Regulations 2012 (as amended) make provisions in relation to that new regime. It does, amongst other things, set out the Council's responsibility (as the Local Planning Authority) in assisting communities in the preparation of neighbourhood development areas, plans and order and to take plans through a process of examination and referendum.
- 9.3. At the point where the local planning authority makes the decision on whether the neighbourhood plan should proceed to referendum, it needs to be satisfied that the neighbourhood plan proposal has regard to national policy and guidance, contributes to sustainable development, is in general conformity with the strategic policy of the development plan for the area.
- 9.4. Regulations 2A and 18A of the Neighbourhood Planning (Referendums) Regulations 2012 prescribe the relevant time limits referred to in paragraphs 8.6 and 8.7 above respectively.
- 9.5. As a consequence of receiving the examiner's report for the Codicote Neighbourhood Plan, Section 70(2) of the Town and Country Planning Act 1990 (as amended) provides that the local planning authority must have regard to a post examination draft neighbourhood plan, as a material consideration in the determination of planning applications within the parish of Codicote.

10. FINANCIAL IMPLICATIONS

- 10.1. The cost of the Codicote Neighbourhood Plan examination has been met from the existing Neighbourhood Plan earmarked reserve (balance of £101,000 at May 2025), which came about from previous Government funding following the designation of neighbourhood planning areas and neighbourhood plan referenda. This reserve will also be used to fund the costs associated with the referendum, if the Council is not successful in claiming the £20k grant, which is explained below.
- 10.2. Previously, the local planning authority could claim £20,000 from the Ministry of Housing, Communities and Local Government (MHCLG) once a neighbourhood plan had gone through a successful examination and a decision statement had been published detailing the intention to hold a referendum.
- 10.3. There has been no announcement from MHCLG about funding for neighbourhood planning in the current financial year (2025/26). If MHCLG does make an announcement about funding for neighbourhood planning activities and the Codicote Neighbourhood Plan fulfils the criteria, Officers will make a claim.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. There are no pertinent risks associated with this report.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. There are not considered to be any direct equality issues arising from this report. Future individual schemes or considerations may well be subject to appropriate review to ensure they comply with latest equality legislative need. Any risks and opportunities identified will also be subject to assessment for impact on those that share a protected characteristic.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. The Council, as “responsible authority”, determines if the neighbourhood plan is likely to have significant environmental effects. It was determined, in a [Screening Determination](#), dated August 2024 that the neighbourhood plan would not require a Strategic Environmental Assessment.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 Holding a referendum for the neighbourhood plan will involve the Electoral Services team in additional work in setting up and running the referendum.

16. APPENDICES

- 16.1 Appendix A : Examiner’s report for the Codicote Neighbourhood Plan – May 2025
- 16.2 Appendix B : Schedule of the examiner’s proposed modifications and responses – May 2025

17. CONTACT OFFICERS

- 17.1. Nigel Smith, Interim Director – Place
01462 – 474847 nigel.smith@north-herts.gov.uk
- 17.2. Clare Skeels, Senior Planning Officer
01462 – 474424 clare.skeels@north-herts.gov.uk

- 17.3. Debbie Coates, Principal Strategic Planning Officer
01462 – 474353 deborah.coates@north-herts.gov.uk
- 17.4. Melanie Stimpson, Democratic Services Manager
01462 – 474208 melanie.stimpson@north-herts.gov.uk
- 17.5. Reuben Ayavoo, Policy and Community Manager
01462 – 474212 reuben.ayavoo@north-herts.gov.uk
- 17.6. Tim Everitt, Performance and Risk Officer
01462 – 474646 tim.everitt@north-herts.gov.uk
- 17.7. Jodie Penfold, Group Accountant
01462 – 474332 jodie.penfold@north-herts.gov.uk

18. BACKGROUND PAPERS

18.1 Cabinet reports:

[Codicote Neighbourhood Plan Area – June 24 2014](#)
[Codicote Neighbourhood Plan – November 19 2024](#)

- 18.2 The following background papers are all available on the following webpage: [Codicote Neighbourhood Plan](#)
- Codicote Neighbourhood Plan 2024 – 2031 Submission Version – October 2024
 - Independent Examiner's Questions – March 2025
 - District and Parish Council responses to the Examiner's Questions – March 2025
 - Independent Examiner's Report for the Codicote Neighbourhood Plan – May 2025

Report on the Codicote Neighbourhood Plan 2024 – 2031

An Examination undertaken for North Hertfordshire District Council with the support of Codicote Parish Council on the Regulation 15 submission version of the Plan.

Independent Examiner: Andrew Mead BSc (Hons) MRTPI MIQ

Date of Report: 14 May 2025

Contents

Main Findings - Executive Summary	4
1. Introduction and Background	4
Codicote Neighbourhood Plan 2024–2031	4
The Independent Examiner	5
The Scope of the Examination	5
The Basic Conditions.....	6
2. Approach to the Examination.....	6
Planning Policy Context	6
Submitted Documents.....	7
Site Visit.....	7
Written Representations with or without Public Hearing	7
Modifications	8
3. Procedural Compliance and Human Rights.....	8
Qualifying Body and Neighbourhood Plan Area	8
Plan Period.....	8
Neighbourhood Development Plan Preparation and Consultation	8
Development and Use of Land	9
Excluded Development.....	9
Human Rights.....	9
4. Compliance with the Basic Conditions	9
EU Obligations	9
Main Issues.....	10
Vision and Objectives.....	10
Design Policies.....	11
COD 1 Designing with Design Codes.....	11
COD 2 Designing for Net Zero	11
COD 3 Designing for Flood Resilience	11
COD 4 Planning for Biodiversity	11
Amenities Policies.....	12
COD 5 Existing Businesses in the Retail Area	12
COD 6 Village Car Park.....	12
COD 7 Commercial Premises	12
COD 8 Valued Community Facilities	13
COD 9 New and Improved Community Facilities	13
COD 10 Protected Recreational Open Spaces	13

Intelligent Plans and Examinations (IPE) Ltd, 3 Princes Street, Bath BA1 1HL

Registered in England and Wales. Company Reg. No. 10100118. VAT Reg. No. 237 7641 84

COD 11 Local Green Spaces	13
Infrastructure Policies	14
COD 12 Traffic Congestion and Road Safety	14
COD 13 Public Transport	14
COD 14 Safe and Accessible Active Travel Routes	14
COD 15 Sustainable Water Supply	15
Natural Environment Policies	15
COD 16 Landscape Character and Important Views	15
COD 17 Biodiversity and Ecological Connectivity	15
COD 18 Wildlife Corridors	15
COD 19 Climate Change Resilience	16
Heritage Assets Policies	16
COD 20 Designated Heritage Assets	16
COD 21 Non-designated Heritage Assets	16
Implementation and Spending Priorities	16
COD 22 Spending Priorities	16
Residential Allocation	17
Policies Maps	17
Overview	17
5. Conclusions	18
Summary	18
The Referendum and its Area	18
Concluding Comments	18
Appendix: Modifications	20

Main Findings - Executive Summary

From my examination of the Codicote Neighbourhood Plan (CNP/the Plan) and its supporting documentation including the representations made, I have concluded that subject to the policy modifications set out in this report, the Plan meets the Basic Conditions.

I have also concluded that:

- The Plan has been prepared and submitted for examination by a qualifying body – the Codicote Parish Council;
- The Plan has been prepared for an area properly designated – the Codicote Neighbourhood Area as shown on Figure 1 on page 7 of the Neighbourhood Plan;
- The Plan specifies the period during which it is to take effect: 2024 - 2031; and
- The policies relate to the development and use of land for a designated neighbourhood area.

I recommend that the Plan, once modified, proceeds to referendum on the basis that it has met all the relevant legal requirements.

I have considered whether the referendum area should extend beyond the designated area to which the Plan relates and have concluded that it should not.

1. Introduction and Background

Codicote Neighbourhood Plan 2024–2031

- 1.1 The Parish of Codicote is based on the village of Codicote and includes the hamlets of Drivers End, Nup End, Hogsnorton, Rabley Heath and Potters Heath. Codicote village is located in gently undulating countryside about 10km south of Stevenage and 1km to the north east of Welwyn with access to the nearby A1(M) motorway. The population of Codicote Parish is about 3500.¹
- 1.2 The process of preparing the Codicote Neighbourhood Plan (CNP) began in 2014. A 'Neighbourhood Forum'² was created; evidence was collected; consultations were held and over the subsequent three or four years the first draft Neighbourhood Plan was produced. The preparation appears then to have paused with a new Steering Group (successor to the Forum) being established to review the draft Neighbourhood Plan and which culminated in the Regulation 14 version of the Plan being produced in 2024. The final version of the Plan was submitted to North Hertfordshire

¹ Paragraph 3.1.1 of the Plan.

² It appears the group term 'Forum' was used in its general, ordinary meaning (and working on behalf of the Parish Council) as opposed to the statutory terms of Section 61F of the Town and Country Planning Act 1990 (as amended).

Council (NHC) in October 2024, representing over 10 years' work for those involved throughout the process.

The Independent Examiner

- 1.3 As the Plan has now reached the examination stage, I have been appointed as the examiner of the CNP by NHC with the agreement of Codicote Parish Council (CPC).
- 1.4 I am a chartered town planner and former government Planning Inspector and have experience of examining neighbourhood plans. I am an independent examiner, and do not have an interest in any of the land that may be affected by the Plan.

The Scope of the Examination

- 1.5 As the independent examiner, I am required to produce this report and recommend either:
- (a) that the neighbourhood plan is submitted to a referendum without changes; or
 - (b) that modifications are made and that the modified neighbourhood plan is submitted to a referendum; or
 - (c) that the neighbourhood plan does not proceed to a referendum on the basis that it does not meet the necessary legal requirements.
- 1.6 The scope of the examination is set out in Paragraph 8(1) of Schedule 4B to the Town and Country Planning Act 1990 (as amended) ('the 1990 Act'). The examiner must consider:
- Whether the plan meets the Basic Conditions.
 - Whether the plan complies with provisions under s.38A and s.38B of the Planning and Compulsory Purchase Act 2004 (as amended) ('the 2004 Act'). These are:
 - it has been prepared and submitted for examination by a qualifying body, for an area that has been properly designated by the local planning authority;
 - it sets out policies in relation to the development and use of land;
 - it specifies the period during which it has effect;
 - it does not include provisions and policies for 'excluded development'; and
 - it is the only neighbourhood plan for the area and does not relate to land outside the designated neighbourhood area.

- Whether the referendum boundary should be extended beyond the designated area, should the plan proceed to referendum.
 - Such matters as prescribed in the Neighbourhood Planning (General) Regulations 2012 (as amended) ('the 2012 Regulations').
- 1.7 I have considered only matters that fall within Paragraph 8(1) of Schedule 4B to the 1990 Act, with one exception. That is the requirement that the Plan is compatible with the Human Rights Convention.

The Basic Conditions

- 1.8 The 'Basic Conditions' are set out in Paragraph 8(2) of Schedule 4B to the 1990 Act. In order to meet the Basic Conditions, the neighbourhood plan must:
- have regard to national policies and advice contained in guidance issued by the Secretary of State;
 - contribute to the achievement of sustainable development;
 - be in general conformity with the strategic policies of the development plan for the area;
 - be compatible with and not breach European Union (EU) obligations (under retained EU law)³; and
 - meet prescribed conditions and comply with prescribed matters.
- 1.9 Regulation 32 of the 2012 Regulations prescribes a further Basic Condition for a neighbourhood plan. This requires that the making of the Plan does not breach the requirement of Chapter 8 of Part 6 of the Conservation of Habitats and Species Regulations 2017.⁴

2. Approach to the Examination

Planning Policy Context

- 2.1 The current Development Plan for the Codicote area, excluding policies relating to minerals and waste development, principally comprises the North Hertfordshire Local Plan 2011 – 2031 (NHLP) for the purposes of the "strategic policies".

³ The existing body of environmental regulation is retained in UK law.

⁴ This revised Basic Condition came into force on 28 December 2018 through the Conservation of Habitats and Species and Planning (Various Amendments) (England and Wales) Regulations 2018.

2.2 The planning policy for England is set out principally in the National Planning Policy Framework (NPPF). For the purposes of this examination the December 2023 NPPF applies and all reference in this report are to that version (unless otherwise stated).⁵ In addition, the Planning Practice Guidance (PPG) offers advice on how the NPPF should be implemented.

Submitted Documents

- 2.3 I have considered all policy, guidance and other reference documents I consider relevant to the examination, as well as those submitted⁶ which include:
- the draft Codicote Neighbourhood Plan 2024 – 2031 (submission version);
 - Figure 1 of the Plan which identifies the area to which the proposed Neighbourhood Plan relates;
 - the Consultation Statement (undated);
 - the Basic Conditions Statement (undated) including the Strategic Environmental Assessment (SEA) Screening Determination Statement (August 2024, as amended)⁷;
 - the Codicote Design Codes and Guidance (October 2023);
 - all the representations which have been made in accordance with the Regulation 16 consultation; and
 - the responses dated 7 April 2025 from CPC and dated 8 April 2025 from NHC to the questions of clarification in my letter of 31 March 2025.

Site Visit

- 2.4 I made an unaccompanied site inspection to the CNP area on 2 April 2025 to familiarise myself with it and visit relevant locations referenced in the Plan and evidential documents.

Written Representations with or without Public Hearing

- 2.5 This examination has been dealt with by written representations. I considered hearing sessions to be unnecessary as the consultation responses clearly articulated the objections to the Plan and presented arguments for and against the Plan's suitability to proceed to a referendum. No requests for a hearing session were received.

⁵ A revised NPPF was published on 12 December 2024 which includes transitional arrangements for neighbourhood plans. Paragraph 239 of the December 2024 NPPF advises that it will only apply to neighbourhood plans submitted after 12 March 2025.

⁶ View all the documents at: <https://www.north-herts.gov.uk/codicote-neighbourhood-plan>

⁷ The full screening determination of August 2023 (amended August 2024) can be viewed on the Parish Council's website at: <https://codicote-pc.gov.uk/wp-content/uploads/2025/04/2024.08.25-SEA-Screening-Determination-amended.pdf>

Modifications

- 2.6 Where necessary, I have recommended modifications to the Plan (**PMs**) in this report in order that it meets the Basic Conditions and other legal requirements. For ease of reference, I have listed these modifications separately in the Appendix to this report.

3. Procedural Compliance and Human Rights

Qualifying Body and Neighbourhood Plan Area

- 3.1 The CNP has been prepared and submitted for examination by the CPC, which is a qualifying body. The CNP extends over all the Parish and the area was designated by NHC in June 2014.⁸ I am satisfied it is the only Neighbourhood Plan for Codicote Parish and does not relate to any land outside the designated Neighbourhood Plan Area.

Plan Period

- 3.2 The Plan period is from 2024 to 2031, as clearly stated on the front cover.

Neighbourhood Development Plan Preparation and Consultation

- 3.3 The Consultation Statement (CS) describes the thorough preparation of the Plan with involvement of the public and various stakeholders at the stages of the process which began in 2016, with a brief hiatus in 2021 but which then progressed with a reformed Steering Group taking the Plan forward and through its statutory procedures to submission.
- 3.4 The pre-submission Plan was published for consultation under Regulation 14 of the 2012 Regulations from 7 February 2024 until 27 March 2024. An overview of the comments made by statutory consultees and members of the public, which resulted in changes to the draft Plan, are summarised in Appendix Q (pages 47 to 93) of the CS (together with the changes to the Plan).
- 3.5 The final version of the Plan was submitted to NHC on 30 October 2024. Consultation, in accordance with Regulation 16, was carried out between 10 December 2024 until 28 January 2025. 12 responses were received about the Plan, including those from NHC. I am satisfied that a transparent, fair and inclusive consultation process has been followed for the CNP, that has had regard to advice in the PPG on plan preparation and engagement and is procedurally compliant in accordance with the legal requirements.

⁸ Details of the 2014 designation may be viewed at: <https://www.north-herts.gov.uk/codicote-neighbourhood-plan>

Development and Use of Land

- 3.6 The Plan sets out policies in relation to the development and use of land in accordance with s.38A of the 2004 Act.

Excluded Development

- 3.7 The Plan does not include provisions and policies for 'excluded development'.⁹

Human Rights

- 3.8 The Basic Conditions Statement (BCS) notes that no issues have been raised in relation to the possible contravention of Human Rights. These are fundamental rights and freedoms guaranteed under the European Convention on Human Rights. I am aware from the CS that considerable emphasis was placed throughout the consultation process to ensure that no sections of the community were isolated or excluded. I have considered this matter independently and I am satisfied that the policies will not have a discriminatory impact on any particular group of individuals.

4. Compliance with the Basic Conditions

EU Obligations

- 4.1 The Strategic Environmental Assessment (SEA) Screening Determination concluded that the draft policies for the Plan would not be likely to have significant environmental effects and therefore a SEA would be unlikely to be required. Statutory consultees did not dissent from these conclusions and raised no objections to the submitted Plan.
- 4.2 Natural England commented that significant effects on statutorily designated nature conservation sites or landscapes are unlikely. The proposed Neighbourhood Plan is unlikely to significantly affect any Site of Special Scientific Interest (SSSI), Marine Conservation Zone (MCZ), Special Areas of Conservation (SAC), Special Protection Area (SPA), Ramsar wetland or sites in the process of becoming SACs or SPAs ('candidate SACs', 'possible SACs', 'potential SPAs') or a Ramsar wetland. The Plan is also unlikely to have a significant effect on a National Park, Area of Outstanding Natural Beauty (now described as National Landscapes) or Heritage Coast, and is unlikely to impact upon the purposes for which these areas are designated or defined.¹⁰ Finally, I note that the SEA Screening Determination on pages 12-13 advises that the District Council updated the Habitats Regulation Assessment,

⁹ See section 61K of the 1990 Act.

¹⁰ Email from Natural England dated 22 August 2023.

September 2018¹¹, where it is specified that where a neighbourhood plan does not allocate a site for development, it is not necessary for a Habitats Regulations Assessment to be prepared.¹²

- 4.3 I have read the SEA Screening Determination Statement (inclusive of the update in August 2024 to the August 2023 iteration) and the other information provided and, having considered the matter independently, I agree with the conclusions. Therefore, I am satisfied that the CNP is compatible with EU obligations as retained in UK law.

Main Issues

- 4.4 Having considered whether the Plan complies with various procedural and legal requirements, it is now necessary to deal with whether it complies with the remaining Basic Conditions, particularly the regard it pays to national policy and guidance, the contribution it makes to the achievement of sustainable development and whether it is in general conformity with strategic development plan policies. I test the Plan against the Basic Conditions by considering specific issues of compliance of all the Plan's policies.
- 4.5 As part of that assessment, I consider whether the policies are sufficiently clear and unambiguous, having regard to advice in the PPG. A neighbourhood plan policy should be drafted with sufficient clarity that a decision maker can apply it consistently and with confidence when determining planning applications. It should be concise, precise and supported by appropriate evidence.¹³
- 4.6 Accordingly, having regard to the Codicote Neighbourhood Plan, the consultation responses, other evidence and the site visit, I consider that the main issues in this examination are whether the CNP policies (i) have regard to national policy and guidance; (ii) are in general conformity with the adopted strategic planning policies; and (iii) would contribute to the achievement of sustainable development?

Vision and Objectives

- 4.7 The vision for the CNP is based on issues raised by the community during the initial stages of the consultation process undertaken for the first draft Plan. The succinct vision is described in paragraph 2.1.6 of the Plan. A series of objectives have then been developed to help to achieve the vision and which form the basis for the twenty two specific land use based policies grouped into the themes of design; amenities; infrastructure;

¹¹ For the purposes of the North Hertfordshire Local Plan 2011-2031 (adopted in November 2022).

¹² View at: <https://codicote-pc.gov.uk/wp-content/uploads/2025/04/2024.08.25-SEA-Screening-Determination-amended.pdf>

¹³ PPG Reference ID: 41-041-20140306.

natural environment; and heritage assets, with a concluding section on implementation.

Design Policies

COD 1 Designing with Design Codes

- 4.8 Codicote Design Codes were produced specifically for the Neighbourhood Plan in 2023. Policy COD 1 describes how they will be used in the consideration of proposals for development. Subject to two modifications which I shall recommend in order to ensure the clarity of the policy, it has regard to national guidance¹⁴, generally conforms with Policy SP9 of the NHLP and meets the Basic Conditions. **(PM1)**

COD 2 Designing for Net Zero

- 4.9 Policy COD 2 aims to achieve net zero in new development. The policy has regard to national guidance¹⁵, generally conforms with Policy SP9 of the NHLP and meets the Basic Conditions.

COD 3 Designing for Flood Resilience

- 4.10 Policy COD 3 aims to ensure that new development incorporates measures designed to introduce flood resilience. The policy has regard to national guidance¹⁶, generally conforms with Policy SP9 of the NHLP and meets the Basic Conditions. However, in its Regulation 16 representations, NHC commented that the map at Appendix G only shows surface water and river flooding to the south of Codicote village and not the whole Plan area. NHC submitted a plan which it considered should be used as a substitute. I recommend that the map submitted by NHC would assist in the interests of ensuring clarity, but should serve as an addition (rather than a replacement), and I shall recommend its inclusion. **(PM2)**

COD 4 Designing for Biodiversity

- 4.11 Policy COD 4 aims to introduce swift bricks and bat boxes into suitable new buildings and refurbishment schemes. As pointed out by NHC, some buildings may not be wholly suitable for bat or swift accommodation due to location or orientation. Therefore, a rephrasing of Clause II of the policy is required and which I shall recommend. **(PM3)** The policy would then have regard to national guidance¹⁷, would generally conform with Policy SP12 of the NHLP and meets the Basic Conditions.

¹⁴ NPPF: paragraph 132.

¹⁵ NPPF: paragraph 159 b).

¹⁶ NPPF: paragraph 165.

¹⁷ NPPF: paragraph 185.

Amenities Policies

COD 5 Existing Businesses in the Retail Area

- 4.12 Policy COD 5 aims to safeguard existing retail and service uses in the centre of Codicote village together with the protection of local character, residential amenity and highway safety where the change of use of commercial land is sought. Subject to the recommended **PM4** which would clarify where exactly within the village the policy would apply, it would have regard to national guidance¹⁸, would generally conform with Policy SP4 of the NHLP and meet the Basic Conditions.

COD 6 Village Car Park

- 4.13 Policy COD 6 includes support for proposals for a village car park subject to certain criteria. This element of the policy has regard to national guidance¹⁹, generally conforms with Policy SP6 of the NHLP and meets the Basic Conditions. National Highways questioned whether the car park could be considered as essential infrastructure and that its provision would be contrary to the promotion of sustainable travel. However, I respectfully disagree. Given the current size of the village; the location of the areas which have been allocated for housing in the Local Plan; and the desirability of maintaining the commercial and community activities in the centre, I believe a car park would be extremely beneficial, despite the measures which could be put in place to dissuade parking along the High Street such as suggested by National Highways. The expectation that all residents would be able walk or cycle the distances involved to visit the centre from the edge of the village is, in my opinion, unreasonable.
- 4.14 Nevertheless, as NHC commented, contributions sought for the installation of the car park may only be sought where they could assist in mitigating otherwise unacceptable development to make it acceptable. Therefore, the sweeping generalisation of Clause II would not have regard to national guidance and I shall recommend that it should be deleted. **(PM5)** In any event, I note that the car park is included as a project included in Appendix E under Policy COD 22 Spending Priorities. Therefore, I see no reason why contributions under a S106 Agreement may not be sought for the car park under appropriate circumstances using the normal development management procedures when planning applications are considered.

COD 7 Commercial Premises

- 4.15 Policy COD 7 aims to support the provision of new commercial premises. The policy has regard to national guidance²⁰, generally conforms with Policy SP3 of the NHLP and meets the Basic Conditions.

¹⁸ NPPF: paragraphs 88 d) & 89.

¹⁹ NPPF: paragraph 88 d).

²⁰ NPPF: paragraphs 88 & 89.

COD 8 Valued Community Facilities

- 4.16 Policy COD 8 aims to retain existing community facilities. The policy has regard to national guidance²¹, generally conforms with Policy SP4 of the NHLP and meets the Basic Conditions. NHC suggested that Clause I within Policy COD 8 duplicates part of Policy HC1 of the NHLP²², which it does to a certain extent. However, setting aside the issue of whether Policy HC1 is a strategic policy, criterion I provides the context for the list in Clause II. Therefore, I have no objection to its inclusion.

COD 9 New and Improved Community Facilities

- 4.17 Policy COD 9 supports proposals for new and improved community facilities subject to criteria listed in the policy. The policy refers to “multi-use community facilities” and NHC queried whether the policy also supported single use community facilities. It would seem to me that it would be illogical to refer exclusively to multi-use facilities and for which there is no corroborating evidence. So I shall recommend a modification to include single use community facilities. **(PM6)** The policy would then have regard to national guidance²³, would generally conform with Policy SP9 of the NHLP and would meet the Basic Conditions.

COD 10 Protected Recreational Open Spaces

- 4.18 Policy COD 10 aims to protect four recreational open spaces which are listed in the policy. The policy has regard to national guidance²⁴, generally conforms with Policy SP10 of the NHLP and meets the Basic Conditions.

COD 11 Local Green Spaces

- 4.19 Policy COD 11 designates fourteen Local Green Spaces (LGS) described in Appendix F of the Plan and listed in the policy, each of which I visited on my inspection of the area. LGS designation should only be used where the green space is:

- a) in reasonably close proximity to the community it serves;
- b) demonstrably special to a local community and holds a particular local significance, for example because of its beauty, historic significance, recreational value (including as a playing field), tranquillity or richness of its wildlife; and
- c) local in character and is not an extensive tract of land.²⁵

LGS should also be capable of enduring beyond the end of the Plan period.²⁶

²¹ NPPF: paragraph 88.

²² NPPF: paragraph 16 f).

²³ NPPF: paragraph 159 b).

²⁴ NPPF: paragraph 103.

²⁵ NPPF: paragraph 106.

²⁶ NPPF: paragraph 105.

- 4.20 I agree that each LGS meets the designation criteria but that, as suggested by NHC, the phrase “not be permitted” should be replaced by “not be supported”. **(PM7)** Subject to that modification, the policy would have regard to national guidance as referenced above, would generally conform with Policy SP12 of the NHLP and would meet the Basic Conditions.

Infrastructure Policies

COD 12 Traffic Congestion and Road Safety

- 4.21 Policy COD 12 considers traffic congestion and road safety. NHC considers that Clause I duplicates part of Policy T1 of the NHLP. In this particular case, I agree that Clause I is an unnecessary repeat of Policy T1 c) and therefore I shall recommend that it should be deleted. **(PM8)** Policy COD 12 would then have regard to national guidance²⁷, would generally conform with Policy SP6 of the NHLP and would meet the Basic Conditions.

COD 13 Public Transport

- 4.22 Policy COD 13 considers public transport. NHC considers that especially the first Clause of the policy duplicates criterion d) of NHLP Policy T1. I consider that Policy COD 13 seeks to ensure that major residential development is capable of being served by public transport services rather than, as set out in Policy T1, merely to demonstrate (as far as practicable) how it would be served. Therefore, in my opinion, the Neighbourhood Plan Policy COD 13 is slightly stronger in this regard than Local Plan Policy T1 and develops the policy aim rather than repeats it. However, when considering Travel Plans, Clause II should include the phrase “where appropriate”.
- 4.23 In addition, Clause III refers to S106 contributions collected under the provisions of Local Plan Policy T1, whereas I consider the more relevant Local Plan Policy is SP7 which sets out the circumstances when contributions might be sought, and could include benefits to public and community transport. The policy would then have regard to national guidance²⁸, would generally conform with Policy SP6 of the NHLP and would meet the Basic Conditions. **(PM9)**

COD 14 Safe and Accessible Active Travel Routes

- 4.24 Policy COD 14 aims to encourage safe and accessible active travel routes. The policy would have regard to national guidance²⁹, would generally conform with Policy SP6 of the NHLP and would meet the Basic Conditions subject to the replacement of Policy T1 with Policy SP7 for the same reason given above for PM9. **(PM10)**

²⁷ NPPF: paragraph 110.

²⁸ NPPF: paragraph 108.

²⁹ NPPF: paragraph 110.

COD 15 Sustainable Water Supply

- 4.25 Policy COD 15 aims to safeguard water supplies. The policy has regard to national guidance³⁰, generally conforms with Policy SP11 of the NHLP and meets the Basic Conditions.

Natural Environment Policies

COD 16 Landscape Character and Important Views

- 4.26 Policy COD 16 seeks to protect the character of the landscape and fifteen important views which are listed in the policy and detailed in Appendices I and J. I have three reservations about Clause III of the policy which may be remedied as follows: (a) the ambiguous phrase “appropriate technology” could be clarified as suggested by CPC by a brief explanation in a paragraph preceding the policy; (b) “cherished” views should be replaced by “important views” in order to be consistent; and (c) “a harmful effect” should be qualified to “a significantly harmful effect” so that the test to be applied is appropriate. For example, any minor intrusion into a view could be classified as harmful. In addition, the first sentence of paragraph 8.2.6 reads as policy, an unreasonable and therefore unacceptable one at that. I shall recommend the remedies as modifications and the policy would then have regard to national guidance³¹, would generally conform with Policy SP12 of the NHLP and would meet the Basic Conditions. **(PM11)**

COD 17 Biodiversity and Ecological Connectivity

- 4.27 Policy COD 17 deals with biodiversity and ecological connectivity. The policy has regard to national guidance³² and would generally conform with Policy SP12 of the NHLP and meet the Basic Conditions, subject to updating the references to the Hertfordshire Ecological Mapping Network in Clauses II, III and IV suggested by NHC which I shall recommend as modifications. **(PM12)**

COD 18 Wildlife Corridors

- 4.28 Policy COD 18 aims to protect wildlife corridors, four of which are listed in the policy. The policy has regard to national guidance³³, generally conforms with Policy SP12 of the NHLP and meets the Basic Conditions.

³⁰ NPPF: paragraphs 20 b) & 28.

³¹ NPPF: paragraph 180.

³² NPPF: paragraph 185.

³³ NPPF: paragraph 185.

COD 19 Climate Change Resilience

- 4.29 Policy COD 19 considers climate change resilience. The policy has regard to national guidance³⁴, generally conforms with Policy SP12 of the NHLP and meets the Basic Conditions.

Heritage Assets Policies

COD 20 Designated Heritage Assets

- 4.30 Policy COD 20 aims to safeguard designate heritage assets. I have two concerns about the policy. The first is the reference to on street and pavement parking issues which could apply to many places in the Plan area, not only the Conservation Area, and may be dealt with in any event under Policies COD 1 and COD 12. The second concern is Clause III which lacks clarity and is so hypothetical it is unreasonable. Therefore, I shall recommend the deletion of those two elements of the policy. **(PM13)** The policy would then have regard to national guidance³⁵, would generally conform with Policy SP13 of the NHLP and would meet the Basic Conditions. I appreciate that the policy might duplicate elements of Policy SP13 of the NHLP, but Policy COD 20 introduces references to the Codicote Conservation Area Character Statement 2019 and the Old Knebworth Conservation Area Character Statement 2011 (and any subsequent updates). Therefore, it adds to the context of the overall aim to safeguard the designated heritage assets.

COD 21 Non-designated Heritage Assets

- 4.31 Policy COD 21 aims to safeguard non-designated heritage assets, ten of which are listed in the policy. The policy has regard to national guidance³⁶, generally conforms with Policy SP13 of the NHLP and meets the Basic Conditions.

Implementation and Spending Priorities

COD 22 Spending Priorities

- 4.32 Policy COD 22 describes how spending priorities will be delivered and refers to a list of projects identified in the Project Plan which is found at Appendix E. It is recognised in paragraph 10.2.1, Policy COD 22 Clause II, and Appendix that the project list is a live document which will be reviewed at least once a year and which will be updated on the Parish Council website. The policy has regard to national guidance³⁷, generally conforms with Policy SP7 of the NHLP and meets the Basic Conditions

³⁴ NPPF: paragraph 185.

³⁵ NPPF: paragraph 196.

³⁶ NPPF: paragraph 209.

³⁷ NPPF: paragraphs 57 & 97; PPG Reference ID: 41-004-20190509.

Intelligent Plans and Examinations (IPE) Ltd, 3 Princes Street, Bath BA1 1HL

Registered in England and Wales. Company Reg. No. 10100118. VAT Reg. No. 237 7641 84

Residential Allocation

- 4.33 A representation was submitted at the Regulation 16 stage on behalf of Taylor Wimpey which raises the issue of housing on Land West of Bury Lane, north of Codicote. The representation states that the site is being promoted for residential led development in the review of the North Hertfordshire Local Plan³⁸ but accepts that the site is within the Green Belt and therefore cannot be allocated in this Neighbourhood Plan. I note the various benefits claimed for development on the site, but about which I have no comments.

Policies Maps

- 4.34 The Plan includes a Policies Map and, at a larger scale, an Inset Map for Codicote village (on pages 19 and 20 of the printed version). NHC comments that the notation for Wildlife Corridors on the Policies Map (WC1, WC2, etc) differs from those in Policy COD 18 (GC1, GC2, etc). Paragraph 8.4.2 uses the WC prefix.
- 4.35 I also found it well-nigh impossible to identify viewpoint V9 in the centre of Codicote on the printed version of the Policies Map, even using the Inset Map. LGS13 was only identifiable on the printed Policies Map by its shape and comparing it with Appendix E Figure 17. Therefore, the Policies Maps in the printed version of the Plan should be improved in the interests of clarity by using nomenclature consistent with the policies (Policy COD 18) and ensuring that key locations are identifiable (V9 and LGS13).
(PM14)

Overview

- 4.36 Therefore, on the evidence before me, with the recommended modifications, I consider that the policies within the CNP are in general conformity with the strategic policies of the NHLP, have regard to national guidance, would contribute to the achievement of sustainable development and so would meet the Basic Conditions.
- 4.37 A consequence of the acceptance of the recommended modifications would be that amendments will have to be made to the explanation within the Plan in order to make it logical and suitable for the referendum. Further minor (non-material) amendments might also include incorporating factual updates, correcting inaccuracies, typographical and punctuation errors, any text improvements suggested helpfully by NHC in their Regulation 16 consultation response and other similar minor or consequential changes (such as paragraph numbering) in agreement with NHC. None of these alterations would affect the ability of the Plan to meet

³⁸ View at: <https://www.north-herts.gov.uk/local-plan-update-2025-2045>
Intelligent Plans and Examinations (IPE) Ltd, 3 Princes Street, Bath BA1 1HL
Registered in England and Wales. Company Reg. No. 10100118. VAT Reg. No. 237 7641 84

the Basic Conditions and could be undertaken as minor, non-material changes.³⁹

5. Conclusions

Summary

- 5.1 The Codicote Neighbourhood Plan has been duly prepared in compliance with the procedural requirements. My examination has investigated whether the Plan meets the Basic Conditions and other legal requirements for neighbourhood plans. I have had regard to all the responses made following consultation on the CNP, and the evidence documents submitted with it.
- 5.2 I have made recommendations for fourteen modifications to ensure the Plan meets the Basic Conditions and other legal requirements. I recommend that the Plan, once modified, proceeds to referendum.

The Referendum and its Area

- 5.3 I have considered whether the referendum area should be extended beyond the designated area to which the Plan relates. The CNP, as modified, would have no policy which I consider significant enough to have an impact beyond the designated Neighbourhood Plan boundary, requiring the referendum to extend to areas beyond the Plan boundary. I recommend that the boundary for the purposes of any future referendum on the Plan should be that of the designated Neighbourhood Plan Area.

Concluding Comments

- 5.4 The CPC, the Neighbourhood Plan "Forum"⁴⁰ and the subsequent Steering Group and other voluntary contributors are to be commended for producing a comprehensive Plan. The Plan is logical, very informative and, other than the identified relative defects in the Policies Maps, well-illustrated. The Consultation Statement and the Basic Conditions Statement were extremely useful. The Regulation 16 comments from NHC were also very helpful as were the prompt and constructive answers from the Councils to my questions. Subject to the recommended modifications, the CNP will make a positive contribution to the Development Plan for the area and should enable the attractive character and appearance of Codicote Parish to be maintained whilst enabling sustainable development to proceed.

³⁹ PPG Reference ID: 41-106-20190509.

⁴⁰ See footnote 2.

Andrew Mead

Examiner

Appendix: Modifications

Proposed modification no. (PM)	Page no./ other reference	Modification
PM1	Policy COD 1	Amend Clause I to: "Development will be supported where it demonstrates high quality design, etc ..." . Remove Clause III and insert at the end of paragraph 5.2.1.
PM2	Appendix G	Add the map submitted by NHC in its Regulation 16 representations.
PM3	Policy COD 4	Amend Clause II to: "In all residential schemes, a ratio of at least one swift brick or bat roost per dwelling shall be included as an integral component of the design, with groups of ... etc."
PM4	Policy COD 5	Amend title to: "COD 5 Existing Businesses" Amend Clause I to: "In the Village Centre (as defined in Appendix K), development, etc ..." . Replace the final sentence of paragraph 6.3.5 with: "A map of the Codicote Village Centre, defined in the Local Plan, showing the general location with a star and buildings edged and hatched being the buildings in commercial use, is reproduced at Appendix K."
PM5	Policy COD 6	Delete Clause II.
PM6	Policy COD 9	Amend Clause I to: "Proposals to improve or expand community and recreation facilities or provide new developments of single use or multi-use community facilities will be supported ... etc."
PM7	Policy COD11	Amend Clause II to:

		"Inappropriate development within these designated areas will not be supported unless ...etc."
PM8	Policy COD 12	Delete Clause I.
PM9	Policy COD 13	Amend Clause II to: "Where appropriate, Travel Plans should include ... etc." Amend Clause III by the replacement of: "Policy T1" with "Policy SP7" .
PM10	Policy COD 14	Amend Clause II by the replacement of "Policy T1" with "Policy SP7" .
PM11	Policy COD 16	Amend Clause III to: "Any development proposals ..., using an appropriate methodology, of harm to important views. Proposals where a significantly harmful impact is identified etc." Add a paragraph before the policy: "To assess the landscape and visual impact on Important Views, an appropriate methodology should be used. The use of Verified Views such as annotated photographs or photomontages are two such methods (see Historic England Research Reports Series 17-2019)." Delete the first sentence of paragraph 8.2.6.
PM12	Policy COD 17	Amend Clause II to: "Development should be avoided on areas containing habitats of principal importance as identified by Section 41 of the Natural Environment and Rural Communities Act 2006. Where adverse impacts ... etc." Amend Clause III to: "Development located in areas which are formally identified in a local strategy on the Hertfordshire Ecological Network Map or Local Nature Recovery Strategy should contribute ... etc." Amend Clause IV to:

		"Development located in areas identified as ecologically desirable for habitat creation but not in a local strategy should provide ... etc."
PM13	Policy COD 20	Delete the final sentence of Clause I. Delete Clause III.
PM14	Policies Maps.	Amend Policy COD 18 by replacing GC with WC in Clause I. Clearly identify Viewpoint V9 and Local Green Space LGS 13.

Appendix B : Codicote Neighbourhood Plan – Schedule of proposed modifications to the neighbourhood plan policies and supporting text

Where the Examiner has recommended modifications to policies, they are shown in **bold text**. Where the Examiner has suggested specific changes to the supporting text, these are shown in **blue bold italics**. Any proposed deletions, are shown with a strikethrough: ~~strikethrough~~

The proposed modifications to the text and the policies are shown in the order that they appear in the Neighbourhood Plan, rather than the Examiner's report.

Unless there is a specific comment made against the Examiners' recommendations, the District Council is in agreement with the Examiners' proposed modifications to the Codicote Neighbourhood Plan.

Proposed Modification No. (PM)	Policy or paragraph reference	Examiners Proposed Modifications	Comments from North Herts Council or Codicote Parish Council (CPC)
	Section 2.2		CPC have updated a number of references to policies in the table setting out the Neighbourhood Plan Objectives to ensure the references are correct.
PM1	Policy COD 1 Designing with Design Codes	Amend the first sentence of Clause I. and delete Clause III. of the policy to read: I. Development proposals should demonstrate the highest Development will be supported where it demonstrates high quality design, appropriate to the type of development proposed, and integrate well with their environment. Sites within or immediately adjacent to Codicote Conservation Area should have demonstrable regard to the Codicote Conservation Area Character Statement 2019 or its successor. II. High level codes including the National Design Guidance and Building for a Healthy Life (for homes and neighbourhoods) should be considered when producing proposals.	The amendments ensure that the policy is more positively framed.

Proposed Modification No. (PM)	Policy or paragraph reference	Examiners Proposed Modifications	Comments from North Herts Council or Codicote Parish Council (CPC)
		III. The Codicote Design Codes and Guidance can be read as a standalone document which sets out expectations on design. It is an integral part of this Neighbourhood Plan against which planning applications will be assessed.	
	Para 5.2.1	<p>Remove Clause III from Policy COD1 and insert at the end of paragraph 5.2.1. to read:</p> <p>Codicote Design Codes (CDC) were prepared specifically for the Codicote Neighbourhood Plan area in the summer of 2023, and the report was finalised in October 2023. The CDC provides area-wide design codes which form a statutory part of the Neighbourhood Plan. They were prepared having regard to the NPPF (2023) and the National Design Guide (National Model Design Code 2021), among other national design guidance documents, the NHLP and other local design guidance, and the Codicote Conservation Area Character Statement 2019. These are detailed in section 1.4 of the CDC. The Codicote Design Codes and Guidance can be read as a standalone document which sets out expectations on design. It is an integral part of this Neighbourhood Plan against which planning applications will be assessed.</p>	
PM2	Policy COD3 Designing for Flood Resilience & Appendix G	Add the map submitted by NHC in its Regulation 16 representations.	NHC welcomes the proposed modification. We made representations during the consultation for a wider map to be included in the neighbourhood plan to show surface water and river flooding for the whole Parish, rather than just the area to the south of the village.

Proposed Modification No. (PM)	Policy or paragraph reference	Examiners Proposed Modifications	Comments from North Herts Council or Codicote Parish Council (CPC)
PM3	Policy COD 4 Designing for Biodiversity	Amend Clause II of the policy to read: In all residential schemes, a ratio of at least one swift brick or bat roost per dwelling shall will be included as an integral component of the design of each house , with groups of at least four bricks or roosting boxes provided on small blocks of flats.	The proposed modifications reflect the suggestions put forward by NHC in its representations.
PM4	Policy COD 5 Existing Businesses in the Retail Area	Amend the title of the policy to: “COD 5 Existing Businesses” Amend Clause I to read as follows: In the High Street (Retail Area as defined on the Policies Map), In the Village Centre (as defined in Appendix K), development requiring planning permission should retain retail or service uses, and premises with ground floor access should retain an active retail frontage.	The proposed modifications reflect the suggestions put forward by NHC in its representations.
	Para 6.3.5	Replace the final sentence of paragraph 6.3.5 to read: The Local Plan identifies 13 local centres, including Codicote, across the District where the District Council will promote, protect and enhance the provision of shops, services and eateries. In those local centres, Policy ETC6 states that planning permission will be granted for new shops and services of less than 500 square meters gross, at ground floor level, where this would continue to provide a range of uses to meet day-to-day needs and maintain the vitality and viability of the centre. A map of the Codicote Local Centre, defined in the Local Plan is reproduced at Appendix K. A map of the Codicote Village Centre, defined in the Local Plan, showing the general location with a star and buildings edged and hatched being the buildings in commercial use, is reproduced at Appendix K.	The proposed modifications reflect the suggestions put forward by NHC in its representations.

Proposed Modification No. (PM)	Policy or paragraph reference	Examiners Proposed Modifications	Comments from North Herts Council or Codicote Parish Council (CPC)
PM5	Policy COD 6 Village Car Park	<p>Delete Clause II of the policy to read:</p> <p>I. Proposals for a village car park will be supported provided both the following criteria are met:</p> <p>a. It is an accessible location to serve customers of village businesses</p> <p>b. It has regard to the Codicote Design Guide</p> <p>II. Development proposals in the village which increase traffic to and through the High Street will contribute to the installation of this essential infrastructure improvement as mitigation.</p>	The proposed modification to the policy is welcomed. NHC was concerned that it would not have been possible to justify contributions towards a village car park from all developments within the parish.
PM6	Policy COD 9 New and Improved Community Facilities	<p>Amend Clause I of the policy to read:</p> <p>Proposals to improve or expand community and recreation facilities or provide new developments of single use or multi-use community facilities will be supported provided that the following criteria are met:</p> <p>a. They fulfil the needs of existing and future residents of Codicote</p> <p>b. They can be accessed by walking/cycling, mobility vehicles or public transport</p> <p>c. Suitable parking provision is made for disabled and mobility impaired users and</p> <p>d. Any adverse impacts would not outweigh the benefits</p>	The proposed modifications reflect the suggestions put forward by NHC in its representations.
PM7	Policy COD11 Local Green Space	<p>Amend Clause II of the policy to read:</p> <p>Inappropriate development within these designated areas will not be permitted supported unless justified by very special circumstances</p>	The proposed modifications reflect the suggestions put forward by NHC in its representations.

Proposed Modification No. (PM)	Policy or paragraph reference	Examiners Proposed Modifications	Comments from North Herts Council or Codicote Parish Council (CPC)
PM8	Policy COD 12 Traffic Congestion and Road Safety	Delete Clause I. of the policy to read: I. Major development proposals should be accompanied by a proportionate transport assessment. Smaller developments or where a smaller impact is anticipated would require a transport statement, in accordance with the NPPF and current planning practice guidance. II. Where necessary, mitigation measures arising from transport assessments/statements should address matters of congestion, pollution, highway safety including pedestrians and cyclists.	In our representations, we considered that the policy should be deleted from the neighbourhood plan because it duplicated the provisions of Policy T1 in the Local Plan. The proposed modifications address this concern.
PM9	Policy COD 13 Public Transport	Amend Clause II and Clause III of the policy to read: I. The masterplanning of major residential development should, where appropriate, ensure that the development is capable of being served by existing, new or improved local public transport services which should complement the provision of safe walking and cycling routes. II. Where appropriate , Travel Plans should include information on local public transport services and, where feasible, incentives to use public transport e.g. travel subsidies III. S106 (or CIL) contributions collected under the provisions of Policy SP7 Policy T1 of the Local Plan, could contribute to the extension of public and community transport to serve new developments.	
PM10	Policy COD 14 Safe and Accessible Active Travel Routes	Amend Clause II of the policy to read: Contributions collected under the provisions of Policy T1 Policy SP7 of the Local Plan, could contribute to the provision of secure and accessible cycle storage at community facilities and school cycle paths to schools.	

Proposed Modification No. (PM)	Policy or paragraph reference	Examiners Proposed Modifications	Comments from North Herts Council or Codicote Parish Council (CPC)
PM11	Policy COD 16 Landscape Character and Important Views	<p>Add a paragraph before the policy:</p> <p>To assess the landscape and visual impact on Important Views, an appropriate methodology should be used. The use of Verified Views such as annotated photographs or photomontages are two such methods (see Historic England Research Reports Series 17-2019).</p> <p>Amend Clause III of the policy to read:</p> <p>Any development proposals within the identified views should include a proportionate landscape and visual impact assessment, using an appropriate methodology, of harm to cherished important views. Proposals where a significantly harmful impact is identified will be required to provide and implement effective mitigation measures</p>	The proposed modifications address the concerns raised in our representations.
	Para 8.2.6	<p>Delete the first sentence of paragraph 8.2.6. to read:</p> <p>Important Views listed in Policy COD 17 must not be affected by new development. Detailed descriptions explaining why each Important View is special, photographs of Submission Neighbourhood Plan Page: 48 of 106 Date: 30/10/2024 Codicote Neighbourhood Plan Policies each Important View, and a map showing the approximate width and depth of the views can be found in Appendix I and Appendix J.</p>	
PM12	Policy COD 17 Biodiversity and Ecological Connectivity	<p>Amend Clauses II, III and IV to read:</p> <p>II. Development should be avoided on areas coloured Green on the Hertfordshire Ecological Network Mapping containing habitats of principal importance as identified by Section 41 of the Natural Environment and Rural Communities Act 2006. Where adverse impacts</p>	The proposed modifications address the concerns raised in our representations.

Proposed Modification No. (PM)	Policy or paragraph reference	Examiners Proposed Modifications	Comments from North Herts Council or Codicote Parish Council (CPC)
		<p>on biodiversity are unavoidable, measures as set out in Local Plan Policy NE4 will be imposed.</p> <p>III. Development located in areas coloured purple which are formally identified in a local strategy on the Hertfordshire Ecological Network Mapping or Local Nature Recovery Strategy should contribute to enhancing ecological connectivity.</p> <p>IV. Development located in areas identified as ecologically desirable for habitat creation but not in a local strategy coloured orange or adjacent to orange, purple or green areas on the Hertfordshire Ecological Network Mapping should provide a wildlife corridor between existing biodiversity sites or in the direction of existing biodiversity sites.</p>	
PM14	Policy COD 18 Wildlife Corridors.	<p>Amend Policy COD 18 by replacing GC with WC in Clause I to read.</p> <p>The network of Wildlife Corridors in the Parish, as shown on the Policies Map, will be protected from the impact of harmful development, managed and where possible enhanced for wildlife. These include:</p> <p>GC WC 1 The River Mimram from Valley Farm to Heath Lane</p> <p>GC WC 2 Continuation of GC2 from Heath Lane to The Grove</p> <p>GC WC 3 From Node Wood to the SW of Knebworth Park</p> <p>GC WC 4 The River Mimran from St Albans Road, then NW through Catchpole Wood to First Spring II.</p>	The proposed modifications address the concerns raised in our representations.
PM13	Policy COD 20	Delete the final sentence of Clause I and delete Clause III of the policy to read:	The proposed modifications address the concerns raised in our representations.

Proposed Modification No. (PM)	Policy or paragraph reference	Examiners Proposed Modifications	Comments from North Herts Council or Codicote Parish Council (CPC)
	Designated Heritage Assets	<p>I. In accordance with policies at district level and the guidance in the Codicote Conservation Area Character Statement 2019, Old Knebworth Conservation Area Character Statement 2011, and subsequent updates, the character or appearance of Codicote Conservation Area and its setting will be preserved, and where possible, enhanced. Development proposals that could worsen the on-street and pavement parking issues must provide appropriate mitigation solutions.</p> <p>II. Proposals for development which have an impact on designated heritage assets in the Parish, should take account of the historic fabric of the asset, its significance and the contribution of its setting to that significance. Proposals should conserve or, where appropriate, enhance the asset or its setting.</p> <p>III. Proposals which may have an impact on heritage assets that are identified in the future and are worthy of designation should be considered under this policy (COD 20)</p>	
PM14	Policies Maps.	Clearly identify Viewpoint V9 and Local Green Space LGS 13 on the policies maps.	

Cabinet

24 June 2025

*PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: Sustainability Strategy 2025-2030

REPORT OF: DIRECTOR - ENVIRONMENT

EXECUTIVE MEMBER: Executive Member for Environment

COUNCIL PRIORITY: SUSTAINABILITY

1. EXECUTIVE SUMMARY

- 1.1. This report proposes a replacement of the Climate Change Strategy 2022-2027, which was approved in 2022. This replacement version is The Sustainability Strategy 2025-2030 and aligns with the Council Plan 2024-2028 priority of Sustainability.

2. RECOMMENDATIONS

- 2.1. That Cabinet note the contents of Appendix C Sustainability Strategy Consultation Response.
- 2.2. That Cabinet adopt the following documents, taking into consideration the new actions proposed under each theme.
- Appendix A Sustainability Strategy 2025-2030
 - Appendix B Sustainability Strategy Actions Table

3. REASONS FOR RECOMMENDATIONS

- 3.1. In 2019 the Council passed a motion to declare a Climate Emergency, pledging to do everything within its power to become carbon neutral by 2030. In July 2023, the Council also declared an Ecological Emergency recognising that the crisis facing nature requires urgent action and is interlinked with the climate crisis. The replacement of the Climate Change Strategy 2022-2027 and transition to the Sustainability Strategy will reflect the Sustainability priority in the Council Plan 2024-28. As such it includes new actions under this broader scope. It also reflects the latest legislation and best practice.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. To keep the existing Climate Change Strategy 2022-2027 and not align with our Sustainability Priority, however this is not best practice. In that scenario, we would also need to separately approve and publish our biodiversity objectives and actions in order to fulfil our Biodiversity Duty, as per The Environment Act 2021. These objectives and actions have been incorporated into the Sustainability Strategy.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. A workshop was held on the 22nd November with members of the Climate Sustainability Officers Group, other key officers, the Leadership Team, and senior colleagues who work in sustainability at Hertfordshire County Council. Participants were invited to due to their specialist expertise and assisted in identifying gaps in the previous strategy and developing further actions which take into account the broader scope of sustainability.
- 5.2. The public, staff, and councillors were all given a chance to comment on and express their level of satisfaction with the proposed objectives and actions through a survey that ran throughout March. The survey received 141 responses from the public, 33 from members of staff and 3 from councillors.
- 5.3. The proposed strategy actions underwent cross-party consultation with elected members on the 17th of March where representatives from all parties had an opportunity to make comment on the strategy.
- 5.4 The relevant Executive Member has been kept updated throughout.
- 5.5 The draft strategy was reviewed by the Leadership Team (comprising of Chief Executive and Directors), and Political Liaison Board (comprised of the Leadership Team and Cabinet), prior to being brought to committee.

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 14th February 2025.

7. BACKGROUND

- 7.1. The Sustainability Strategy 2025-2030 was drafted to replace the Climate Change Strategy 2022-2027 in order to align with the council priority of Sustainability as laid out in the [Council Plan 2024-2028](#). The new Sustainability Strategy widens the scope of the previous strategy with the inclusion of two new themes (Adaptation and Biodiversity) as well as retaining a focus on emissions reduction with the aims to create a net zero council by 2030 and a net zero district by 2040.
- 7.2. The Strategy outlines the international frameworks and agreements that have informed the global response to climate change. On the advice of the CCC, Parliament passed legislation in June 2019 that required the UK to reduce emissions to net zero by 2050. In 2023, the Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report found that greenhouse gas emissions are continuing to rise globally and that current national and international plans to address climate change are not ambitious enough to limit warming to 1.5°C. It also found that despite progress in adaptation, many more measures are needed to live safely with the effects of climate change.

- 7.3 The Climate Change Act requires the UK Government to produce a Climate Change Risk Assessment (CCRA) every 5 years. The Third Climate Change Risk Assessment was published in 2022, with the government subsequently publishing the UK's Third National Adaptation Programme in 2023, to address the 61 climate risks and opportunities identified in the risk assessment. The Climate Change Committee has recently acknowledged the key role that local authorities can play in helping communities adapt and prepare for climate impacts.
- 7.4 The Environment Act 2021 and subsequent regulations include legally binding targets to reduce the risk of species extinction, restore or create 500,000 hectares of wildlife-rich habitat, and ensure overall species abundance is increasing by 2030 and increases by 10% by 2042. The Environment Act also introduced the policy of Biodiversity Net Gain from development - a means of measurably increasing biodiversity through the planning system - as well as a strengthened biodiversity duty, requiring all public authorities in England to consider how they can conserve and enhance biodiversity, and take appropriate actions to do so. As such, there is a clear part for local authorities to play in improving biodiversity.

8. RELEVANT CONSIDERATIONS

- 8.1 The actions from the previous Climate Change Strategy 2022-2027 were reviewed early into drafting this Sustainability Strategy, and were included or excluded based on their completion, viability, and relevancy. The aims of creating a Net Zero Council by 2030 and a Net Zero District by 2040 were carried forward from the previous strategy with some new actions added. The aims around Adaptation were also carried forward, with new actions created to increase focus in this area. National government published the UK's Third National Adaptation Programme in 2023 addresses the biggest climate risks and opportunities and highlights the leading role of local government to carry out adaptation measures. The proposed actions in the strategy address many of the priorities laid out in this Adaptation Programme such as flooding defences and creation of green spaces in urban areas for cooling. The fourth aim around Biodiversity is new to this iteration. It follows the declaration of the Ecological Emergency in 2023 and the Council's commitment to take action to protect nature. The proposed actions aim to address this and will also help the council fulfil its obligations under the Biodiversity Duty (Environment Act 2021).—Finally, there is a 'cross-cutting' section for actions which relate to multiple aims.
- 8.2 During the drafting of the Strategy, it was identified that there are a number of actions that we take on a continual basis – effectively, our 'business as usual'. While these actions are not new, they are an important part of the council's culture of sustainability which should be noted. These are therefore included in the Strategy under 'What We Do'.
- 8.3 Reducing greenhouse gas emissions is central to sustainability. We have completed an assessment of the Council's emissions from 2021-2024, identifying key sources and trends. This assessment has been used to inform the key actions under the aim of being a Net Zero council by 2030. The assessment also provides an overview of emissions trends across our District from 2005-2022 which has informed the actions under the aim of being a Net Zero district by 2040. The assessment is due to be uploaded to the council's [climate change webpage](#) shortly.

- 8.4 A document highlighting the achievements from the Climate Change Strategy 2022-2027 will also be uploaded to the council's climate change webpage shortly.
- 8.5 It should be noted that this is a plain-text version only. The Strategy will be formatted and designed once the content is approved. The design will draw from the look and feel of our current strategies to ensure brand consistency.

9. LEGAL IMPLICATIONS

- 9.1. Cabinet's Terms of Reference in the Council's Constitution include at section 5.7.1 the power 'to prepare and agree to implement policies and strategies other than those reserved to Council'. The proposed actions at Appendix A are not reserved to Council and therefore the Cabinet can prepare and agree the policy outlined.
- 9.2. The proposals highlight the direct link to the Council's priority of Sustainability, as laid out in the Council Plan 2024-2028. The Council Plan's strategic priorities for 2024-2028 provide high level reference points to assist the Council making clear and effective decisions to reduce environmental impact. The proposed actions at Appendix A detail how the Council plans to meet its target of being net zero in its own operations by 2030, a net zero district by 2040, as well as details of improving biodiversity and adaptation to climate change, and therefore accord with the Council's established strategic priorities.
- 9.3. The Environment Act 2021 introduced a strengthened 'Biodiversity Duty' whereby local authorities in England are required to consider how they can conserve and enhance biodiversity, and take appropriate actions to do so. This Strategy helps the Council fulfil this duty.
- 9.4. Local authorities must also help ensure the delivery of 10% Biodiversity Net Gain from development via the planning process (Environment Act 2021). This duty is covered through the Planning Policy system and highlighted in this Strategy.

10. FINANCIAL IMPLICATIONS

- 10.1 A number of the proposed actions detailed in Appendix A will require additional financial resource to achieve. This is likely to include both revenue and capital costs and the Strategy is clear that external funding will be necessary to make some of the actions affordable. Some of those actions may deliver future reductions in costs. For example, reductions in energy use can reduce cost, but the current relative costs of gas and electricity can mean that reduced overall energy use can actually cost more. The revenue costs of capital (which are made up of interest costs and Minimum Revenue Provision) will need to be factored into business cases and budget projection.
- 10.2 As part of the annual budget planning process each year it will be necessary to prioritise to determine the actions that can be achieved in the coming year(s), and the costs involved (including whether they are capital or revenue). There will be a need to prioritise the actions, in terms of the extent to which they can be delivered, the timing of delivery and the sustainability benefits that they achieve. To ensure that the overall programme is affordable within the resources that the Council has available it is likely that there will need to be reductions in spend elsewhere. The Medium-Term Financial Strategy for 2025-30 sets a target for the delivery of net savings of £2.5 million (increased to £2.8 million as part of setting the 25/26 budget) per year by the end of 2029/30. As this is a net target, this does allow for additional costs relating to new priorities but does require that these

will increase the gross savings (efficiencies, income generation or service changes) that need to be delivered.

- 10.3 There are currently no external requirements placed on Councils to meet environmental targets. As our medium-term budgets currently only go up to 2029/30, we have not considered the costs of any carbon off-setting that may be required. The medium-term budget that is developed this year will cover the period up to 2030/31. However, due to the uncertainty over the level of off-setting that may be required and the unit cost of off-setting, the intention is that this will continue to be excluded from budget projections. As a result of the above, all financial business cases just consider the direct costs.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. There are risks associated with not delivering the actions within the Sustainability Strategy and not meeting our net zero targets, these may be reputational as well as putting the future climate at further risk by not mitigating against climate change. To help address this, in November 2024 we added a service risk to the Council's corporate risk management system (Ideagen) covering Climate Change Adaptation. The risk assumes that adaptation to climate change will remain an ongoing and consistent consideration as the climate continues to change. While the short-term failure to adapt services to the changing climate may have a low impact on the organisation, the failure to adapt over the long term brings bigger potential impacts to the organisation which need to be acted on. Once the strategy has been approved, we will look to introduce other corporate risks to help manage potential threats to the successful delivery of strategy actions, with key projects and associated risks being added to the Council Delivery Plan as appropriate.
- 11.3. While the strategy is aspirational and contains actions that will help us meet our targets, some will be subject to additional resources, both financial and human resources which will be reviewed and forecast as best as possible on an ongoing basis. At this early stage, without having secured the resources required to deliver the entire action plan, there is a risk that the Council could fail to achieve the aims of the strategy.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. There are no direct negative impacts attached to this Strategy. However further equality impact assessments may be undertaken for individual proposed projects.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and "go local" requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1 The Strategy aims to improve the Council's action on protecting the environment, mitigating against climate change while also improving biodiversity and climate change adaptation of Council services and the district as a whole. The themes and actions within the strategy will have an overall positive impact on the environment and address the commitments of our Climate and Ecological Emergency declarations set out in section 3. Environmental Impact Assessments may be completed for individual projects as they come to fruition.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 A number of the proposed actions detailed in Appendix A will require additional staffing resource to achieve. They will have impacts across a number of teams including planning, estates, property services, leisure, waste, green space, parking and policy & strategy. Some of the work may be able to be incorporated in to existing and developing work plans, but it will mean that other activities will be deprioritised. As actions and projects from the strategy are reviewed, so will the resource implications.

16. APPENDICES

- 16.1 Appendix A Sustainability Strategy 2025-2030
16.2 Appendix B Sustainability Strategy Actions Table
16.3 Appendix C Sustainability Strategy Consultation Response

17. CONTACT OFFICERS

- 17.1 Sarah Kingsley Director – Environment
Sarah.kingsley@north-herts.gov.uk 01462 474552
- 17.2 Reuben Ayavoo Policy & Community Manager
Reuben.ayavoo@north-herts.gov.uk 01462 474212
- 17.3 Georgina Chapman Policy & Strategy Team Leader
Georgina.chapman@north-herts.gov.uk 01462 474121
- 17.4 Ellie Hollingsworth Policy & Strategy Officer
Ellie.hollingsworth@north-herts.gov.uk 01462 474220
- 17.5 James Lees Climate Change and Sustainability Project Manager
James.lees@north-herts.gov.uk 01462 474183
- 17.6 Daisy Harris Policy & Strategy Apprenticeship
Daisy.harris@north-herts.gov.uk 01462 474209

Contributors:

- 17.7 Ian Couper Director - Resources
ian.couper@north-herts.gov.uk 01462 474243

17.8 Tim Everitt Performance and Risk Officer
Tim.everitt@north-herts.gov.uk 01462 474646

17.9 Douglas Traill-Stevenson
Douglas.Traill-Stevenson@north-herts.gov.uk 01462 474653

18. BACKGROUND PAPERS

18.1 None

This page is intentionally left blank

Sustainability Strategy 2025-2030

Foreword

Tackling climate change and conserving nature are among the biggest challenges which affects each and every one of us. At North Herts Council we have made a commitment to prioritise environmental sustainability - taking action around tackling climate change, protecting nature, and making better use of natural resources. Environmental sustainability is about balancing human activities with the capacity of our planet to support life and we are committed to playing our part, to protect our beautiful district and the people who live and work in it.

Local councils have a key part to play in improving sustainability through their own operations and through their role in engaging with residents and communities, and shaping the places that fall within their boundaries. The Climate Change Committee has estimated that councils can influence around one third of their area's emissions.

For that reason, Sustainability is one of our four key priorities laid out in our Council Plan 2024-2028, and will help us achieve our vision of a fairer, greener North Herts.

In 2019 we declared a climate emergency, in recognition of the scale of the climate challenges ahead and the pace at which we need to take action. Since then, we have taken action to transition our fleet to low emission and electric vehicles, installed more electric vehicle charging points in our car parks, and won funding for an ambitious project to significantly reduce emissions from our leisure centres. Meanwhile, we have been considering our role in how we adapt to climate change and conserve nature. This new Sustainability Strategy therefore replaces our Climate Change Strategy, drawing in climate change adaptation and biodiversity as other key elements of our work. It sets clear objectives and actions for both our own services and operations, as well as for the wider district.

Acting on these issues is important for the future of our planet and can also create wider benefits for our residents. For example, the transition to electric vehicles can help improve local air quality; supporting more walking and cycling initiatives can have health benefits; while action on adaptation can reduce disruption to services from extreme weather events.

Like other councils, we face significant funding challenges, meaning we will need to find other sources of funding, such as grants to deliver on some of the actions proposed. Additionally, there may be instances where competing priorities arise and we will need to carefully consider how to balance these, to ensure we are meeting our council priorities to the best of our ability. Working in partnership with other councils, community groups and other stakeholders will be critical to ensure we maximise our impact.

This Strategy is ambitious, and the work to deliver it will be challenging, but it is also vitally important. Together, we can make our council, and North Hertfordshire, a more sustainable place for us all.

Amy Allen, Executive Member for Environment

Key Areas of Sustainability

Climate Change

Climate change refers to a large-scale identifiable change in the planet's weather patterns that persists for an extended period, typically decades or longer. The global warming and associated climate change we are experiencing today is driven by human activity, particularly the burning of fossil fuels.

While the world's wealthiest countries remain responsible for disproportionately more warming greenhouse gas emissions than the poorest countries, it is currently the poorest countries who are experiencing more severe climate impacts and who are less able to afford measures to adapt to climate change.

Climate change is affecting and will continue to increasingly impact every part of the world, including the UK. These changes have serious implications for the future stability of the planet.

Indeed, many of the devastating extreme weather events we are seeing across the world, such as the California wildfires in 2024 or devastating flooding in Pakistan in 2022, are a direct result of human-caused climate change.

Over the last ten years the UK has experienced a variety of climate-related extremes, including record wet winters, major floods, heatwaves, and wildfires, with the ten hottest years on record all having occurred within the last twenty-five years according to the Met Office.

Climate Change Adaptation

The Intergovernmental Panel on Climate Change (IPCC) defines climate change adaptation as "the process of adjustment to actual or expected climate and its effects".

While climate change mitigation is crucial to avoid more catastrophic warming scenarios, adaptation acknowledges that climate impacts are now unavoidable and seeks to reduce the risks and vulnerabilities associated with these.

Adaptation focuses on things like flood protection and making infrastructure more resilient to extreme heat, often making use of nature-based solutions, such as tree planting, to achieve this. As such, action taken to adapt can have positive impacts on climate change, biodiversity, as well as health and wellbeing.

Biodiversity

One of the implications of climate change is ecological crisis and biodiversity loss.

Biodiversity refers to the diversity of species in a particular habitat or area, where a high level of diversity is typically considered to be important. Each species plays a unique role in maintaining the health of the ecosystem. Biodiversity loss therefore degrades ecosystems, compromising their ability to contribute to clean air and water, soil fertility and food security, flood prevention, disease prevention, and climate change mitigation via capturing and storing carbon.

The planet is experiencing a nature crisis, caused by the rapid decline in biodiversity, habitat loss, and ecosystem degradation. While climate change plays a key part in this, there are other drivers including land-use changes (such as for development or intensive agriculture), use of pesticides, and pollution.

The UK has seen significant loss of plants, animals and fungi, and as such is one of the most nature-depleted countries in the world. Leading conservation organisations estimate that the UK has lost around half of its biodiversity since the Industrial Revolution. The State of Nature Report highlights that nearly one in six species are currently under threat of extinction from Great Britain, with many species already lost.

This biodiversity crisis both results from and further drives climate change and reduces our ability to adapt to it.

Mandate for Action

Tackling Climate Change

The Paris Agreement is a landmark global agreement by the member states of the United Nations Framework Convention on Climate Change (UNFCCC), including the UK, committing to “holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels”.

The scientific basis for this goal came from the Intergovernmental Panel on Climate Change’s (IPCC) report which indicated that warming should be limited to 1.5°C above pre-industrial levels to avoid the most catastrophic impacts of climate change, and that achieving this would require rapid and unprecedented changes in all aspects of society.

In response and on the advice of the Climate Change Committee (CCC), in June 2019 parliament passed legislation requiring the government to reduce the UK’s net emissions of greenhouse gases by 100% by 2050, relative to 1990 levels. In other words, the UK should emit net zero greenhouse gases by 2050. The UK enshrined a new target in law in 2021 to slash emissions by 78% by 2035, compared to 1990 levels.

Future climate change

In 2023 the IPCC’s Sixth Assessment Report found that, globally, greenhouse gas emissions are continuing to rise and that current national and international plans to address climate change are not ambitious enough to limit warming to 1.5°C. It also found that despite progress in adaptation, many more measures are needed to live safely with the effects of climate change.

The IPCC report indicated that the world could see warming of 2°C by 2050 under current trends in emissions while the CCC advises policymakers [to plan for 2°C and assess the risks for 4°C of global warming by 2100](#).

At 2°C of warming, it is estimated that there will be an ice-free summer in the Arctic at least once every ten years – compared to once every 100 years at 1.5°C, and that 37% of the global population will be affected by severe heat (compared to 14% at 1.5°C). 2°C also represents 99% destruction of coral reefs, a significant decline in plant and animal species, reduction of crop yields and rising sea level.

Future impacts in North Hertfordshire

The impacts of climate change will also be increasingly felt in North Hertfordshire.

An assessment of the local impacts of climate change by the Met Office has indicated that with 2°C of warming, North Herts would see annually, on average, up to 51 days above 25°C, up to 11 days above 30°C. More extreme temperatures raise the risk of roads melting, railway tracks buckling, overhead power lines becoming less effective, and increased hospitalisations and heat-related deaths. Higher temperatures also increase energy demand to cool our buildings, which further contributes to global warming.

At 2°C it is estimated that there will be up to 19% less rain in the summer (causing droughts and crop failures) and up to 14% more winter rain. Extreme weather events, such as flash flooding like that seen in Hitchin in September 2024 will unfortunately become more common.

Hotter temperatures, reduced summer rain, and other impacts also drive ecological crisis by depleting nature and degrading ecosystems. This in turn weakens our planet's capacity to mitigate and adapt to climate change by reducing its ability to absorb carbon and provide protection from climate impacts (e.g. flood protection). The climate impacts associated with warming of 2°C pose a serious threat to local species and habitats, such as precious chalk streams and their inhabitants.

Adapting to Climate Change

The Climate Change Act requires the UK Government to produce a Climate Change Risk Assessment (CCRA) every 5 years. The Third Climate Change Risk Assessment was published in 2022, with the government subsequently publishing the UK's Third National Adaptation Programme in 2023, to address the 61 climate risks and opportunities identified in the risk assessment.

Central government have previously stated that local councils have a clear role to play in helping communities adapt to climate change and have provided guidance on this.

Preserving and Increasing Biodiversity

The Environment Act 2021 and subsequent regulations include legally binding targets to reduce the risk of species extinction, restore or create 500,000 hectares of

wildlife-rich habitat, and ensure overall species abundance is increasing by 2030 and increases by 10% by 2042. The Environment Act also introduced the policy of Biodiversity Net Gain from development - a means of measurably increasing biodiversity through the planning system - as well as a strengthened biodiversity duty, requiring all public authorities in England to consider how they can conserve and enhance biodiversity, and take appropriate actions to do so.

North Herts Council's Approach

Sustainability is one of our four Council priorities, as outlined in our [Council Plan \(2024-2028\)](#). This affirms our commitment to making our operations and services more sustainable, as well as to advancing sustainability within North Herts, helping our residents to reduce their impact on the environment.

In 2019 the council passed a motion to declare a Climate Emergency. The declaration recognised the urgency of acting on the climate crisis and asserted the council's commitment toward climate action, beyond current government targets and international agreements. Since then, we have taken steps to calculate our emissions and reduce them, through projects to progress the decarbonisation of our vehicle fleet and estate. Alongside this, we have progressed projects to help residents reduce their emissions, including participating in schemes which help people insulate their homes or install solar. We have also improved public Electric Vehicle charging provision and taken steps to make development that occurs in North Herts more sustainable through our Sustainability Supplementary Planning Document. We have also identified risks posed to our services by extreme weather and actions to reduce those risks.

In July 2023 the council declared an Ecological Emergency to recognise that the crisis facing nature requires urgent action and is interlinked with the climate crisis. Over recent years the council has implemented reduced mowing regimes, created wildflower areas, and begun to implement Biodiversity Net Gain through the planning system. As of 2024, there is a Biodiversity Duty incumbent on public authorities, meaning we must consider what we can do to both conserve and enhance biodiversity and report on our progress. Incorporating biodiversity into our Sustainability Strategy will help us to fulfil this responsibility and consider opportunities to make a positive impact.

It is clear that many of the actions taken to address environmental issues have wider benefits that contribute to our other Council priorities. For example, supporting low-income households to access government grants for things like home insulation helps residents reduce their energy bills and make their homes more comfortable, while also reducing emissions. We will continue to try to maximise the wider benefits that can be had from environmental action.

Governance and decision-making

Climate and Sustainability Officer Group

We have a Climate and Sustainability Officer Group (CSOG) which meets quarterly and is comprised of officers from across the council. Its aim is to aid cross-team working on environmental issues and help shape our approach to sustainability. The group helps drive action to meet our environmental objectives and monitor progress against the actions in the Strategy. For oversight and accountability purposes a regular report on progress is taken to Political Liaison Board (PLB) which is comprised of Cabinet Members and senior leadership. The group are also accountable to the Director – Environment, who has constitutional responsibility for the council's work on climate change and sustainability. The detail for delivery of strategy actions (including specifics on resource and funding availability, timeframes, and measures) will sit with CSOG, who will use this information to drive forward action and monitor progress.

Assessing environmental impacts

Committees form a key part of our decision-making process and officers are required to consider and comment on the environmental implications of their policies and projects in each committee report. Fuller environmental impact assessments are undertaken where a significant impact is identified upon initial consideration. The process aims to ensure that impacts, risks, and mitigating actions are identified at an early stage, so that our projects and policies align with our sustainability objectives.

Cabinet Panel on the Environment

Our [Environment Panel](#) is an advisory panel which acts as a forum for sharing ideas, learning, and best practice, as well as engaging residents on our climate and environment work. The Panel has also been involved in reviewing and shaping the Sustainability Strategy.

Working in Partnership

The council remains committed to playing a leadership role in local efforts to address the climate emergency, working in partnership with residents, local businesses, voluntary and community groups.

Since 2020 we have worked closely with Hertfordshire County Council and the ten Hertfordshire district and borough councils, through the Hertfordshire Climate Change and Sustainability Partnership (HCCSP). The HCCSP's aim is to tackle climate, environmental, and sustainability issues in Hertfordshire across the priority areas of Water Sustainability; Biodiversity; Carbon Reduction; Transport; Behaviour Change; and Climate Change Adaptation. Various projects have emerged from this partnership including the Solar Together Project and the Local Authority Retrofit

Accelerator (LARA). We will continue our work within the HCCSP, as well as making use of more informal networks both within and beyond Hertfordshire, to drive forward environmental action over the coming years.

Aims

- **Achieve Net Zero by 2030 for the council's own operations.**
- **Achieve a Net Zero North Herts district by 2040.**
- **Ensure all operations and services are resilient to the impacts of climate change.**
- **Become a district that is resilient to unavoidable impacts of climate change.**
- **Increase biodiversity in North Herts.**

What we do

There are a number of ongoing actions that have become embedded in our day-to-day work. These are not new initiatives, but they reflect our culture of sustainability and help us shape a more sustainable future within the council and across the district.

ACTION
Install EV charging and turnover of light waste collection vehicles in 2025/26
Provide information to support employees to work and live more sustainably.
Consider opportunities to promote the use of online video conferencing platforms to reduce business travel where possible.
Continue to provide information to support residents and the district to work and live more sustainably.
Continue to promote shared mobility schemes, such as the Herts Lynx, to support ease of travel across the district
Continue to review the Council's business continuity plans in the context of climate change adaptation and resilience.
Continue with reduced mowing regimes to allow for more species diversity.
Continue to manage important habitats through ongoing implementation of our greenspace action plans.
Continue to ensure Biodiversity Net Gain is delivered through the planning process.
Continue to review what we can do to enhance biodiversity and review and report on our progress, as per the Biodiversity Duty.

Continue to work with partners like the Hertfordshire Climate Change and Sustainability Partnership and the Regional Climate Change Forum on projects to help North Herts become a net zero district.

Make use of and continue to search for potential funding streams to assist both the Council and district to meet our net zero targets and enhancing sustainability within North Herts.

Use of online platforms and in person events to engage our communities on Sustainability including Cabinet Panel on the Environment, Community Forums, Communication channels, Eco events and partner events.

Continue to assess Environmental Implications of key decisions, committee reports, including delegated decisions and undertake a full assessment where any significant environmental impacts are identified.

Continue to act on motions passed; Plastic Free, Ecological and Climate Emergency, Protection of Chalk Streams, Ultra Low Emission Vehicles, sky lanterns and helium balloons.

Council Emissions

Aim: Achieve Net Zero by 2030 for the council's own operations.

Our 2030 target includes emissions from our buildings, fleet and key contracted services (waste, leisure and green space). These are the areas we have either ownership or the greatest control over through direct management or close management of these key council services. Of the emissions we currently assess, this accounts for 90.4% of emissions.

For our wider emissions footprint, we will aim to be Net Zero by 2040 in line with our district target. This includes emissions from staff commuting, staff working from home, spend on goods and services, our own waste and water use. Of the emissions we currently assess, this accounts for 9.6% of emissions. However, there are gaps around understanding emissions from our wider spend on goods and services, such as IT and smaller contracts, as well as understanding emissions related to our leased out estate. As part of this strategy we will assess emissions related to these areas before taking actions to reduce these emissions to achieve Net Zero by 2040.

Nº	ACTION
1	Deliver decarbonisation of key council buildings, particularly the council offices and Hitchin Town Hall and North Herts Museum, and utilise heat decarbonisation and assessment management plans to prioritise future projects and deliver a net zero estate.
2	Optimise council's own estate energy consumption to use and occupation to maximise efficiencies and reduce emissions.
3	Finish transition of council's own fleet to fully electric by 2030.
4	Deliver significant decarbonisation of our three leisure centres by March 2026.
5	Explore options for low carbon heating of Lidos with plan to transition to low carbon heating once boilers reach end-of-life after 2030. Actively manage the sites to reduce energy consumption.
6	Implement use of sustainable low carbon fuels in heavy duty refuse collection vehicles and wider measures to reduce fuel consumption and associated emissions from our waste collection service from 2025/26.
7	Work with our contractor to transition the green space service contract fleet to fully electric, if feasible, and to fully electric machinery by 2030.
8	Reduce staff commuting emissions through measures to support take up of electric vehicles, and encourage walking, cycling, and use of public transport.
9	Identify opportunities for reducing emissions from staff business travel through consideration of schemes including lift sharing and EV car clubs.
10	Assess emissions from spend on goods and services. Work with the Contracts Procurement Group to identify and act on priority areas for action to utilise procurement to reduce emissions, including embodied emissions of goods and materials.
11	Estimate emissions associated with leased buildings, and deliver works required to ensure all commercial properties owned by the council are at least compliant with the Minimum Energy Efficiency Standards – at present and in the future.
12	Provide climate change training and regular engagement for staff and councillors.
13	Develop council position about offsetting unavoidable emissions to meet 2030 net zero goal that supports local emissions reductions.
14	Publish annual reports of progress towards the council's emissions targets from 2025.
15	Produce roadmap towards 2030 net zero target and for the council's wider emissions beyond 2030 in 2025/26.

District Emissions

Aim: Achieve a Net Zero North Herts district by 2040.

The key sources of district-wide emissions are: transport, heating in people's homes, and commercial and industry.

We have limited tools available to drive action to reduce emissions across the district ahead of the UK as a whole but can use our role as the planning authority, our convening powers and being a trusted voice to help support action.

Nº	ACTION
16	Expand and improve EV charging in council owned car parks
17	Expand provision for EV charging across the district in partnership with Hertfordshire County Council
18	Identify and seek to secure funding and/or partnership-working to implement improvements to cycling and walking infrastructure across North Herts, including: <ul style="list-style-type: none"> - Cycle parking at destinations - Seeking partners to provide cycle/e-scooter hire schemes - Updating the Local Cycling and Walking Infrastructure Plan to include rural connections
19	Promote independent advice and / or service and schemes to support residents to retrofit their homes, install low carbon technologies, or reduce their energy usage.
20	Promote and deliver government funded grants to retrofit fuel poor homes
21	Utilise Tenants Charter and enforcement of minimum energy standards to drive improvements in housing to reduce fuel poverty
22	Explore providing support for businesses to take up low carbon technologies and reduce their emissions, including consideration of grants or sharing of good practice
23	Strive where possible for developments on land sold by the council to be Net Zero operational in line with the council's 2040 goals, with monitoring of embodied emissions.
24	Actively engage with Hertfordshire-wide work related to local area energy planning , including identification of options for viable district heating systems
25	Support growth of community energy in our area, including promotion of town or area specific projects to improve rates of installation of low carbon heating and energy efficiency measures in our district
26	Develop design guidance that promotes low emissions in travel and operational use for our major housing developments to support our net zero goal
27	Produce good practice case studies for development in the district, aligning to the gold and silver standards of the Sustainability Supplementary Planning Document to inspire others
28	Integrate consideration of district wide net zero and climate adaptation goals in local plan development process.
29	Utilise new waste collection service and associated communications and engagement to drive improvements in household recycling rates, reaching 60% in 2026/27.

Adaptation

Aims: Ensure all operations and services are resilient to the impacts of climate change

Become a district that is resilient to unavoidable impacts of climate change

Adaptation involves adjusting our lives, environment, work, and communities to changes we face today and in the future, due to climate change. We're already seeing its effects through extreme

weather events like floods, heatwaves, and intense storms, impacting supply chains, council services, staff, and residents' health. We must prepare for these risks and adapt accordingly.

The Hertfordshire Climate Change and Sustainability Partnership prioritises adaptation; we've contributed to the adaptation subgroup action plan, assessed climate risks, and helped develop a county-wide risk register and adaptation plan.

The MET Office's Local Authority Climate Service provides tools and resources to help us as a Local Authority, better understand the impacts our area faces and helps us on the journey to greater understanding of climate risks and adaptation to climate change.

Nº	ACTION
30	Signpost residents and businesses in the district to data and resources relating to climate risks and potential impacts, to help best adapt to and mitigate against the changing climate. For example, how to prepare homes for extreme weather, retrofit opportunities, reducing risks of overheating, flood defences, permeable driveways and mitigating flood risks.
31	Engage with water companies and communicate advice on water usage reduction to residents and business.
32	Signpost communities to cool and warm spaces across the district and work with Hertfordshire County Council to update the map of locations available.
33	Establish learnings from the ResilienTogether project and apply to our own sites within North Hertfordshire.
34	Explore the feasibility of providing cool and warm spaces in Council owned buildings during seasonal demand.
35	Record extreme weather events and incidents to enable a monitoring process to record the impacts on our council services, assets and district as a whole.
36	Establish learnings from emergency volunteer work to aid response to emergency events including from extreme weather.
37	Actively work with Hertfordshire County Council and district and borough colleagues to undertake a climate vulnerability mapping exercise

Biodiversity

Aim: Increase biodiversity in North Herts

Biodiversity is defined as the variety of plant and animal life in an area, or in a particular habitat, with a high level of variety or diversity generally considered beneficial.

In 2023 NHC declared an Ecological Emergency to show recognition that nature is in crisis, that the climate and ecological emergencies are interlinked, and that we have a duty to act to protect nature.

As of January 2024 there is a biodiversity duty upon local authorities to consider what they can do to both conserve and enhance biodiversity. They must subsequently publish policies/objectives/actions. They must first report progress on these in 2026.

Nº	ACTION
38	Work in partnership with the Wildlife Trust and others to make improvements to North Herts Council sites, and rivers and chalk streams.

39	Continually review opportunities to deliver the aspirational elements of site-specific Greenspace Action Plans; and review and consider additional aspirations as each plan comes up for renewal (e.g. using s106/BNG money to deliver)
40	Review the success of implementing the greenspace wildling audit recommendations; and seek and implement further recommendations from Countryside and Rights of Way (CRoW).
41	Make it a priority for river projects to support suitable habitat for water voles; where possible, support the Wildlife Trust's aspiration to reintroduce water voles into Purwell.
42	Explore options to landscape an area of Wilbury Hills Cemetery and incorporate more biodiversity
43	Review the impact of our reduced mowing regimes, and consider management amendments at the appropriate point in the Greenspace Management contract to help increase species diversity. - Provide communications to residents about the reasons for this and the impacts.
44	Engage with resident groups and provide information on the wider benefits of reduced mowing regimes in areas where this leads to complaints.
45	Identify opportunities to harness the power of volunteers to achieve shared goals around increasing nature
46	Review the finalised version of the Hertfordshire Local Nature Recovery Strategy to identify if there are opportunities to contribute to the priorities identified.
47	Work with colleagues from social housing providers to find opportunities to incorporate nature-positive actions into ongoing work e.g. adding Swift bricks to houses which are being retrofitted.
48	Make full consideration of Biodiversity within the Local Plan Review process including: - Exploring the possibility of a target above the mandatory 10% Biodiversity Net Gain (BNG) for development within North Herts. - Considering the allocation of Nature Networks. - Inviting landowners to put forward potential areas for open space and nature.
49	Review council-owned land to ascertain whether we have sites which may be suitable for biodiversity projects including: - Wildflower areas and rewilding - Biodiversity Net Gain (BNG) offsetting from development
50	Review the opportunity and feasibility of creating a habitat bank using council estate to sell biodiversity units to developers who need to offset required BNG.
51	Support prospective habitat banks which are in accordance with Local Nature Recovery Strategy aspirations in securing legal agreements to enable access to the Biodiversity gain register.

Cross Cutting

Due to the widespread nature of sustainability, as well as the services the council offers, there are a number of actions that fit across the different themes in the strategy. We have therefore grouped these together into 'cross cutting actions'.

Nº	ACTION
52	Annual internal communications and engagement to reduce other sources of the council's emissions with wider environmental benefits, such as the council's waste produced and water consumed.
53	Develop and deliver public facing communications and engagement plan to support residents to act sustainably
54	Continually review opportunities for the museum to host exhibitions on climate change, nature and sustainability
55	Explore introduction of water-saving measures at allotments to reduce hosepipe and sprinkler usage.
56	Identify potential areas that would benefit from cooling (e.g. on walking or cycling routes or in parks) and conduct a feasibility assessment to ascertain whether trees could be planted to provide the required shading.
57	Consider how we can ascertain the value of green-infrastructure and nature-based solutions through assessments of council sites to determine best value and best use.
58	Continue to engage with partners on nature recovery and nature-based solutions to adaptation in the district, for example The North Chilterns Partnership, Herts and Middlesex Wildlife Trust and Hertfordshire County Council.

This page is intentionally left blank

Sustainability Strategy Consultation Response

The Sustainability Strategy consultation ran throughout March 2025 and received 141 public responses, as well as 36 responses from our staff and Councillors. Respondents were invited to comment on our proposed aims and actions and were given the opportunity to express their satisfaction or dissatisfaction via a range of multiple-choice options.

Overall, 87% of respondents said that it is important or very important for the council to make its own operations more sustainable, and 86% agreed that it is important or very important for the council to tackle sustainability issues across the district.

On average, agreement with our aims on emissions reduction, adaptation, and biodiversity sits at 78%. As an average across the various themes, 64% agree that the actions proposed will have a positive impact and 56% agree that the actions are achievable.

The consultation also provided free-text boxes to allow for more detailed feedback. We have reviewed the comments received and this document outlines the key themes raised and our responses.

The council's own emissions

We received 45 comments from respondents in relation to the council's own emissions. 78% agreed or strongly agreed with the aim "achieve Net Zero by 2030 for the council's own operations".

The key concerns raised were:

The cost of the plan for taxpayers

It is clear that the financial cost of the actions will need to be carefully weighed up against the wider environmental benefits and this analysis will form a key part of decision making and prioritisation. Some of the actions are planned to be delivered with existing resource and we are clear that we will need to seek grant funding opportunities and work in partnership to maximise our impact and deliver on other actions.

The council's vision, outlined in our Council Plan, is for a fairer, greener North Herts and Sustainability is one of the council's four priorities. This Strategy and its actions are designed to help us meet those priorities. While the environmental footprint of the council may be relatively small, acting to reduce our own emissions demonstrates leadership for the district to follow and also safeguards community assets, such as our leisure centres, for the long term. Some of our actions will also have wider benefits aligned to the other council priorities and may ultimately reduce the council's energy costs, depending on the relative costs of different fuel types (i.e. electricity compared with diesel and gas).

The ambition of our net zero aim

Some respondents felt that our aim to be net zero by 2030 for the council's own operations was too ambitious, while others thought it was not ambitious enough. Our 2030 goal is aligned with many local authorities and other public sector organisations. Due to the resource-pressure we and all local authorities are facing, it would not be realistic to bring this target forward. On the other hand, it is important to work towards 2030 to reduce our impact on climate change as soon as we can. The actions set out in the Strategy will help us to achieve this aim.

Emissions associated with electric vehicle production

Reducing consumption of fossil fuels is central to tackling climate change. The transition away from petrol and diesel vehicles in road transport to electric alternatives is therefore a key component of the transition to Net Zero, as set out by the Climate Change Committee in their advice to the UK Government¹. Our actions align with this approach and will help reduce the council's emissions. Electric vehicles (EVs) in the UK produce significantly lower emissions than petrol or diesel vehicles, once manufacturing of the car, battery and use of the vehicle over its lifetime are considered². They have higher emissions associated with manufacturing of the vehicle and battery, but have much lower emissions during their use relative to petrol or diesel vehicles and so the more they are used, the lower their lifecycle emissions.

Using carbon offsets to achieve corporate net zero targets

We have an action around this in our Strategy and we will work with the Hertfordshire Climate Change and Sustainability Partnership to support a consistent approach across Hertfordshire councils for use of offsetting, based on best practice principles.

The key opportunities identified were:

Promoting use of public transport

There are various ways to promote or incentivise use of public transport amongst staff. Action 8 in our Strategy specifically considers support for staff use of public transport. We will consider how we can best encourage staff to use public transport as part of this action.

District-wide emissions

We received 56 comments from respondents in relation to district wide emissions. 74% agreed or strongly agreed with the aim "achieve Net Zero by 2030 for the council's own operations", with 64% agreeing that the proposed actions will make a positive impact on the district.

The key concerns raised were:

The cost of the plan for taxpayers

Many of the actions have wider benefits for our district in line with wider council priorities, such as reduced air pollution related to take up of electric vehicles, or warmer and cheaper to heat homes. A particular example is the action "Promote and deliver government funded grants to retrofit fuel poor homes" which supports those unable to pay for home improvements with wide ranging benefits.

The ambition of our net zero aim

Some respondents felt that our aim for the district to be net zero by 2040 was too ambitious. This is a highly ambitious aim but is in line with the climate emergency we have declared. We believe that the actions we have set out are achievable, through working with key partners and stakeholders across the district.

Trade-offs between retrofit and renewable technologies, and heritage and conservation

¹ [The Seventh Carbon Budget - Climate Change Committee](#)

² [The UK: A Low Carbon Location to Manufacture, Drive and Recycle Electric Vehicles](#)

Preserving heritage is important, as is tackling the climate crisis. We will continue to follow Historic England guidance and other relevant policies to ensure consistent decision-making on proposals to reduce carbon emissions of historic buildings, ensuring they remain viable places to live whilst also conserving their significance. We will continue working with partners such as Letchworth Garden City Heritage Foundation to promote actions that can be taken to reduce emissions from homes, while maintaining the district's rich heritage.

The key opportunities identified were:

Doing more on transport and active travel

In 2024, we worked with Hitchin-based Dr Bike to provide free bike repair sessions at events around the district. We are looking at options to do more on this to promote cycling. We are also looking at the possibility for new developments in our district to connect to existing cycle hire schemes, and car clubs. We will continue to work with Hertfordshire County Council, who are responsible for public transport, to promote growth of public transport provision in our district. Actions 16, 17, and 18 of our Strategy focus on improving access to electric vehicle charge-points and active travel infrastructure improvements.

The sustainability of new development

Comments highlighted the need for new developments to be built to as high standards as possible. We are encouraging this through our [Sustainability Supplementary Planning Document](#) which was published last year. We are also producing a Design Code which will set expectations for design quality in North Herts. Additionally, emissions reduction opportunities and sustainability more broadly will be considered as we go through the Local Plan review process.

Adaptation

We received **40 comments from respondents** in relation to the actions for climate change adaptation and 75% of respondents agreed with the aims for adaptation and with 65% agreeing that the proposed actions will make a positive impact on the district.

The key concerns raised were:

Flooding

Responses raised the importance of keeping drains and ditches clear, and requested a strategy on flooding. Hertfordshire County Council are the strategic flood authority and have responsibility in this area. We are aware of our responsibilities as a landowner, and will continue to work with partners to ensure flooding issues are dealt with in the most appropriate way.

The development proposed for North Herts

In terms of the number of houses proposed for our district, it's important to note that Central Government are responsible for determining housing numbers and expect North Herts Council to play its part in meeting those targets. We do also have a role in making sure the development that happens here is as sustainable as possible through our local plan policies and Supplementary Planning Documents (SPDs). We have recently published our [Sustainability SPD](#) which contains a chapter on conserving water, and we are currently reviewing our Local Plan. We will amend and strengthen policies where relevant and appropriate.

The key opportunities identified were:

Removing possible heat traps of hard surfaces or large tarmacked areas

Car parks account for a large portion of our hard surfaces, and provide an important function in our district. We can consider smaller tarmacked areas and opportunities for alternative materials or uses as and when these areas are in need of repair or renewal. Through our Design Code we expect to set a requirement that new areas of parking are broken up by landscaping.

Planting trees for shade

Action 56 addresses this for cooling and biodiversity benefits across the district.

Assessing the risks to our vulnerable communities

The importance of establishing what extreme weather we will face, the risks to the communities affected, and what we can do to adapt and manage these risks was highlighted. We're already looking into ways we can do this and have formalised this by adding an action around working with Hertfordshire County Council and district and borough colleagues to map these risks and vulnerabilities beyond our existing risk assessments. (Action 37).

Recycling rates under the new waste collection arrangements

We will be conducting a waste composition analysis in 2026 which will inform our communications with residents on recycling.

Making hard surfaces more permeable to help with flooding and drainage

We are not able to regulate or enforce against the creation of certain amounts of hardstanding in private land such as gardens, however we will look to provide communications and guidance on the impacts of this in terms of adaptation to climate change and extreme weather.

Promoting energy efficiency schemes and well-insulated homes

As addressed above, high standards of building efficiency are covered in our Local Plan and encouraged through our Sustainability Supplementary Planning Document. We are also participating in a number of energy efficiency schemes and provide advice to help residents on our website: [Energy efficiency schemes and advice | North Herts Council](#)

Biodiversity

We received 41 comments from respondents in relation to biodiversity. 83% agreed or strongly agreed with the aim "**Increase biodiversity in North Herts**", with 65% agreeing that the proposed actions will make a positive impact in North Herts.

The key concerns raised were:

The amount of development taking place in the district

Central Government determine the number of homes needed in our area and we are expected to meet these targets. The council does not have the ability or authority to change these targets. However, we do have a role to play in ensuring the development that occurs in our district is as sustainable as possible. We have recently published our Sustainability Supplementary Planning Document which encourages developers to make development

more sustainable and includes a chapter on biodiversity. We are ensuring that Biodiversity Net Gain is delivered through the planning system, and are looking at the possibility of introducing a target above 10% for Biodiversity Net Gain from development in North Herts.

The impacts of the Biodiversity Net Gain policy

We are not able to reject the Biodiversity Net Gain policy, as this is a national policy set by central government and mandatory under the Environment Act 2021. Concern was raised in the feedback that developers are destroying valuable habitat and not delivering net gain locally. It should be noted that developers are encouraged to retain on-site habitat and follow the biodiversity gain hierarchy, selecting and designing sites that avoid negative impacts in the first instance, only funding off-site biodiversity solutions if it is not possible to deliver all of the required biodiversity units on-site. We will work with landowners wishing to establish habitat banks by providing biodiversity units through creation and enhancement of wildlife habitat in the area with the aim that many of the required offset units can be secured locally.

Water companies polluting and discharging sewage into rivers

Feedback requested that we ban water companies from polluting and discharging sewage into rivers and enforce against this. Unfortunately, the council does not have the authority to implement a ban. This is the remit of Central Government. The Environment Agency (EA) is the regulator responsible for enforcing laws against water companies that pollute rivers. The Environment Agency has broad enforcement powers, including issuing fines, launching prosecutions, and imposing civil sanctions. Pollution incidents can be [reported to the Environment Agency via phone](#), and an online reporting tool is due to be released this year. We will signpost to this on our website when it becomes available.

The appearance of wilded areas

Some respondents disliked the appearance of wilded areas in our greenspaces. These are the result of reduced mowing regimes and aim to allow for more species diversity to meet our biodiversity aims. There were a greater number of responses in support of these initiatives.

The key opportunities identified were:

Promote litter reduction

We have previously run successful campaigns to reduce litter across our district and will continue to do so. We also make litter-picking equipment available to residents for community litter-picking and will do more promotion of this.

Make greenspace management pesticide free

We have worked to reduce our herbicide-use as much as we can over recent years, but we do currently use herbicides twice per year to preserve hardstanding and to keep weeds out of shrub beds. All of our nature reserves are pesticide-free and we have recently worked with one of the Letchworth allotments to eliminate pesticide use here. We will continue to look at how we can further reduce our usage, working with greenspace colleagues across the county to share best practice.

More tree planting

We will continue to plant as many trees as we can across the district, including re-planting and looking at opportunities to work with Hertfordshire Highways to plant trees on verges where appropriate.

More wildflowers

We will continue to look at opportunities to create more wildflower areas across the district and are open to suggestions from residents as to potential locations. We also plan to replace annual bedding with herbaceous perennials and wildflower patches to reduce the need for feeding and watering and create habitats that will stand up through the winter.

Support businesses and the community to do more on biodiversity

We will shortly be launching a Sustainable Communities grant, using UK Shared Prosperity Funding for 2025/26, open to community groups and businesses to help them undertake sustainability projects, including projects which seek to improve biodiversity.

**CABINET
24 JUNE 2025**

***PART 1 – PUBLIC DOCUMENT**

TITLE OF REPORT: COUNCIL DELIVERY PLAN 2024-25 (END OF YEAR UPDATE)

REPORT OF: DIRECTOR - RESOURCES

EXECUTIVE MEMBER: RESOURCES

COUNCIL PRIORITY: THRIVING COMMUNITIES / ACCESSIBLE SERVICES / RESPONSIBLE GROWTH / SUSTAINABILITY

1. EXECUTIVE SUMMARY

This report presents progress on delivering the Council Delivery Plan for 2024-25. This is a year end update but generally reflects progress up to the point that this report was prepared (May). For 2024/25 the report includes:

- For the projects identified by Cabinet in March 2024, it details milestones and progress against them.
- The risks in relation to the delivery of those projects, as well as the corporate risks that could impact the delivery of all our projects and services.
- Latest data for the performance indicators identified by Cabinet in June 2024.

For 2025/26 the report includes:

- Proposals on projects to be included in the Council Delivery Plan, including the roll-forward of the incomplete projects from 24/25.
- Proposals on targets for existing Key Performance Indicators (KPIs).
- Summary of the Internal Audit report on KPIs and how the actions will be considered as part of the 25/26 Quarter 1 update (in September).

There are 8 projects with delayed milestones and 3 projects with new milestones.

There are two red performance indicators relating to calls answered within 45 seconds and Careline installations within 10 days. The actions to correct this are set out in paragraph 8.4.

2. RECOMMENDATIONS

- 2.1 That Cabinet notes the progress against Council projects as set out in the Council Delivery Plan, and approves the changes to the milestones (Appendix A)
- 2.2 That Cabinet notes the performance against the performance indicators and confirms the actions detailed in paragraph 8.4.

- | | |
|-----|--|
| 2.3 | That Cabinet approves the KPI targets for 2025/26 as detailed in Appendix B. |
| 2.4 | That Cabinet approves the projects that will be included on the Council Delivery Plan for 2025/26. |

3. REASONS FOR RECOMMENDATIONS

- 3.1 The Council Delivery Plan (CDP) monitoring reports provide Cabinet with an opportunity to monitor progress against the key Council projects, and understand any new issues, risks, or opportunities. Overview and Scrutiny are welcome to consider these reports but have been trialling having a more specific focus at each meeting. The Council Delivery Plan will be publicised to all Members via the Members Information Service.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 In developing the CDP, it was agreed that Cabinet would receive quarterly updates. Executive Members will receive more regular and detailed updates on the projects within their remit.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 Directors and Service Managers have provided updates on progress and will have made Executive Members aware of progress made.
- 5.2 A draft of this update was provided to Risk and Performance Management Group (RPMG) in May. The Group has a standing invite to the Executive Member for Resources (has responsibility for performance monitoring), the Chair of Overview and Scrutiny (O&S) and the Chair of Finance, Audit and Risk Committee (FAR). Other members of O&S and FAR are also encouraged to attend when they can. RPMG were asked to comment on the end of year update. There were no specific issues raised by the group.
- 5.3 The CDP is able to be reviewed by Overview and Scrutiny Committee, and they can make comments and recommendations to Cabinet. Although their change of approach is detailed in paragraph 3.1 above.

6. FORWARD PLAN



- 6.1 This report contains a recommendation on a key Executive decision first notified on the Forward Plan on the 17 April 2025.

7. BACKGROUND

- 7.1 The CDP brings together projects, risks, and performance indicators together in one document. The projects to be included in the 2024/25 Council Delivery Plan were agreed by Cabinet in March 2024, following a project prioritisation exercise. The performance indicators that are included were determined by Cabinet in June 2024.

8. RELEVANT CONSIDERATIONS

2024/25 Council Delivery Plan

- 8.1 Appendix A provides an update on the progress made in delivering the Council Delivery Plan 2024-25. Whilst it is labelled as a Quarter 4 (end of year) update, it generally reflects the latest position at the time that the report was written (May). Milestones are set as far ahead as possible, but are not included where there is too much uncertainty over the scope or timing of the milestone.
- 8.2 The focus of the report is on providing a description of the progress made. Projects are rated on overall progress, i.e. shown as completed, on track, some delays, significant delays. Where there are delays, Cabinet will be asked to consider revisions to milestones. For this report:
- Eight projects have proposed changes to dates of milestones. These are highlighted in yellow in Appendix A.
 - Three projects (Leisure Centre decarbonisation, Churchgate and Town Centre Strategies) have new milestones. These are highlighted in blue in Appendix A.
 - Overall 6 projects are rated as amber and 5 are rated as green.
- 8.3 Our performance indicators now reflect the overall performance of the Council. Performance levels are rated as either green (achieving or exceeding the target), amber (not achieving the target level and need to look at actions to get back on track) and red (urgent action needed to get back to the target performance). For this report:
- 9 indicators are rated green (10 at last report).
 - 4 indicators are rated amber (2 at the last report). NNDR collected in year has moved from Red to Amber. CSC calls answered has moved from Green to Amber.
 - 8 indicators do not have a target.
 - 2 indicators are rated red. See below.
- 8.4 For the indicators that are rated red or amber, the following actions are being taken:
-  Careline installations completed within 10 working days (99% against a target of 100%). Four installations took more than 10 working days to complete, out of a total of 404 installations completed during the period January - March 2025. Resourcing shortfall is being addressed through recruitment.
 -  Percentage of Customer Service Centre calls answered within 45 seconds (58% against a target of 80%, and a decline in performance from 62% at Quarter 3). As previously referenced in the Q3 2024/25 update, the CSC has faced ongoing staff shortages due to annual leave, sickness and leavers. An action plan is in place, with ongoing recruitment, fast track training, and allocating temporary members of staff to manage enquiries in reception and

on the Waste queue. In March 2025, annual Council Tax billing and the garden waste subscription period arrived at the same time, with the latter causing lots of additional work. Temporary staff have been key in helping us through this busy period and will be retained whilst the new Waste contract is embedded to avoid further disruption where possible. Importantly, although the percentage of calls answered with 45 seconds was below the target level, a high percentage of calls were answered across the year - 88%. In May 2025, we are now starting to see a reduction in call volumes compared to previous months and have answered a higher percentage of calls. For 2025/26, we will continue working towards an improvement in service level in

2025/26 Council Delivery Plan

8.5 All of the projects on the Council Delivery Plan are still in progress, so it is recommended that the projects are carried forward to 2025/26. It is proposed that the following two projects are also added:

- Museum Storage- with the agreed acquisition of the building in Letchworth, work is underway to plan the alterations that will be required when the current tenants vacate. This project was previously removed from the Delivery Plan because there was not a specific plan. As a plan is now being developed it is recommended that it is now added back.
- Decarbonisation of Hitchin Town Hall and District Museum, District Council Offices and North Herts Learner Pool. As we have been awarded grant funding from Salix, this will now need to move to developing detailed designs and pricing for the works. Due to the size of the project and contribution to net-zero it is recommended that it is added to the Delivery Plan.

Both the above projects have Project Managers identified, which are existing Service Managers. Therefore the capacity to undertake any additional work in those areas will be limited.

8.6 The Council's Corporate Peer Challenge report included recommendations around linking KPIs to the Council Plan and setting targets to drive improvement. This was added to the Council's Internal Audit plan to help with getting some more insight on how we could respond to these recommendations. The recommendations from the SIAS report were:

- Consider KPIs that better reflect the Council Plan and its objectives.
- Make sure that KPI targets are regularly reviewed, including justification for the target that is set.
- Consider stretching targets to help drive improved performance. Where relevant, consider multi-year targets.

- 8.7 To address the second of these recommendations, relevant Officers have been asked to review their KPI targets for 2025/26. The proposed targets are set out in Appendix B. For the Q1 report (in September) the remaining recommendations will be worked on. Where any indicators are added at Q1 the intention is that it will be something that can be measured retrospectively and therefore performance for the Q1 can be included in the report.

Access to Ideagen (previously known as Pentana)

- 8.8 All the detail behind the projects, risks and performance indicators is available to view in Ideagen, the Councils performance and risk software. A guest login is provided on the intranet for any member to use, along with a procedure note and short video on how to view the data.

9. LEGAL IMPLICATIONS

- 9.1 The Council's Constitution determines the role of Cabinet as including: "To take decisions on resources and priorities, together with other stakeholders and partners in the local community, to deliver and implement the budget and policies decided by the Full Council. To monitor performance and risk in respect of the delivery of those policies and priorities" (Section 5, paragraph 5.7.3). Cabinet's consideration of this report therefore falls within its constitutional remit.
- 9.2 There are no specific legal implications arising from the CDP. However, there may be individual legal implications for some of the projects outlined (e.g. in relation to contracts for procurements). Any commissioning of work on new and existing projects will follow the standard legal requirements and those required by the Council's internal standing orders, contained within the Constitution.

10. FINANCIAL IMPLICATIONS

- 10.1 There are no direct financial implications arising from this report. Where projects are linked to efficiencies or investments then these are included in the budget proposals and monitored through the quarterly finance reports.

11. RISK IMPLICATIONS

- 11.1 Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2 The CDP aims to support the risk management process by directly linking the risks to projects being undertaken. The aim of these proposals is to strengthen the link between performance and risk and make risks more current. This should provide an improved perspective of the risks that the Council faces.

12. EQUALITIES IMPLICATIONS

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 There are no direct equalities implications arising from this report. Equalities analysis will have been completed for relevant projects referred to in this report.
- 12.3 As the Customer Service Centre are not meeting the target standard for call answering, there is a concern that this could have a negative impact on those who share a protected characteristic. The report sets out measures to address the current performance.

13. SOCIAL VALUE IMPLICATIONS

- 13.1 The Social Value Act and “go local” requirements do not apply to this report.

14. HUMAN RESOURCE IMPLICATIONS

- 14.1 There will continue to be a need to align Council and Service objectives with available people resources to be able to achieve them. The Council Delivery Plan will help to make that link clearer.
- 14.2 The actions in relation to the CSC are being supported by HR.

15. ENVIRONMENTAL IMPLICATIONS

- 15.1 There are no known Environmental impacts or requirements that apply to this report. However, a number of the projects to be monitored throughout the year are related to key environmental issues.

16. APPENDICES

- 16.1 Appendix A – Council Delivery Plan 24-25 Q4 (End of Year) Monitoring Report
- 16.2 Appendix B - KPI Targets for 2025-26

17. CONTACT OFFICERS

- 17.1 Ian Couper, Service Director: Resources
ian.couper@north-herts.gov.uk; ext. 4243
- 17.2 Tim Everitt, Performance and Risk Officer
Tim.everitt@north-herts.gov.uk, ext: 4646
- 17.3 Ellie Hollingsworth, Policy and Strategy Officer, ellie.hollingsworth@north-herts.gov.uk
ext: 4220

17.4 Doug Trail-Stevenson, Acting Legal Manager, douglas.trail-stevenson@north-herts.gov.uk, ext: 4653

18. BACKGROUND PAPERS

















18.1 Council Delivery Plan projects for 2024-25 agreed by Cabinet (March 2024):
<https://democracy.north-herts.gov.uk/documents/s24602/Council%20Delivery%20Plan%20Q3%20update%20and%20projects%20for%202425.pdf>

18.2 Performance Indicators for 2024-25 agreed by Cabinet (June 2024):
<https://democracy.north-herts.gov.uk/documents/s25289/KEY%20PERFORMANCE%20INDICATORS%20202425.pdf>

18.3 Council Plan 2024-28 <https://www.north-herts.gov.uk/council-plan>

This page is intentionally left blank









Council Delivery Plan – Status Key

Status	Description
Projects	
	The project (and all recorded milestones) has been completed.
	All ongoing milestones have not reached their due dates (or do not have due dates).
	There is at least one ongoing milestone that has not been completed by the due date, but the overall project due date has not passed. Proposals to change milestone due dates will be made, which may also lead to a proposed change to the overall project due date.
	Overall project due date has passed and there is at least one milestone that has not been completed. Proposals to change project due date and milestone due dates will be made.
Risks	
	Assessed as a low risk.
	Assessed as a medium risk.
	Assessed as a high risk.
KPIs	
	Data value has met or exceeded the target figure. Performance is at an acceptable level.
	Data value has not achieved the target figure. Need to consider appropriate action to return performance to an acceptable level.
	Data value has not achieved the target figure. Urgent action required to return performance to an acceptable level.
	Data value is reported for 'information only' and there is no requirement to set targets for the KPI.
	Ideagen cannot calculate a status, as officers have not entered a target figure for the period.
	Data value has improved compared with the same time last year.
	Data value has deteriorated compared with the same time last year.
	Data value has not changed compared with the same time last year.
	Ideagen cannot calculate a direction of travel, as previous data is not available for comparison.

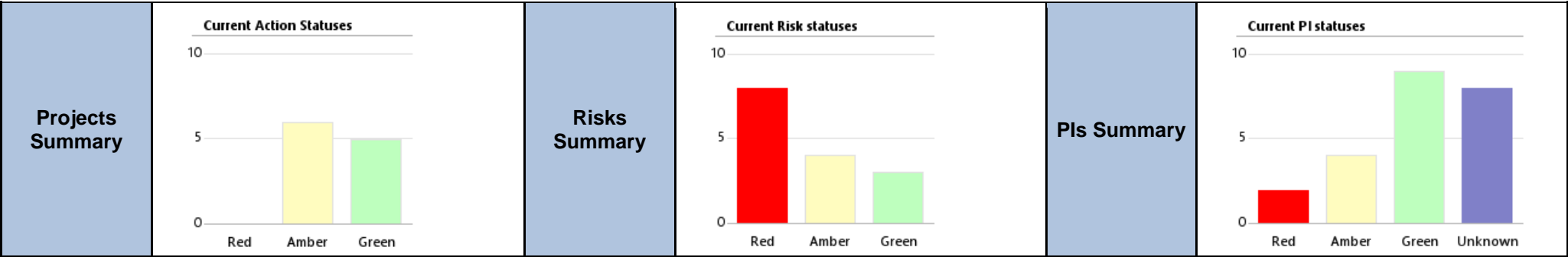
4	7	9
2	5	8
1	3	6

2024/25 Council Delivery Plan

Project and Project Risk Statuses

























Project	Status	Risk Level
Digital Transformation		
Engaging the community on our finances and how we spend our money, via the 'Prioritising our Pounds' Digital Budget Hub		
King George V Skate Park		
Leisure Centre Decarbonisation		
Pay on Exit Parking		
Waste and Street Cleansing Contract		
Churchgate		
Local Plan Review		
Oughtonhead Common Weir		
Resident/Public EV Charging in our Car Parks		
Town Centre Strategies		











Status Summaries




Key Performance Indicators (KPIs)


KPI	Lastest Update	Value	Target	Status	Trend (Compared with the same time last year)
Percentage of council tax collected in year	2024/25	97.35%	97%		 (97.90%)
Percentage of NNDR collected in year	2024/25	95.38%	96%		 (97.51%)
Council's Scope 1-3 emissions (tonnes CO2e)	2023/24	3,197.13	N/A Data Only		 (3,168.30)
Number of Stage 1 complaints	2024/25	176	N/A Data Only		 (150)
Percentage of Stage 1 complaints resolved within 10 working days	2024/25	94%	80%		 (85%)
Percentage of Stage 2 complaints resolved within 20 working days	2024/25	83%	70%		 (69%)


KPI	Lastest Update	Value	Target	Status	Trend (Compared with the same time last year)
Total number of alarm calls in a given period	2024/25	378,104	N/A Data Only		 (388,053)
Rolling number of Careline service users supported under the HCC contract	March 2025	6,992	N/A Data Only		 (6,827)
Percentage of Careline installations completed within 5 working days	2024/25 (New KPI from January 2025)	94.1%	90%		 (N/A)
Percentage of Careline installations completed within 10 working days	2024/25 (New KPI from January 2025)	99.0%	100%		 (N/A)
Percentage of CSC calls answered	2024/25	88%	90%		 (N/A)
Percentage of CSC calls answered within 45 seconds	2024/25	58%	80%		 (N/A)
Sign-ups to the Digital Budget Hub (as at end of reporting period)	2024/25	243	N/A Data Only		 (N/A)
Average number of penalty points awarded per Grounds Maintenance contract monitoring inspection. (Lower numbers are good.)	2024/25	3.95	N/A Data Only		 (1.78)
Working days lost due to short-term sickness absence in the last 12 months per FTE employee	March 2025	4.38	4.00		 (4.16)
Working days lost due to long-term sickness absence in the last 12 months per FTE employee	March 2025	4.12	N/A Data Only		 (4.01)
Staff turnover - rolling 12-month percentage	March 2025	10.06%	15%		 (9.21%)
Percentage of advertised vacancies filled in first round	2024/25	77.3%	75%		 (80.0%)


KPI	Lastest Update	Value	Target	Status	Trend (Compared with the same time last year)
Number of visits to leisure facilities	2024/25	1,724,052	1,494,269		 (1,609,760)
Percentage of all planning applications determined within the relevant statutory or agreed time periods	2024/25	85.02%	80%		 (85.37%)
Percentage of household waste sent for reuse, recycling and composting	2024/25	57.03%	57.5%		 (57.21%)
Number of collections missed per 100,000 collections of domestic household waste	2024/25	47	N/A Data Only		 (60)
Performance against revenue budget (projection against original budget)	2024/25	-14.1%	0%		 (N/A)


Projects / Risks


	Digital Transformation				
Council Plan Objective	Accessible Services (2024-28)	Due Date	30-Sep-2025	Original Date	31-Mar-2025
Project Summary	Invest in and develop a low code digital platform that can be used to transform our services and applications. Programme to span a number of years, with the Council Delivery Plan project focussing on key activities planned during 2024/25.				
Latest Update	25-Apr-2025 The garden waste portal was delivered, allowing residents to subscribe or re-subscribe to our garden waste collection service. High priority processes relating to waste services are expected to be available by the contract start date, with lower priority/frequency processes being completed and delivered by the end of June 2025. This delay will not have any impact on customers, as alternative processes will be in place pending completion of the new processes. The revised target date has been caused by the delay in obtaining access to Veolia's ECHO system/data, which also means full integration between NHC and Veolia systems is now expected to be achieved by the end of June 2025. Again, this will not have any impact from a customer perspective. Delivery of a grants database has been re-scheduled to the end of May 2025. This slight delay has been caused by diverting resources from the small grants database development team to the waste project, in order to assist with the timely delivery of this priority project. Delivery of a burials application remains on target for the end of September 2025. However, a key risk associated with this project is the amount of data that needs to be imported and our ability to do this within the constraints of the current project schedule. This risk will be monitored/managed at project level throughout the project lifecycle. Overall, key risks to the programme remain the availability of sufficient resources and unexpected limitations with the low code digital platform, although risks associated with the latter are likely to reduce as projects are completed and our knowledge of the system increases over time.				
Milestone		Due Date	Complete	Note	
Scope and investigate replacement of Burials system.		30-Jun-2024	Yes	Initial scoping for the replacement of the current in-house database completed. Decision made to provide a replacement system via the new digital platform.	
Integrate Netcall into Microsoft Azure for wider integration capabilities.		30-Sep-2024	Yes	The Azure tenancy is ready to go and can facilitate single sign on for customers to sign in via MyAccount or for staff to sign into any applications created.	
Commence development of waste services processes and preparations for integration with new contractors' software.		01-Oct-2024	Yes	Work commenced and plans have now been agreed with Veolia.	
Hitchin Town Hall booking system developed.		31-Oct-2024	Yes	The Hitchin Town Hall application has been completed and handed over.	
Waste Services - integrations with contractors' software.		26-Apr-2025	No	Due date to change to 30 June 2025. Access to Veolia's ECHO system/data only obtained in late April 2025. Full integration between NHC and Veolia systems is now expected to be achieved by the end of June 2025. This will not have any impact from a customer perspective.	
Development and delivery of a Grants database.		30-Apr-2025	No	Due date to change to 31 May 2025. Slight delay has been caused by diverting resources from the small grants database development team to the waste project, in order to assist with the timely delivery of this priority project.	
Waste Services - project delivery.		01-May-2025	No	Due date to change to 30 June 2025. High priority processes relating to waste services are expected to be available by the contract start date, with lower priority/frequency processes being completed and delivered by the end of June 2025. This delay will not have any impact on customers, as alternative processes will be in place pending completion of the new processes.	


Develop and deliver a Burials application.	30-Sep-2025	No	On target to be delivered by the due date of 30 September 2025.			
Risks			Risk Level	Original Score	Current Score	Target Score
Risks: 1. Resources within key teams available to deliver. 2. Unexpected limitations within new digital platform. 3. Unexpected delays or limitations relating to the new waste contract/contractor. Data from Veolia’s Echo system not being available until mid-April 2025 leaves a very limited timeframe for matching data with our platform and testing, ready for ‘go live’ at the start of May 2025. 4. Amount of data needing to be imported to the burials application and our ability to do this within the constraints of the current project schedule.				6	6	3


	Engaging the community on our finances and how we spend our money, via the 'Prioritising our Pounds' Digital Budget Hub				
Council Plan Objective	Sustainability (2024-28)	Due Date	28-Feb-2026	Original Date	28-Feb-2026
Project Summary	To help the community understand how we set our budget, what affects the funding that we receive, why we have less funding than we used to and the implications of that. To engage the community on the choices that we will need to make to ensure that our spend matches our funding, so that we are financially sustainable, and to enable our community to be part of future budget conversations.				
Latest Update	16-May-2025 Following the Digital Budget Hub moving from the previous platform to the NHC website, Hub content will now be updated in the week commencing 19 May 2025. Although the number of sign-ups has only seen a moderate increase during 2024/25, now the Hub is on our website, it should be much easier to promote and to encourage residents to sign-up. Therefore, we expect the number of sign-ups to increase. 2026/27 budget consultation will be launched (across both digital and non-digital channels, including our online Hub) on 30 May 2025. This will run for eight weeks. Risk level continues to be assessed as high, due to expected delay in funding direction announcements from Government and uncertainty to medium-term planning linked to local government reorganisation. The Digital Budget Hub is one way of helping us to engage with the community and to manage the associated risks.				
Milestone		Due Date	Complete	Note	
Update the Digital Budget Hub content to highlight the funding pressures we face and likely implications.		31-Aug-2024	Yes	Updates: - Homepage copy amended to reflect current situation. - 'How we set our budget' graphic created and added (to show residents the process we go through). - 'Did you know' film created and promoted, showing what services residents' council tax helps to provide. Above promoted across our social media channels and ENewsletters.	
Approve our Medium Term Financial Strategy.		30-Sep-2024	Yes	Council agreed adoption of the MTFS 2025-30 on 19 September 2024.	
Update content (Digital Budget Hub and other communications) through process for setting the 2025/26 budget.		28-Feb-2025	Yes	The content update on the Hub was not completed due to it moving from the Zencity platform to the NHC website. However, we did communicate budget information via other channels, with 2025/26 budget and Council Tax communications being promoted via PR to local media, on our website, across our social media channels and via our ENewsletter.	
Further update of Digital Budget Hub content to align with the start of the 2025/26 financial year.		18-Apr-2025	No	Proposed change to milestone due date - The Digital Budget Hub moved from the Zencity platform to the NHC website. Due to competing demands on the Communications team, completion of this milestone has been delayed and will now be completed in the week commencing 19 May 2025. Therefore, propose to change milestone due date to the end of May 2025.	
Carry out detailed consultation on spend priorities and savings options for 2026/27 onwards (starting in May 2025).		31-Jul-2025	No	Budget consultation launching (across both digital and non-digital channels) on 30 May 2025. This will run for eight weeks.	
Consider feedback in setting the revised Medium Term Financial Strategy and approve the Strategy.		30-Sep-2025	No		
Consider consultation feedback in forming budget proposals for the 2026/27 budget and approve the 2026/27 budget.		28-Feb-2026	No		


Risks	Risk Level	Original Score	Current Score	Target Score
Risks: 1. Timing of Government announcements over future funding makes it difficult to engage residents in the scale of the budget gap and the savings that will be required. 2. Lack of engagement means that the consultation doesn't reflect a wide range of views. 3. The scale of the budget gap makes it feel like there are no choices. When making choices it then feels like not taking on board feedback. 4. Local government reorganisation adds uncertainty to medium-term planning.		8	7	2


	King George V Skate Park				
Council Plan Objective	Accessible Services (2024-28)	Due Date	30-Sep-2025	Original Date	31-Mar-2025
Project Summary	Following complications with the initial procurement exercise in 2023/24, complete a procurement exercise to appoint a contractor to replace the existing King George V skate park and oversee delivery of the completed project.				
Latest Update	22-Apr-2025 Contract signed on 22 April 2025. Now plan to hold a further consultation on the final design in May 2025 to ensure stakeholders are kept informed and have an opportunity to comment on proposals. Although this additional step potentially leads to a slight delay commencing work on site, it aims to deliver a better outcome for both the Council and stakeholders. Following this consultation, contractor will be in a position to confirm project plan details and precise timings. Now expect the detailed project plan to be finalised and agreed by end of May 2025. At this time, the Council Delivery Plan will be updated with agreed target dates for key delivery milestones. Ideally, work on site will commence shortly after the end of the current rugby season. With a confirmed 15-week delivery window, we anticipate the new skate park being completed and open for use by the end of September 2025, although this is still to be confirmed. The risk level continues to be assessed as low. Delays to project delivery are only relatively low impact, and we expect the project to deliver a much improved facility on budget, which meets the needs and expectations of stakeholders.				
Milestone		Due Date	Complete	Note	
01. Finalise formal SLA with Groundwork relating to the management of procurement processes.		12-Jul-2024	Yes		
02. NHC Legal to review relevant procurement documentation prior to Groundwork commencing tender process.		18-Aug-2024	Yes	Legal review of procurement documentation undertaken. This took slightly longer than originally envisaged and was completed in September 2024 rather than August 2024.	
03. Groundwork confirms procurement timetable.		11-Oct-2024	Yes	Timetable confirmed following Legal review of relevant procurement documentation.	
04. Commence tender process.		14-Oct-2024	Yes	ITT published on 14 October 2024.	
05. Award contract following evaluation of tender responses.		17-Dec-2024	Yes	Following evaluation of tenders in November 2024, the contract was awarded mid-December 2024.	
06. Contractor confirms project plan and timings.		28-Feb-2025	No	Due date to change to 31 May 2025. Contract signed on 22 April 2025. Now plan to hold a further consultation on the final design in May 2025 to ensure stakeholders are kept informed and have an opportunity to comment on proposals. Following this consultation, contractor will be in a position to confirm project plan and precise timings.	
07. Contractor to commence on-site project delivery.			No	To be confirmed. Awaiting formal agreement of project plan/timings.	
08. Contractor to conduct further communication/consultation during the early stages of project delivery.			No	Due date to be confirmed - will be confirmed when the delivery plan is agreed with the contractor.	
09. Contractor completes on-site works.			No	Due date to be confirmed - will be confirmed when the delivery plan is agreed with the contractor.	
10. New skate park officially opened to the public.			No	Due date to be confirmed - will be confirmed when the delivery plan is agreed with the contractor. Likely to be towards the end of Summer 2025.	


Risks	Risk Level	Original Score	Current Score	Target Score
Risks: - Until precise timings are confirmed, there is a risk that the project will not be completed in line with stakeholder expectations. - As with all procurement processes, there is a risk that the outcome will be challenged (risk removed, as the outcome was not challenged).		2	2	1


	Leisure Centre Decarbonisation				
Council Plan Objective	Sustainability (2024-28)	Due Date	07-May-2026	Original Date	02-Feb-2026
Project Summary	Using a combination of external funding and NHC capital funding, deliver a project to decarbonise our three leisure centres. The main activities are replacing end of life gas boilers with Air Source Heat Pumps and installing Solar PV panels to enable on-site generation of electricity. Replacing gas heating for our leisure centres with low carbon alternatives is the single most effective action we can take towards meeting our target of being carbon neutral by 2030.				
Latest Update	20-May-2025 Salix approved the change request regarding the type of Air Source Heat Pump to be installed. This approval has given the project team the confidence to make key purchases of materials, as well as ensuring the heat pumps now being installed are not expensive to run after project completion. Salix also approved the first grant payment, with the Council receiving approximately £2.44million on 16 April 2025. All grant conditions and updates for the 2024/25 financial year have been issued to Salix and are now being reviewed by their technical team. We expect to hear from Salix on confirmation of acceptance of our updates by the end of May 2025. Now expect to formalise the construction contract with Willmott Dixon by the end of June 2025 and planning permission for all sites will now be decided in June 2025 due to the scheduling of Planning Control Committee meetings. Risks associated with obtaining planning permission managed by submitting pre-applications and engaging early with relevant stakeholders. A report to Cabinet will be presented on 20 May 2025 relating to the contract award and approval of additional budget, which has contributed to the delay in formalising the contract with Willmott Dixon. Although still to be confirmed, works are now likely to start in July 2025 and finish in May 2026. This will involve an element of closure and disruption at all sites, and we are engaging with Willmott Dixon and Everyone Active on the best way to manage this. There remain potentially significant risks prior to commencing works (e.g., not receiving approval of additional budget, failing to agree contract with Willmott Dixon, Salix not accepting our 2024/25 updates, failing to obtain planning permission), although these will have either materialised or be significantly reduced by the end of June 2025. In view of this, and the subsequent risks associated with undertaking/completing works on site, the overall project risk level remains 'high'.				
Milestone		Due Date	Complete	Note	
Council approves an increase in capital expenditure for the decarbonisation work and revenue expenditure for the termination and removal fees of gas CHPs.		11-Jul-2024	Yes		
Pre-Construction Services Agreement with Willmott Dixon signed.		29-Jul-2024	Yes	Agreed and signed on 2 August 2024.	
Appoint external Quantity Surveyor to oversee NHC's interests.		30-Aug-2024	Yes	Appointed Varsity Consulting to act as the Employers Agent for North Herts Council on the leisure decarbonisation project. This includes carrying out tasks of Quantity Surveyor, Cost Consultant and Contract Administrator. Decision taken 24 September 2024. Decision notified 27 September 2024.	
Project Board - hold point to decide whether to continue the project.		04-Nov-2024	Yes	Project Board approved a number of recommendations allowing the project to move into the next phase.	
Complete Stage 3 design phases.		11-Nov-2024	Yes	Stage 3 completed.	
Council decision on preferred option.		15-Jan-2025	Yes		
Willmott Dixon Construction submit contract offer.		20-Mar-2025	Yes	Contract offer received from Willmott Dixon. This is now being reviewed by our Quantity Surveyor, prior to the final agreement of costs.	
Provide Salix with required project updates.		01-Apr-2025	Yes	All grant conditions and updates for the 2024/25 financial year have been issued to Salix and are now being reviewed by their technical team. We expect to hear from Salix on confirmation of acceptance of our updates by the middle of May 2025.	
New Milestone - Further report to Cabinet to approve contract award and additional budget.		20-May-2025	Yes	Cabinet agreed to increase the project capital budget, approved the extension of lido seasons at both outdoor pools, approved changes to the 2025/26 General Fund budget as a result of the increase in net expenditure caused by planned closures and extended lido seasons, and awarded the contract to WDC.	


Enter into construction contract with Willmott Dixon.	31-May-2025	No	Due date to change to 25 June 2025. Should we have acceptance to enter contract from Cabinet on 20 May 2025, it will now take until 25 June 2025 to finalise the contract itself.			
New Milestone - Salix confirm acceptance of our 2024/25 updates.	31-May-2025	No	No updates yet from Salix confirming acceptance. We have received queries back from them, which we have answered.			
Planning permissions obtained.	31-May-2025	No	Due date to change to 19 June 2025. Planning applications submitted 14 March 2025 for all three sites. We had hoped there would be a planning committee meeting in May 2025, but the case officer confirmed that the next meeting is planned for 19 June 2025, which is the date our application will be discussed.			
Commence de-carb works at Royston Leisure Centre.	17-Jun-2025	No	At the time of the latest update, the programmed date has not changed but it is expected that when Willmott Dixon Construction issue an updated programme in early May 2025, the start date will move into early July 2025.			
Commence de-carb works at North Herts Leisure Centre.	23-Jun-2025	No	At the time of the latest update, the programmed date has not changed but it is expected that when Willmott Dixon Construction issue an updated programme in early May 2025, the start date will move into early July 2025.			
Commence de-carb works at Hitchin Swimming and Fitness Centre.	01-Sep-2025	No	Due date to change to 15 September 2025. There is the potential for this start date to come forward, although this will be dependent on any conditions associated with the planning decision.			
Complete de-carb works at Royston Leisure Centre.	05-Dec-2025	No	At the time of the latest update, the programmed date has not changed but it is expected that when Willmott Dixon Construction issue an updated programme in early May 2025, the completion date will move into late February 2026.			
Complete de-carb works at North Herts Leisure Centre.	27-Jan-2026	No	At the time of the latest update, the programmed date has not changed but it is expected that when Willmott Dixon Construction issue an updated programme in early May 2025, the completion date will move into early March 2026.			
Provide Salix with finalised project data (including costs and energy values) and details of carbon savings monitoring and reporting arrangements.	02-Feb-2026	No				
Complete de-carb works at Hitchin Swimming and Fitness Centre.	15-Apr-2026	No	Due date to change to 7 May 2026. Change is due to the Hitchin pool hall roof works needing to be more extensive to conduct the works safely.			
Risks			Risk Level	Original Score	Current Score	Target Score
Risks: - NHC responsible for funding all project costs beyond agreed grant funding. - NHC paying up front for the larger Air Source Heat Pumps. - Unforeseen detailed survey findings require changes to project specifications and lead to additional financial costs. - Failure to obtain required planning permissions. - Delays obtaining required Distribution Network Operator/Planning approvals lead to delays in commissioning/completing project works. - Failure to deliver project in line with agreed grant conditions leads to loss of grant funding. - Short programme delivery timeframes impact the ability to drawdown Year 1 2024/25 Salix grant funding within the agreed financial year leading to loss of funding. - Disruption to day-to-day operations during works leads to customer dissatisfaction.				8	8	6


	Pay on Exit Parking				
Council Plan Objective	Accessible Services (2024-28)	Due Date	30-Sep-2025	Original Date	31-Mar-2026
Project Summary	Replace existing parking machines and update tariff boards to implement pay on exit in all our town centre car parks. Capital budget approved to deliver the project over two years - 2024/25 and 2025/26. <i>Project carried over from the 2023/24 Council Delivery Plan.</i>				
Latest Update	30-Apr-2025 Following the update of related TROs in February 2025, installation of new parking machines, along with associated signage, rolled out on a town-by-town basis. These works were completed by the end of March 2025. The new machines support various payment options, including payment by cash, apart from Woodside, due to previous issues with vandalism. The TROs and parking machines for two car parks, Norton Common and Hitchin Swimming & Fitness Centre, are still to be updated/installed, with a current target date of the end of September 2025. The update of the Norton Common TRO is progressing and is currently in the consultation phase, and discussions are being held with Leisure regarding the requirements for the updated TRO for Hitchin Swimming & Fitness Centre. Following the temporary update of existing tariff boards, new tariff boards are due to be installed at all car parks during Summer 2025 via a rolling programme, although the precise schedule is still to be agreed with the contractor. However, all works are expected to be completed well before the Capital funding deadline of March 2026. As with the introduction of any new technology, the Council and users have experienced a number of issues associated with the new machines and payment options, including network connectivity issues at some car parks. Officers are working hard with the contractor to address these issues and respond to users and have updated the Council's communication channels and developed a list of Frequently Asked Questions. This helps to manage the possible reputational risks associated with a negative public reaction to the changes. However, it should be noted, most users have successfully continued to pay for parking following the changes. As a result, overall, the assessed project risk level remains 'low'.				
Milestone		Due Date	Complete	Note	
Procure supplier to replace tariff boards.		30-Aug-2024	Yes	Procurement complete. Supplier appointed on 2 September 2024.	
Draft implementation programme received from contractor.		30-Nov-2024	Yes		
Full implementation programme agreed with contractor.		31-Dec-2024	Yes	Full implementation programme agreed in December 2024 with some minor modifications finally agreed early February 2025. Installation of new parking machines scheduled to start mid-February 2025.	
Commence installation of new parking machines on a town-by-town basis, along with new entrance/information signage.		17-Feb-2025	Yes	Rollout commenced in Hitchin.	
Update TROs.		18-Feb-2025	Yes	The majority of updated TROs became effective on 18 February 2025. Updated TROs introduced alternative methods of payment, virtual permits and season tickets, and reviewed the definitions and length of stay for electric vehicle parking bays within the Council's car parks.	
Complete installation of new parking machines and new entrance/information signage.		31-Mar-2025	Yes	Works on site completed. However, as with the introduction of any new technology, the Council and users have experienced a number of issues associated with the new machines and payment options, including network connectivity issues at some car parks. Officers are working hard with the contractor to address these issues.	
Norton Common and Hitchin Swimming & Fitness Centre TROs updated.		31-Mar-2025	No	Due date to change to 30 September 2025. The update of the Norton Common TRO is progressing and is currently in the consultation phase. Discussions are being held with Leisure regarding the requirements for the updated TRO for Hitchin Swimming & Fitness Centre. Both TROs now expected to be agreed and to become effective towards the end of Summer 2025.	


Installation of new tariff boards completed.	31-Jul-2025	No	Due date to change to 30 September 2025. The schedule for installing new tariff boards is still to be agreed with the contractor, although the expectation is that this will be completed via a rolling programme during Summer 2025.			
New Milestone - Complete installation of new parking machines and signage at Norton Common and Hitchin Swimming & Fitness Centre car parks.	30-Sep-2025	No				
Risks			Risk Level	Original Score	Current Score	Target Score
Risks: 1. Budget implications of selected scheme (no longer a risk). 2. Inability to procure suppliers within approved budget (no longer a risk, as procured suppliers within budget). 3. Negative public reaction to changes and disruption during works. 4. Loss of income during associated works and immediate post-installation period. 5. Failure to bring together separate project elements to achieve seamless project delivery. <i>Risk entry carried over from the 2023/24 Council Delivery Plan.</i>				1	1	1


	Waste and Street Cleansing Contract				
Council Plan Objective	Accessible Services (2024-28)	Due Date	31-Aug-2025	Original Date	31-Aug-2025
Project Summary	Complete procurement of the new Waste and Street Cleansing contract and commence mobilisation. Prepare to implement agreed service changes included in the contract.				
Latest Update	<p>15-May-2025 Key activities progressed over recent months include:</p> <ul style="list-style-type: none"> - Procurement and delivery of new fleet vehicles. Additional new vehicles to join the fleet in August 2025 ready for the service changes. - Procurement of new bins. Phased delivery commenced 22 April 2025. - Installation of 10 new EV charging points at Works Road depot. - Procurement of new long-term Materials Recovery Facility contract. - Finalisation and signing of contract. - FCC demobilisation from depots. - Veolia commenced street cleansing from 4 May 2025 and waste collection operations began on 6 May 2025 following the bank holiday. - New integrated online forms went live, although further development work is required for some forms. We prioritised forms relating to high contact areas, with outstanding forms relating to infrequent, low contact areas. <p>Regular meetings with Veolia continue, as do regular Project Team and Project Board meetings. Risk level continues to be assessed as 'high'. There remains uncertainty regarding full integration of NHC and Veolia systems, although testing continues to be undertaken and identified issues continue to be resolved. Overall, risks relating to the new contract are reducing, but there remain significant risks associated with planned service changes. There remain risks associated with having sufficient resources to undertake key project activities in a timely manner, and we are currently recruiting to the vacant Waste Communications Officer post. Although the NHC Communications team is helping with the project, it is likely that we will have to scale back activities to communicate and promote planned service changes. The Waste team and Veolia continue to work tirelessly to progress the project in a timely manner and respond to initial operational issues, to maximise the chances of delivering a successful contract and service change.</p>				
Milestone		Due Date	Complete	Note	
	Evaluation of final tenders and production of Evaluation Report.	17-Jun-2024	Yes		
	Project Board sign off of Evaluation Report and award recommendation.	21-Jun-2024	Yes		
	Executive and Cabinet approval to award the contract to the preferred bidder.	09-Jul-2024	Yes	Cabinet agreed to award the contract to the preferred bidder, contingent upon the completion of the Letchworth depots lease assignment from the incumbent provider to the Council. The assignment of the Letchworth depots lease was subsequently completed.	
	End of contract award standstill period.	12-Aug-2024	Yes		
	First meetings held with preferred bidder.	15-Aug-2024	Yes		
	Intention to award contract phase completed.	31-Aug-2024	Yes	Milestone completed and communicated in September 2024 that we will be re-establishing a partnership with Veolia.	
	Press communication.	10-Sep-2024	Yes		
	Commence procurement of new fleet vehicles.	15-Nov-2024	Yes	We approved capital funding of £5.285 million (excluding VAT) for the purchase of waste and street cleansing vehicles for the new contract. This allowed the procurement process for NHC vehicles to commence. This process has now completed.	



Develop IT specifications.	30-Nov-2024	Yes	Full specifications for the garden waste platform and additional forms developed. Relevant build processes commenced. From a technical standpoint, we have the information we needed to scope and plan the project.
Finalisation and signing of contract (formal contract award).	28-Feb-2025	Yes	Delay did not impact our ability to prepare for contract mobilisation.
Confirmation of final delivery plans and H&S arrangements.	04-Mar-2025	Yes	Delivery plans finalised and H&S risk assessments completed and received. Delivery plans will be revisited in advance of service change.
Member briefing session (March 2025).	31-Mar-2025	Yes	Member briefing session held on 27 March 2025.
Finalise new service collection rounds.	01-Apr-2025	No	Due date to change to 30 June 2025. This relates to finalising collection rounds for the agreed service changes included in the contract. Still awaiting first draft from Veolia.
Condition surveys and demobilisation of depots.	03-May-2025	Yes	Completed. Property Services to manage dilapidations with the outgoing tenant (FCC).
Commence mobilisation of new contract.	04-May-2025	Yes	Veolia undertook street cleansing from 4 May 2025 and waste collection operations began on 6 May 2025 following the bank holiday.
New bin and caddy deliveries start.	06-May-2025	Yes	Bin and caddy deliveries commenced. Expected to continue prior to and up to commencement of the new services.
Member briefing session (July 2025).	31-Jul-2025	No	Provisional date is 14 July 2025.
New bin and caddy deliveries completed.	04-Aug-2025	No	Bin and caddy deliveries expected to take place prior to and up to commencement of the new services.
New services to commence.	04-Aug-2025	No	New services to commence in August 2025.
Risks			<div>Risk Level</div> <div>Original Score</div> <div>Current Score</div> <div>Target Score</div>
Risks: <ul style="list-style-type: none"> - Delay in completing the assignment of Letchworth depot lease delays contract award (no longer a risk, as lease assignment completed). - Insufficient resources/capacity to deliver mobilisation work in the shortened mobilisation timeframe. - Final Government Resources & Waste Strategy differs from contract specification (no longer a risk, as contract specification aligns with new Simpler Recycling policy published late 2024). - Uncertainty over certain cost elements. - Any delays cause mobilisation challenges. - Capability to develop online forms and integrate these with new systems (NHC income management system and preferred supplier systems). - EV charging infrastructure is not in place for start of contract (Building Services leading this project). - Public confusion around contract mobilisation and service changes. 			<div>  </div> <div>9</div> <div>8</div> <div>6</div>


	Churchgate				
Council Plan Objective	Responsible Growth (2024-28)	Due Date	31-Jul-2025	Original Date	31-Mar-2025
Project Summary	Progress the long-term regeneration of the shopping centre and surrounding areas. Project likely to span several years. <i>Project carried over from the 2023/24 Council Delivery Plan.</i>				
Latest Update	29-May-2025 Consultation feedback report published in February 2025, with related communications continuing throughout March 2025. Detailed evaluation of consultation findings and financial options appraisal completed in May 2025. Officers recently attended the UKREiiF event, which allowed us to highlight opportunities relating to the project and to potentially facilitate new relationships to drive the regeneration forward. We have also recently published a summary report detailing the five Development Principles that will guide the regeneration of the Churchgate Regeneration Zone, as well as providing an overview of key activities already undertaken and next steps. A report is due to be presented to Council on 10 July 2025, after which we will be able to confirm further milestones (and related timings) for the year ahead e.g., commencing the procurement of a development partner.				
Milestone		Due Date	Complete	Note	
Start of engagement.		02-Sep-2024	Yes		
Run workshops.		16-Sep-2024	Yes	Hitchin Market Board workshop held 9 September 2024. Hitchin Forum workshop held 9 September 2024 (in the evening). Tenants workshop held 12 September 2024.	
Start public consultation.		17-Sep-2024	Yes		
Public consultation ends.		01-Oct-2024	Yes	The consultation period was extended to 3 November 2024 to take into account the leaflet drop to all North Hertfordshire households.	
Open 'in-person' Churchgate Regeneration Hub on market days, up to the end of the consultation period.		17-Oct-2024	Yes	Churchgate Regeneration Hub opened in an unused Churchgate unit.	
Feedback to Project Board.		29-Oct-2024	Yes	October 2024 Project Board meeting re-scheduled. Update on progress presented to Project Board on 14 October 2024.	
Feedback to Project Board.		26-Nov-2024	Yes	Project Board meeting re-scheduled to 4 December 2024. Consultation findings were presented to Project Board at this meeting.	
Publish second stage public consultation feedback report.		28-Feb-2025	Yes	Consultation results published in February 2025 and communicated throughout March 2025.	
Complete detailed evaluation of consultation findings and financial options appraisal.		16-May-2025	Yes		
Project Board decision on overarching direction and preferred pathway.		16-May-2025	Yes		
Attend UKREiiF 2025.		22-May-2025	Yes	Anthony Roche, Steve Crowley and Chloe Gray attended UKREiiF - 20-22 May 2025.	
New milestone - Report to Council and formal decision on overarching direction and preferred pathway.		10-Jul-2025	No		


Start procurement process for development partner.	TBC	No	Due date to be confirmed. Procurement of a development partner to help deliver the regeneration project will follow the detailed evaluation of consultation findings, full financial assessment of options, and a Project Board/Council decision on high-level vision and preferred pathway. Most of these activities have now been completed, and timing of procurement process will be confirmed following Council decision on 10 July 2025.			
Procurement process for development partner ends and contract awarded.	TBC	No	Due date to be confirmed. See note for above milestone.			
Risks			Risk Level	Original Score	Current Score	Target Score
Risks: 1. The regeneration will not meet expectations of stakeholders. 2. Regeneration of the Centre and surrounding area is not cost effective/not affordable. Including impacts of high inflation and likely recession. 3. Availability of specific funding for consultants beyond the three-year funding already agreed. <i>Risk entry carried over from the 2023/24 Council Delivery Plan.</i>				9	8	6



	Local Plan Review				
Council Plan Objective	Responsible Growth (2024-28)	Due Date	31-Dec-2027	Original Date	31-Dec-2027
Project Summary	To undertake an update of the Council's statutory Local Plan as agreed in principle by Cabinet in January 2024.				
Latest Update	25-Apr-2025 Secondary legislation and/or guidance is still awaited. There are presently no formal details of the 'Gateway' processes or requirements, though Government have reiterated their intention for these to be introduced. The vacant professional post previously identified will be readvertised in May 2025. Following retirement of the Service Director, the Strategic Planning Manager (SPM) is fulfilling this post on an interim basis while the permanent vacancy is advertised. The SPM's existing duties will be backfilled by a temporary officer starting at the end of April 2025. These factors have affected available capacity and the ability to progress in the short-term. Notwithstanding this, procurement of IT software to support consultation and the digital presentation of plan-making information is being finalised, and evidence and scoping work is ongoing. At this stage, officers are not recommending amendments to the milestones – in part due to a lack of information that might allow any more likely alternates to be identified – but will continue to monitor the situation in consultation with the Executive Member. An update will be provided in the Strategic Planning Matters report to Cabinet in June 2025.				
Milestone		Due Date	Complete	Note	
01. In principle approval that Local Plan review is undertaken.		16-Jan-2024	Yes	Approved by Cabinet in January 2024.	
02. Approval of Local Development Scheme.		14-Jan-2025	Yes	Approved by Cabinet in January 2025.	
03. Notice of start of plan-making given to Secretary of State.		30-Jun-2025	No	Due date in line with approved LDS, subject to commentary dated 25 April 2025.	
04. Complete 'Gateway 1' advisory assessment.		30-Sep-2025	No	Due date in line with approved LDS, subject to commentary dated 25 April 2025.	
05. Complete first mandatory public consultation.		30-Nov-2025	No	Due date in line with approved LDS, subject to commentary dated 25 April 2025.	
06. Complete 'Gateway 2' advisory assessment.		30-Sep-2026	No	Due date in line with approved LDS, subject to commentary dated 25 April 2025.	
07. Complete second mandatory public consultation.		30-Nov-2026	No	Due date in line with approved LDS, subject to commentary dated 25 April 2025.	
08. Complete 'Gateway 3' assessment and submit for examination.		28-Feb-2027	No	Due date in line with approved LDS, subject to commentary dated 25 April 2025.	
09. Receipt of examination outcome.		30-Nov-2027	No	Due date in line with approved LDS, subject to commentary dated 25 April 2025.	
10. Finalisation and adoption of digital plan.		31-Dec-2027	No	Due date in line with approved LDS, subject to commentary dated 25 April 2025.	

Risks	Risk Level	Original Score	Current Score	Target Score
<p>Risks:</p> <ul style="list-style-type: none"> - Government fails to provide regulations and guidance in a timely fashion. - Government introduces different or new or substantive reforms to the planning system and / or national policy. - Failure to retain/recruit sufficiently experienced officers to implement required programme of work. We were unsuccessful in our last round of recruitment (Autumn 2024) with limited interest in the role due to salary vs experience expectations not being in line with other local authorities in the area. - Internal complexities that delay putting necessary resources in place in a timely fashion. - Lack of general resource to accomplish the Local Plan update. - Lack/confliction of direction and vision from Council. - Failure to secure funding to resource the process. - Failure to obtain political and/or Government approval at key stages or gateways. - Government intervention if inadequate progress is made upon Local Plan Review. - Inadequate guidance leads to scheme outcomes that do not appropriately respond to, or contribute towards, corporate objectives and priorities of climate change, environment, economy and place. - Poor scheme outcomes that do not appropriately respond to local character and context. - Adverse appeal findings on other/non-Local Plan sites if progress on the Local Plan Review is delayed or stalled. - Local Government reorganisation proposals divert resources, impact upon the timetable or approach, or result in new workstreams. 		5	5	3





	Oughtonhead Common Weir				
Council Plan Objective	Sustainability (2024-28)	Due Date	30-Nov-2025	Original Date	30-Sep-2024
Project Summary	Replace the collapsed weir. <i>Project carried over from the 2023/24 Council Delivery Plan.</i>				
Latest Update	16-May-2025 At a recent meeting with CMS, their project lead confirmed that they are still awaiting drawings from Fishtek Consulting to complete the requested further modelling. We are in the process of confirming when these drawings are expected to be received. Dependent on the outcome, it is expected that we will be able to deliver a better environmental outcome (e.g., less disruption to the existing habitat and improved water quality) at a substantially lower cost. Although this further modelling is delaying the start of subsequent project phases, we still expect works to commence in Summer 2025 and to complete Autumn 2025. At this time, we are unable to confirm precise timings for further communication with the public and commencing the tender process, although both will happen as soon as we have agreed what is to be delivered. CMS will be responsible for managing the tender process. There remains a risk that the project may not be completed in line with current estimated timings and stakeholder expectations, and effective communication of the project and related improvements will be key to managing this. However, the impact of any delay in completing the project is assessed as low, as any further deterioration of the existing weir is unlikely to result in significant environmental damage. In fact, water quality has actually improved since the damage to the existing weir occurred.				
Milestone		Due Date	Complete	Note	
01. Conduct the further modelling requested by the Environment Agency.		31-Aug-2024	Yes	Cost of completing further modelling circa £3k.	
02. Obtain required Environment Agency permits.		31-Dec-2024	Yes	Permits obtained in December 2024.	
03. Undertake further communication with the public regarding plans.			No	Due date to be confirmed - timings to be confirmed once further modelling completed.	
04. Commence tender process for undertaking required works.			No	Due date to be confirmed - timings to be confirmed once further modelling completed. CMS to prepare tender documentation and manage tender process.	
05. Appoint contractor(s) to undertake required works.			No	Due date to be confirmed.	
06. Successful contractor confirms project plan and timings.			No	Due date to be confirmed.	
07. Commence work on-site.			No	Due date to be confirmed.	
08. Works on-site completed.			No	Due date to be confirmed.	
Risks			Risk Level	Original Score	Current Score
Risks: - External funding from HCC, EA and residents is not available leading to full allocated Capital budget being used. - Existing situation deteriorates prior to any works being undertaken requiring further urgent temporary solutions to manage an immediate changing situation. - Failure to obtain Environment Agency permits or planning permission (no longer a risk). - Lack of contractor appetite to undertake works prolongs procurement process and delays project delivery. - Without confirmed plans for the procurement process and project delivery, there is a risk that the project will not be completed in line with currently anticipated timescales. <i>Risk entry carried over from the 2023/24 Council Delivery Plan.</i>				4	2
					1

	Resident/Public EV Charging in our Car Parks				
Council Plan Objective	Sustainability (2024-28)	Due Date	30-Sep-2025	Original Date	31-Mar-2025
Project Summary	Finalise contract/leases with private sector partner and subsequently install new EV charging points in our outdoor surface car parks. OZEV grant secured to help deliver the project, although availability of funding has only currently been extended to July 2025. <i>Project carried over from the 2023/24 Council Delivery Plan.</i>				
Latest Update	30-Apr-2025 Completion of relevant leases still ongoing, although authority-to-proceed letters did enable works to commence at the Civic Centre car park in Royston in April 2025. Installation and commissioning of new EV charging points in all six outdoor surface car parks now expected to be completed by the end of September 2025, with relevant leases also expected to be completed in a similar timeframe. Revised target date due to works commencing later than previously anticipated and factors in the worst-case scenario for the timing of required Distribution Network Operators (DNO) tasks to connect power to the new charging points. EV charging points in four of the six car parks are due to be commissioned by the end of June 2025, with works due to be fully completed at Hillshott car park by the end of August 2025 and at Twitchell car park by the end of September 2025. An extension of the grant funding deadline to 31 July 2025 had previously been agreed, but the revised programme required us to go back to the Department for Transport for a further extension, which has been granted until 30 September 2025. Although outside of the scope of this Council Delivery Plan OZEV ORCS funded project (installation of new EV charging points in our outdoor surface car parks), new EV charging points will also be installed in our multi-storey car parks. However, the schedule for these works is still to be finalised. Good progress is being made, and with formal agreement of a further extension to the funding deadline, project risks are reducing, although the overall project risk level is still currently assessed as 'medium'.				
Milestone		Due Date	Complete	Note	
NHC to start promoting project.		31-Oct-2024	Yes	Our investment in EV charging infrastructure was included in the Winter 2024 edition of Outlook magazine, which was published in early December 2024.	
Contract finalised with private sector partner.		31-Dec-2024	Yes	Contract finalised 7 January 2025. Contract amended to enable the OZEV ORCS funded project (installation of new EV charging points in our outdoor surface car parks) to progress in advance of the further project to replace existing charging points in our multi-storey car parks, which was delayed by the need to satisfy the Council's property insurer regarding potential fire risks.	
Contractor to commence works.		03-Mar-2025	Yes	Having issued authority-to-proceed letters to the contractor, works commenced at the Civic Centre car park in Royston on 22 April 2025.	
Complete relevant leases with contractor for the length of the contract.		31-May-2025	No	Due date to change to 30 September 2025. Although completion of relevant lease agreements has not been completed, authority-to-proceed letters enabled works to commence in April 2025. The installation and commissioning of new EV charging points in all six outdoor surface car parks is expected to be completed by the end of September 2025 and relevant leases are now expected to be completed in a similar timeframe.	
Installation of all new EV charging points completed.		31-May-2025	No	Due date to change to 30 September 2025. The revised target date is due to works commencing later than previously anticipated and factors in the worst-case scenario for the timing of required DNO tasks to connect power to the new charging points. EV charging points in four of the six car parks are due to be commissioned by the end of June 2025. Works are due to be fully completed at Hillshott car park by the end of August 2025 and at Twitchell car park by the end of September 2025. The extension of the grant funding deadline to 31 July 2025 previously agreed by DfT has been further extended to 30 September 2025 in accordance with the revised programme.	

Risks	Risk Level	Original Score	Current Score	Target Score
Risks: 1. Not successful in obtaining grant funding (no longer a risk). 2. Unable to identify/procure a private sector partner (no longer a risk). 3. Unable to agree contract conditions/relevant lease arrangements with contractor. 4. Unable to deliver project in accordance with OZEV requirements. 5. Unable to schedule required DNO upgrades in line with implementation programme. 6. Insurance requirements lead to changes to installation plans (no longer a risk). 7. Unable to reach agreement with Garden Square Shopping Centre regarding the replacement of existing charging points in Letchworth multi-storey car park (outside scope of OZEV project and no longer a risk). <i>Risk entry carried over from the 2023/24 Council Delivery Plan.</i>		5	5	1

	Town Centre Strategies				
Council Plan Objective	Responsible Growth (2024-28)	Due Date	30-Sep-2025	Original Date	31-Mar-2025
Project Summary	Progress development of an overarching Town Centres Strategy, including guidance on developing strategic plans for individual town centres. <i>Project carried over from the 2023/24 Council Delivery Plan.</i>				
Latest Update	27-May-2025 A draft of the Town Centres Strategy was presented to Project Board on 20 May 2025. At this meeting, Project Board members requested that further work be undertaken and that the revised draft Strategy be presented back to Project Board prior to submitting it to Cabinet. There was not enough time to comply with this request in time for Cabinet in June 2025, so we are now aiming for Cabinet in September 2025. This is reflected in the May 2025 Forward Plan. The Strategy will include sections for each town, providing guidance on developing individual strategic plans. Should Cabinet be happy with the report recommendations, we will then move on to the public consultation phase followed by formal adoption by Cabinet. Precise timings for related milestones are still to be confirmed, as these will depend on the outcome of the September 2025 meeting. There remains uncertainty regarding the outcomes from planned Project Board/Cabinet meetings and a new approved Strategy will not yet be a material consideration in a planning context as it does not form part of the currently adopted Local Plan. Therefore, the overall project risk level continues to be assessed as 'medium', although it is anticipated that a number of risk areas should reduce as we progress the Strategy throughout 2025/26.				
Milestone		Due Date	Complete	Note	
1. Undertake work to complete evidence base.		31-Jul-2024	Yes	Consultants presented initial report on evidence base and stakeholder workshop held to review findings.	
2. Further review/refinement of evidence base and final sign-off.		20-Dec-2024	Yes	Finalised retail evidence base in December 2024. Consultants to review wider evidence base for draft Strategy. To be published as supporting evidence base when consulting on the draft Town Centre Strategy.	
Project Board review draft Town Centres Strategy.		20-May-2025	Yes	Project Board members requested further work to be undertaken and to see the revised version prior to submitting the Strategy to Cabinet. There was not enough time to do this in time for Cabinet in June 2025, so we are now aiming for Cabinet in September 2025.	
New Milestone - Project Board review and approval of draft Town Centres Strategy.		15-Jul-2025	No	Draft Strategy to be completed by 8 July 2025 and submitted to Project Board for review on 15 July 2025. At this meeting, public consultation details will also be discussed/agreed.	
5. Development and finalisation of draft Strategy.		15-Aug-2025	No	Due date changed to 15 August 2025. Following Project Board on 20 May 2025, further work is now being undertaken. Finalisation of draft Strategy will now be in August 2025, following any further suggestions from Project Board on 15 July 2025, in time for the September 2025 Cabinet meeting.	
6. Present details of draft Strategy, including guidance sections for each town, to Cabinet.		23-Sep-2025	No	Due date changed to 23 September 2025. On the Forward Plan, the draft Town Centres Strategy is scheduled to go to Cabinet in September 2025.	
7. Consultation on draft Town Centres Strategy.			No	Due date to be confirmed, as dependent on outcome of September 2025 Cabinet meeting.	
8. Cabinet adopt Town Centres Strategy.			No	Due date to be confirmed. Exact timing dependent on Cabinet approval to proceed to consultation and findings of the consultation exercise.	
Risks				Risk Level	Original Score
1. Lack of available resource to produce and deliver identified strategies. 2. Lack of strategic direction leads to speculative development that undermines function of town centres. <i>Risk entry carried over from the 2023/24 Council Delivery Plan.</i>					5
					5
					1

Corporate Risks

Risks	Risk Level	Original Score	Current Score	Target Score
<u>Resourcing</u> Risks: Ability to recruit and retain staff, as well as supporting new priorities and external pressures, affects delivery of the projects and actions in the Council Delivery Plan and service plans. This is particularly relevant for certain service areas where it is especially difficult to recruit and retain staff. Also, impacts of emergency planning events on staff resources.		8	9	8
<u>Cyber Risks</u> Risks: Prolonged widespread disruption to/failure of IT infrastructure/systems. Possible causes: - Deliberate and unauthorised breaches of security e.g., ransomware, denial of service. - Unintentional/accidental breaches of security e.g., action of individual staff/Members. - Weakness/failure of essential IT infrastructure e.g., loss of internet access. - Evolving risk appetite/profile associated with IT systems, as we pursue increased use of hosted systems and associated risks to individual systems are transferred to suppliers. Leading to: - Inability to deliver services/projects. - Unbudgeted costs to enable recovery. - Reputational damage.		8	8	8
<u>Financial Sustainability</u> Risks: 1. Funding reductions as a result of new funding formula. 2. Sales, fees, and charges income shortfalls, either due to rates not tracking inflation and/or reductions in demand. 3. Not able to make the required decisions to deliver budget savings required. 4. Increases in costs (reductions in income) as a result of inflationary increases. 5. Uncertainty over levels of pay inflation required. 6. Local government reorganisation adds uncertainty to medium-term financial planning.		9	9	5
<u>Local Government Reorganisation and Devolution</u> Risks: The Government have published a White Paper and written to all Local Authorities. This requires Local Authorities to work together to come up with a proposal that results in unitary rather than 2-tier Councils. It also seeks a Combined Authority structure that allows devolution of powers to a Mayor. Those powers include "housing, planning, transport, energy, skills, employment support and more". The risks relate to this being a very substantial project requiring significant change. Specific risks include: - The work to get to a proposal on a unitary structure (noting the need for this to be agreed across 11 Councils) is significant in terms of the negotiations needed and the collation of information and analysis to support that decision making process. - If there is an inability to agree a new structure, it may prolong the period above, or lead to a structure being imposed upon Hertfordshire. - After a new structure is agreed, there would be even more significant work to move towards the implementation of that new structure. - Efficiency is mentioned as one of the reasons for moving to a unitary structure. This may lead staff to believe that their job may be at risk. Alternatively, the additional work of moving to unitary status may be seen as too much. - Focusing on a new structure may lead to decision making that is too short-term (getting things done before they can be de-prioritised by a new larger Council with wider priorities) or too long-term (avoid making decisions and leave them to the new unitary Council). - Ensuring that the views of stakeholders continue to be heard during the transition process and within the new structure.		9	9	5

KPI Code	KPI Title	2024/25 Target	Tolerable performance before urgent remedial action required (2024/25)	Latest Reported Year-to-Date Data	2025/26 Target	Tolerable performance before urgent remedial action required (2025/26)	Target aligns with past performance?
Resources							
BV9	Percentage of council tax collected in year	97%	Within 2% of profile	97.35% (24/25)	97%	Within 2% of profile	Yes
Justification: Retain at current level for another year whilst we get recovery processes fully in place with the new finance system. There may then be scope for a small improvement in the target. There are links to the Council Tax Reduction Scheme as reducing the liability for those least able to pay helps with the proportion of the amounts due that is collected.							
BV10	Percentage of NNDR collected in year	96%	Within 2% of profile	95.38% (24/25)	96%	Within 2% of profile	Yes
Justification: Need to get recovery processes fully in place with the new finance system. Also dependent on changes to rateable values and economic outlook.							
HR1	Working days lost due to short-term sickness absence in the last 12 months per FTE employee	4.00	Between 4.01 and 5.00 days	4.38 (Mar 25)	4.00	Between 4.01 and 5.00 days	Yes
Justification: There are some more actions we can put in place to support Managers. Will implement those and then see impact on performance. The current target is difficult to achieve, so will not be able to reduce the target.							
HR2	Working days lost due to long-term sickness absence in the last 12 months per FTE employee	N/A	N/A	4.12 (Mar 25)	N/A	N/A	N/A
Justification: Retain for information only as can be highly variable.							
HR3	Staff turnover - rolling 12-month percentage	15%	Between 15.01-20.00%	10.06% (Mar 25)	15%	Between 15.01-20.00%	Have over-achieved

KPI Code	KPI Title	2024/25 Target	Tolerable performance before urgent remedial action required (2024/25)	Latest Reported Year-to-Date Data	2025/26 Target	Tolerable performance before urgent remedial action required (2025/26)	Target aligns with past performance?
Justification: Based on latest data, there could be scope to reduce the target to around 10%. However, some staff turnover can be positive. So, retain at current level as main purpose of indicator is as a flag for staff turnover getting too high. Local Government Reorganisation also brings uncertainty that could impact staff turnover.							
HR4	Percentage of advertised vacancies filled in first round	75%	Between 50.01-74.99%	77.3% (24/25)	75%	Between 60.01-74.99%	Yes - slightly over-achieved
Justification: A stretching target would be to increase the target to around 80%. However, Local Government Reorganisation brings uncertainty that could impact our ability to fill vacancies. Also affected by the types of role that become vacant. Changed the tolerable performance to apply from 60%, rather than 50%.							
B1	Performance against revenue budget (projection against original budget)	0%	Between 0.1-2.0%	-14.1% (24/25)	0%	Between 0.1-2.0%	Have over-achieved
Justification: Aim is to highlight overspends. The budget should set a target level of spend, so underspends may still be undesirable (e.g. due to not having capacity to deliver).							
Environment							
CE1	Council's Scope 1-3 emissions (tonnes CO2e)	N/A	N/A	3,197.13 (2023/24)	N/A	N/A	N/A
Justification: More work to do to set a series of targets aligned towards our 2030 target. Expect to be able to develop targets for 26/27 onwards.							
GM1	Average number of penalty points awarded per Grounds Maintenance contract monitoring inspection. (Lower numbers are good.)	N/A	N/A	3.95 (24/25)	N/A	N/A	N/A

KPI Code	KPI Title	2024/25 Target	Tolerable performance before urgent remedial action required (2024/25)	Latest Reported Year-to-Date Data	2025/26 Target	Tolerable performance before urgent remedial action required (2025/26)	Target aligns with past performance?
Justification: Retain for information only. KPI was introduced to provide an overview of the performance of this key Council contract and to allow year-on-year comparisons. An acceptable level of performance (number of penalty points) is agreed within the contract and is managed via regular monitoring meetings, with the contractor penalised financially if performance is above this level.							
MI LI015	Number of visits to leisure facilities	1,494,269	Within 4.99% of profile	1,724,052 (24/25)	N/A	N/A	N/A
Justification: No target proposed at this time for 2025/26. Performance will be significantly impacted by the closures required for decarbonisation works. Quarterly monitoring reports will provide an update on forecast usage levels when there is greater clarity over the impact of closures.							
192	Percentage of household waste sent for reuse, recycling and composting	57.5%	Up to 2.49 percentage points below profile	57.03% (24/25)	59%	Up to 2.49 percentage points below profile	No – target is higher than past/current performance
Justification: The service change being implemented from August will improve the opportunities for recycling. As this will be part year and will take some time for the service changes to bed in, the target is set at 59%. Will aim for further improvements in 26/27.							
PLA01	Number of collections missed per 100,000 collections of domestic household waste	N/A	N/A	47 (24/25)	55	Between 56 and 70	Aligns with contract PMR
Justification: Target level of 55 has been agreed as part of the contract Performance Management Regime (PMR).							
Customers							
CF1	Number of Stage 1 complaints	N/A	N/A	176 (24/25)	N/A	N/A	N/A
Justification: We encourage feedback on our services and our focus is on remedial action rather than a targeted amount of feedback.							

KPI Code	KPI Title	2024/25 Target	Tolerable performance before urgent remedial action required (2024/25)	Latest Reported Year-to-Date Data	2025/26 Target	Tolerable performance before urgent remedial action required (2025/26)	Target aligns with past performance?
CF2	Percentage of Stage 1 complaints resolved within 10 working days	80%	Between 70-79%	94% (24/25)	80%	Between 70-79%	No – target is lower than past/current performance
<u>Justification:</u> This target has been achieved in 23/24 and in 24/25. Two years prior it was at 77%.							
CF3	Percentage of Stage 2 complaints resolved within 20 working days	70%	Between 60-69%	83% (24/25)	70%	Between 60-69%	Yes
<u>Justification:</u> This target was last reviewed in 2024 to reflect that stage two complaints take longer to resolve. In 23/24 it was 69% and 24/25 was 83%. The time to resolve stage 2's was extended to 20 days in 2022 as part of the 3C's policy review, and the target of responding to 70% was created in 2024 linked to the productivity plans.							
CLSLA1	Total number of alarm calls in a given period	N/A	N/A	378,104 (24/25)	N/A	N/A	N/A
<u>Justification:</u> No target as needs-led service.							
CLSLA3	Rolling number of Careline service users supported under the HCC contract	N/A	N/A	6,992 (Mar 25)	N/A	N/A	N/A
<u>Justification:</u> No target as needs-led service (this is not monitored by HCC).							
CLSLA9 (New)	Percentage of Careline installations completed within 5 working days	90%	Above 90%	94.1% (Jan-Mar 25)	90%	Above 90%	Limited KPI data on past performance
<u>Justification:</u> The 90% target allows for flexibility with resources and client availability. Only been reported since January 2025.							
CLSLA10 (New)	Percentage of Careline installations completed within 10 working days	100%	100%	99% (Jan-Mar 25)	100%	100%	Limited KPI data on past performance

KPI Code	KPI Title	2024/25 Target	Tolerable performance before urgent remedial action required (2024/25)	Latest Reported Year-to-Date Data	2025/26 Target	Tolerable performance before urgent remedial action required (2025/26)	Target aligns with past performance?
Justification: Target to remain at 100%. Only been reported since January 2025.							
CS1	Percentage of CSC calls answered	90%	Between 80-89%	88% (24/25)	90%	Between 80-89%	Yes
Justification: Based on performance from 23/24 onwards, this is considered to still be a relevant target.							
CS2	Percentage of CSC calls answered within 45 seconds	80%	Between 70-79%	58% (24/25)	80%	Between 70-79%	No – target exceeds current performance
Justification: This target is not currently being achieved so we do not want to increase this. The more important measure is the percentage of calls answered.							
BH1	Sign-ups to the Digital Budget Hub (as at end of reporting period)	N/A	N/A	243 (24/25)	N/A	N/A	N/A
Justification: Measured to get an idea of increases in level of engagement.							
Place							
NI157e	Percentage of all planning applications determined within the relevant statutory or agreed time periods	80%	Between 70-79.99%	85.02% (24/25)	80%	Between 70-79.99%	Yes
Justification: The target level has been consistently exceeded over the last three years with c.85-87% of applications determined within relevant periods. This might suggest a higher target should be considered from a ‘customer first’ / continuous improvement perspective. However, the primary purpose of this indicator is to provide early warning and headroom against national 'special measures' designations. These are the standards below which Government can intervene to take over or remove planning powers from the Local Authority, resulting in decisions being removed from local democratic accountability. For major development, the national “special measures” threshold is presently 60% of decisions made within the statutory determination period, or a longer period agreed with the applicant. For non-major development, the threshold is 70%. NI157e does not correlate directly as it considers all planning applications within a single indicator. However, it is an appropriate proxy measure that allows for early identification, action and remedial measures to be considered if there is a fall in performance below the target level. No changes are proposed.							

This page is intentionally left blank

CABINET
24 June 2025

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: REVENUE BUDGET OUTTURN 2024/25

REPORT OF: DIRECTOR - RESOURCES

EXECUTIVE MEMBER: EXECUTIVE MEMBER FOR RESOURCES

COUNCIL PRIORITY: SUSTAINABILITY

1. EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to inform Cabinet of the summary position on revenue income and expenditure at the end of the financial year 2024/25. The net outturn of £17.932m represents a £817k decrease from the net working budget of £18.749million. Explanations for all the significant variances are provided in table 4. There are corresponding requests to carry forward £563k of unspent budget to fund specific projects and initiatives that will now take place or continue into 2025/26. There is a further forecast impact on the 2025/26 base budget of a £361k decrease.

2. RECOMMENDATIONS

- 2.1. That Cabinet note this report.
- 2.2. That Cabinet approves a decrease of £817k in the 2024/25 net General Fund expenditure, as identified in section 8, to a total of £17.932million.
- 2.3. That Cabinet approves the changes to the 2025/26 General Fund budget, as identified in table 4 and paragraph 8.3, a total £202k increase in net expenditure.

That Cabinet recommends to Council

- 2.4. That Council approves the net transfer to earmarked reserves, as identified in table 9, of £1.006million.

3. REASONS FOR RECOMMENDATIONS

- 3.1. Members are able to monitor, make adjustments within the overall budgetary framework and request appropriate action of Services who do not meet the budget targets set as part of the Corporate Business Planning process.
- 3.2. Changes to the Council's balances are monitored and approved.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. Budget holders have considered the options to manage within the existing budget but consider the variances reported here necessary and appropriate.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. Consultation on the budget monitoring report is not required. Members will be aware that there is wider consultation on budget estimates during the corporate business planning process each year.

6. FORWARD PLAN

- 6.1. The report contains a recommendation on a key decision that was first notified to the public in the Forward Plan on the 17th April 2025.

7. BACKGROUND

- 7.1. Council approved the revenue budget for 2024/25 of £19.933million in February 2023. At the end of the financial year, the working budget has decreased to £18.749million. Table 1 below details the approved changes to this budget to get to the current working budget:

Table 1 - Current Working Budget

	£k
Original Revenue Budget for 2024/25 approved by Full Council	19,933
Quarter 3 2023/24 Revenue Budget Monitoring report – 2024/25 budget changes approved by Cabinet (March 2024)	410
2023/24 Revenue Budget Outturn Report – 2024/25 budget changes approved by Cabinet (June 2024)	634
Community Governance Review Terms of Reference report - additional budget required for the use of the Association of Electoral Administrators consultancy service to assist with delivering the Community Governance Review – approved by Council (July 2024)	20
First Quarter Revenue Monitoring 2024/25 report - 2024/25 variances approved by Cabinet (September 2024)	(858)
Second Quarter Revenue Monitoring 2024/25 report - 2024/25 variances approved by Cabinet (January 2025)	(550)
Third Quarter Revenue Monitoring 2024/25 report - 2024/25 variances approved by Cabinet (March 2025)	(840)
Current Working Budget	18,749

- 7.2. The Council was managed under Service Directorates during 2024/25. Table 2 below confirms the current net direct resource allocation of each Service Directorate and how this has changed from the original net direct budget allocations for 2024/25.

Table 2 – 2024/25 Service Directorate Budget Allocations

	Managing Director	Customers	Enterprise	Housing & Env Health	Legal & Community	Place	Regulatory Services	Resources	Total
	£k	£k	£k	£k	£k	£k	£k	£k	£k
Original Budget	658	4,309	9	1,788	2,671	6,651	736	3,111	19,933
Q3 2023/24	107	39	0	78	20	68	108	(10)	410
Outturn 2023/24	207	120	0	105	17	44	167	(26)	634
Budget at start of 2024/25	972	4,468	9	1,971	2,708	6,763	1,011	3,075	20,977
Q1 2024/25	(1,350)	(2)	(35)	76	(50)	447	67	(11)	(858)
Council July 2024	0	0	0	0	20	0	0	0	20
Q2 2024/25	(298)	(128)	(9)	(225)	(21)	8	143	(20)	(550)
Q3 2024/25	(142)	(98)	(30)	0	50	(37)	(610)	27	(840)
Other Changes	(327)	98	126	115	(14)	126	35	(159)	0
Current Budget	(1,145)	4,338	61	1,937	2,693	7,307	646	2,912	18,749

8. RELEVANT CONSIDERATIONS

- 8.1. Cabinet are asked to approve the net expenditure on the General Fund in 2024/25 of £17.932million (recommendation 2.2). This is a net decrease of £817k on the working budget of £18.749million. Table 3 below confirms the net expenditure for each Service Directorate and the variance with the current working budget. The major changes reported during the year are recorded at Appendix A.

Table 3 - 2024/25 Revenue Outturn by Service Directorate

Directorate	Net Direct Working Budget	Net Direct Outturn*	(Under) / Overspend
Managing Director	(1,145)	(1,381)	(236)
Customers	4,338	4,335	(3)
Enterprise	61	180	119
Housing & Environmental Health	1,937	1,933	(4)
Legal & Community	2,693	2,640	(53)
Place	7,307	7,205	(102)
Regulatory Services	646	230	(416)
Resources	2,912	2,790	(122)
TOTAL	18,749	17,932	(817)

* Directorate outturn totals exclude year-end finance lease accounting entries. These entries have a net zero impact on the Council's General Fund, but their inclusion would distort the Directorate performance indicated in the table.

- 8.2. Table 4 below highlights and explains the most significant variances, which are generally more than £25k. The final columns detail if there is expected to be an impact on next year's (2025/26) budget:

Table 4 - Summary of significant variances

Budget Area	Working Budget	Forecast Outturn	Variance	Reason for difference	Carry Forward Request	Estimated Impact on 2025/26
£k	£k	£k	£k		£k	£k
Managing Director Apprenticeship Scheme	84	0	(84)	2024/25 budget included investment in contingency budget for project management to support delivery of key projects; it is requested that this budget is carried forward to 2025/26 to fund recruitment of additional Management Trainee graduates. Management Trainees are being used to provide support to key projects such as Churchgate and digital transformation. Management Trainees are funded from the apprenticeship scheme budget, so the project management contingency budget has been merged into the apprenticeship scheme budget.	84	0
Managing Director Treasury Investments Interest Income	(2,955)	(2,983)	(28)	Overachievement of interest income is a combination of interest rates remaining higher than anticipated during the final quarter and higher cash balances available for investment than estimated due to capital expenditure in the final quarter being made later than anticipated.	0	0
Managing Director Strategic Priorities Fund	69	0	(69)	This fund was created to enable short-term investments in Council priorities. This funding will be used in 2025/26 to support work on Local Government Reorganisation, including our contribution towards joint work/ consultancy support (where not covered by Government grant funding) and other associated implications.	69	0
Managing Director Shared Prosperity Fund Grant	0	(31)	(31)	Surplus grant balance represents the amount of grant retained by the Council as a management fee for delivering the three-year investment plan.	0	0
Customers Directorate Staffing Costs	6,297	6,181	(116)	Underspend variance relates mainly to vacancies held in the Careline and Revenues & Benefits services during the year.	0	0

Budget Area	Working Budget	Forecast Outturn	Variance	Reason for difference	Carry Forward Request	Estimated Impact on 2025/26
	£k	£k	£k		£k	£k
Customers Document Scanning Contract	53	27	(26)	Upgrades and new modules relating to the Document Scanning contract were expected to be purchased in 2024/25. Due to a lack of available resource in IT to support their installation, the upgrades are now scheduled for quarter 3 of the new financial year, with a carry forward of the unspent budget therefore requested to fund the expenditure in the next financial year.	26	0
Customers Postage contract	190	158	(32)	Underspend on postages is due to both a reduction in postage volumes and contract unit prices. The number of postal items has reduced from 100,271 in 2023/24 to 95,212 in 2024/25, including a reduction in first class items from 9,912 to 6,990, while there was the full year impact of the cost per item also reducing for both 1st and 2nd class post when the new contract commenced in December 2023.	0	(32)
Customers Land Charges Income	(164)	(205)	(41)	Overachievement of income is indicative of an increase in activity, with the number of land searches requested in the year rising to a total of 1,403, an increase of 195 on the 1,208 searches ordered in the prior year.	0	0
Customers Careline Supplies and Services	0	(34)	(34)	In the absence of receiving an invoice for the amount due, the expected full cost of services ordered from a supplier has been accrued in the last two financial years to recognise the liability as a creditor in the Council's accounts. Despite previous approaches from officers, there has been no meaningful engagement from the supplier to pursue payment. Given the time that has subsequently elapsed, it is now considered highly unlikely that a claim will be made for the outstanding amount and hence it is proposed to cease accruing this amount in the accounts.	0	0
Customers Contribution to Sales Ledger Bad Debt Provision	10	172	+162	The greater than expected contribution to the bad debt provision mainly reflects an increase in the value of outstanding debt amounts between 3-12 months past their payment due date, for which a provision is made in the accounts to recognise the risk that some of the debt outstanding may not be collected. The increase in debt follows the suspension of income recovery during the year with the transition to the new finance system, with the recovery team requiring training on recovery processes on the new system. Ultimately it is expected that debt will be recovered at similar levels to previous years.	0	0

Budget Area	Working Budget	Forecast Outturn	Variance	Reason for difference	Carry Forward Request	Estimated Impact on 2025/26
	£k	£k	£k		£k	£k
Customers Revenues & Benefits Service Government Grant Income	0	(37)	(37)	A grant receipt has been received from government for the Council's participation in the Covid-19 Pathfinder pilot project. The project requires the Council to carry out assurance checks on the grants that were paid out during the pandemic and has been delivered within existing staffing resource. The carry-forward request is for additional one-off resource to ensure payments are correctly allocated to support recovery of debts. It will also free up time to support the delivery of further process improvements from the new finance system.	37	0
Customers Net Housing Benefit Expenditure	307	367	+60	Higher than anticipated outturn is attributed primarily to the level of overpayments identified in 2024/25 (as highlighted below). Benefit amounts paid that are identified as overpayments are eligible for only 40% reimbursement through Housing Benefit subsidy grant received from government.	0	0
Customers Housing Benefit Overpayments Income	(193)	(245)	(52)	With the migration of working age adult claimants to Universal Credit, DWP initiatives on housing benefit accuracy have focused on older claimants. This has contributed to an increase in the level of overpayments identified, with officer reviews finding some older clients holding previously undeclared capital. This attracts a tariff income and reduces their Housing Benefit award. The debt amount raised in year would also include any claw back of benefits overpaid in prior years, which further increases the value.	0	0
Customers Contribution to Housing Benefit Overpayments Income Bad Debt Provision	50	232	+182	Where working age Housing Benefit clients have migrated to Universal Credit (UC), administered by the DWP, the Council can no longer collect overpayments debt from deductions to ongoing housing benefit payments. This has contributed to a reduction in overpayments debt collected and an increase in the provision required. The Council can apply for deductions from earnings via HMRC, however this is only a prescribed amount dependent on salary, and also has the option to apply for UC deductions, however other debts such as Council Tax and utility bills take priority, with benefit overpayments 13th on the list of debts to be repaid. An increase in the bad debt provision was identified as a financial risk when the original budget was approved by Council in February 2024.	0	0

Budget Area	Working Budget £k	Forecast Outturn £k	Variance £k	Reason for difference	Carry Forward Request £k	Estimated Impact on 2025/26 £k
Enterprise Rental income from commercial properties	(1,235)	(1,169)	+66	Overall adverse variance results mainly from the settlement during the year of a rent review dating back to 2011, with agreement ultimately reached at an annual rent amount lower than had been assumed in the previous forecasts. The outturn for this year therefore includes the impact of the necessary backdated adjustments. The impact has been partially offset by other rent reviews completed during the year where the rental values were increased.	0	0
Enterprise Net rental income from Churchgate Shopping Centre	(440)	(139)	+301	Shortfall in anticipated surplus is due to the number of vacant units, including several of the larger premises. As well as the adverse impact on rent income, there are associated expenditure pressures with empty property rates payable, plus higher than expected repairs and maintenance spend necessary. While lease incentives to secure new lettings have also contributed to the income shortfall in this year, these should improve the position for 2025/26.	0	0
Transfer to Earmarked Reserve	216	0	(216)	The ongoing budget expectation is for Churchgate to generate a sufficient annual return to both; cover the annual cost of capital and the loss of freehold rent from the acquisition of the head leasehold; provide additional financial resource to support the regeneration project. The level of return in this financial year has meant no additional contribution has been made to the Churchgate Regeneration Project earmarked reserve (as confirmed in table 9 below).	0	0
Net General Fund Impact	(224)	(139)	+85		0	0
Enterprise Riverside hub footpath	26	2	(24)	A delay was caused to the project while a decision was made on whether to repair the existing surface of the walkway. This required the input of the structural engineer advising on the delivery of Riverside Walk, as it would not have been cost-effective to repair the existing surface if it would have needed to have been replaced as part of the works to create the Riverside Walk. It is now considered that the surface is acceptable for use by the public, so repairs are likely to take place during the 25/26 financial year. The carry forward of the unspent budget is requested to fund the works in the next financial year.	24	0

Budget Area	Working Budget	Forecast Outturn	Variance	Reason for difference	Carry Forward Request	Estimated Impact on 2025/26
	£k	£k	£k		£k	£k
Housing & Environmental Health Community Safety Projects and Initiatives	14	0	(14)	Unspent budget relates to the projects for the upgrading of lamp posts for CCTV and a Jackmans Youth Club respectively. The lamp post upgrades are now due to commence in May this year. Match funding for the youth club project, a condition of the Council funding, is also expected to be finalised in May. A carry forward of the unspent budget is therefore requested to finance the expenditure in the next financial year.	14	0
Housing & Environmental Health Housing Services Staffing Costs	595	515	(80)	£80k of staffing costs of the housing team in 2024/25 have been funded from government grant received rather than the Council's staffing budget. MHCLG have provided funding for a service with BEAM to help people into the private rented sector and secure employment.	0	0
Transfer to earmarked reserve	0	80	+80	It is requested to transfer the value of the staff cost saving to the Homelessness grants earmarked reserve in order that resource remains available for the BEAM contract, which is expected to be fully delivered in 2025/26.	0	0
Place Waste Management IT Systems integration	40	0	(40)	The work on the integration of waste management IT systems and online reporting for residents was completed in-house without the need for additional consultancy.	0	0
Place Commingled Recyclates – Net cost of Haulage and Processing	482	529	+47	The budget was increased by £101k at Q3 as marked decreases in the basket price achieved for the sale of the recyclates in the second half of the financial year, most notably glass and plastic, had contributed significantly to the increase in net cost. This trend continued in the final few months of the year. Adverse movement in material prices and changes in the material composition increasing the net cost of recycling services was identified as a financial risk when the original budget was approved. Due to the volatility in the market, there is not currently an assumption of an ongoing impact.	0	0
Place Refuse Service – Contract Variation Orders	61	21	(40)	The working budget for this year anticipated an increase in container delivery requests as a result of the new services coming into effect in 2025. A delay in the stock delivery means these are being processed in the 25/26 financial year.	0	0

Budget Area	Working Budget	Forecast Outturn	Variance	Reason for difference	Carry Forward Request	Estimated Impact on 2025/26
	£k	£k	£k		£k	£k
Place Street cleansing – litter bins replacement and repairs	27	4	(23)	The contractor was unable to complete the removal of all litter bins as part of the litter bin rationalisation project as some areas required the reinstatement of pavements. Any outstanding works will be completed in 25/26 either by Veolia, or a separate ground works contractor, with a carry forward of some of the unspent budget requested to finance the activity.	10	0
Place Street cleansing - Fly tipping costs	130	97	(33)	The cost of cleansing varies year on year as some elements are dependent on the behaviour of others. The permanent budget for the cost of fly tipping was increased by £68k at the third quarter of 2023/24, to recognise the continued experience of a higher number of instances and larger sizes of fly tips, in particular white goods, commercial waste and green waste. Underspend in this year is therefore indicative of fly tipping levels and quantities in this year not being as high as recent years.	0	0
Place Garden Waste Service Printing Costs	39	13	(26)	Due to a delay in processing the direct debits from subscribers, garden waste permit production was delayed to the 2025/26 financial year. The costs will therefore be charged in the next financial year and hence a carry forward of the unspent budget is requested.	26	0
Place Leisure Facilities Management Contract Fee Income	(779)	(807)	(28)	As part of the Leisure and Active Communities contract, the Council has financed capital investments in its Leisure Centres that were identified and are being delivered by its leisure operator, Everyone Active. Everyone Active have agreed that the contract management fee will be adjusted to reflect the costs that they would have incurred if they had funded the works through the contract. With the investment in this year totalling £1.070million, the Council can expect an additional £28k per month of management fee income for four years from March 2025. The Outturn variance therefore represents the first month of additional income receivable.	0	(339)

Budget Area	Working Budget	Forecast Outturn	Variance	Reason for difference	Carry Forward Request	Estimated Impact on 2025/26
	£k	£k	£k		£k	£k
Place Leisure Consultancy Fees	50	19	(31)	Budget included provision of £25k for specialist consultants to develop a 'Long Term Built Leisure Strategy', with the view to ensuring NHC deliver sufficient leisure provision to meet demand arising over the period of the next Local Plan review. The built leisure strategy however cannot be developed until the playing pitch & outdoor sport strategy is complete, which is currently under review by Planning Officers. In addition, consultancy has been required in exploring the change in contractual arrangements with the Leisure Operator to an agency model. With both activities ongoing, it is requested that the unspent budget requested is carried forward to fund progress in the next financial year.	31	0

Budget Area	Working Budget £k	Forecast Outturn £k	Variance £k	Reason for difference	Carry Forward Request £k	Estimated Impact on 2025/26 £k
Place Leisure Facilities – Liquidation of Stevenage Leisure Limited				The Council's previous Leisure Centres operator, Stevenage Leisure Limited (SLL), entered liquidation during this financial year. With liquidation significantly increasing the risk that any debts outstanding will not be fully recovered, a provision has been charged in the accounts for those amounts receivable when the Council's contract with SLL expired at the end of the last financial year. The provision relates to both membership income received in advance by SLL (e.g. where members paid for a full year) that was not transferred to the new provider and leisure centre management contract fee income outstanding (February and March 2024). In addition, a further contribution has been made to the loan impairment allowance in respect of the remaining principal outstanding from the £510k loan to SLL for the purchase of gym and fitness equipment at Hitchin and Royston Leisure Centres approved by Council in August 2017. With the loan repayments ceasing at the onset of the Covid-19 related restrictions on leisure centre operations and uncertainty over the period of recovery, a contribution to the impairment allowance equivalent to 50% of the loan principal outstanding was previously charged to the General Fund at the end of 2021/22 financial year.		
Contribution to Provision	0	272	+272		0	0
Contribution to loan impairment allowance	0	158	+158		0	0
Leisure Facilities Repairs and Maintenance	2	134	+132	The Leisure and Active Communities contract required that the facilities were handed over to the new leisure operator in a good condition. With SLL entering liquidation shortly after the new leisure contract commenced, and with minimal maintenance and compliance record evidence, the cost of rectifying all dilapidations identified has been passed to the Council. Due to the level of works required, the works have been scheduled over two years. While further expenditure is therefore expected in the next financial year, the financial impact is expected to be offset by additional management fee income from the financing of further capital investments in the facilities next year.	0	0
Transfer from earmarked reserve	(26)	(266)	(240)	The impact on the General Fund has been partially mitigated by the release of amounts held in the Leisure Centre maintenance earmarked reserve.	0	0
Net General Fund Impact	(24)	298	+322		0	0

Budget Area	Working Budget £k	Forecast Outturn £k	Variance £k	Reason for difference	Carry Forward Request £k	Estimated Impact on 2025/26 £k
Place Climate Change Strategy Expenditure	100	81	(19)	Some of the sustainability strategy actions developed in 2024/25 are now only able to be delivered in the next financial year. It is requested that the unspent budget is carried forward to fund delivery in 2025/26.	19	0
Regulatory Planning Policy Staffing Costs	662	636	(26)	Government grant funding for Biodiversity Net Gain has been used to part fund the salary of the Council's Senior Ecologist, resulting in an underspend on the original budget available for the post. At Quarter Three, Cabinet approved the carry-forward of the Directorate's unspent staffing budget to fund agency staff in difficult to fill positions. This additional underspend is requested to be carried forward on the same grounds, noting that since the Quarter Three report was presented to Cabinet, the interim arrangements for the Director - Place role have led to the recruitment of an agency worker to backfill existing duties.	26	0
Regulatory Building Control Expenditure	97	55	(42)	The number of disabled adaptations processed by Herts Building Control had been increasing year on year, however since September 2024 the number of applications processed has reduced significantly. The level of demand for disabled adaptations in 25/26 will hence be monitored closely over the coming months, with a recommendation to reduce the budget permanently included in future finance reporting if demand remains low.	0	0
Regulatory Planning Policy – Town Centre Strategies Consultants Expenditure	150	31	(119)	An early draft of a district-wide town centre strategy was presented to the Council's Project Board in October 2024. Further work was requested before the strategy could be presented to Cabinet. The temporary contractor that was leading on this work has subsequently left the Council and Lichfields - who prepared the underlying retail expenditure evidence - have been appointed to review, update and represent the draft strategy. This is now expected in Summer 2025. The carry forward of the remaining unspent budget is requested to allow for completion of this work, any future consultation exercise(s), finalisation of the strategy and any subsequent follow-on work to be discussed and agreed in liaison with Cabinet, Project Board and / or the relevant Executive Members.	119	0

Budget Area	Working Budget £k	Forecast Outturn £k	Variance £k	Reason for difference	Carry Forward Request £k	Estimated Impact on 2025/26 £k
Regulatory Planning Policy – Local Plan Review	55	38	(17)	The majority of the Local Plan budget was approved to be carried forward at Quarter Three. The forecast outturn at that point anticipated the initial costs of implementing a new software solution to be incurred in the final quarter of the year. However, this was not implemented within the financial year and this additional underspend is now requested to be carried forward to meet those costs expected in the next financial year and help ensure the Local Plan is delivered within currently identified resources.	17	0
Regulatory Planning Policy – Supplementary Planning Documents (SPDs)	30	16	(14)	The majority of the SPDs budget was approved for carry-forward at Quarter Three. The forecast outturn at Quarter Three anticipated costs associated with a further round of workshops for the Design Code SPD to be incurred during Quarter Four. Due to scheduling difficulties, these were held in the first half of April 2025, with the additional underspend in financial year 2024/25 now requested to be carried forward.	14	0
Regulatory Planning Applications Income	(997)	(1,076)	(79)	While the income expectation in the working budget was reduced by £200k at Quarter Two based on the experience of the first half of the year, income from pre-application advice has been boosted by changes to NHC's approach to accepting amendments to applications, whereby major changes are only accepted if a planning application has been subject to pre-application advice, and the removal of the 'free-go' for second applications on a proposed site. Income from planning applications has also overachieved the working budget, due to some larger planning applications resolved later in the year.	0	0
Regulatory Parking Lines and Signs maintenance	37	25	(12)	Due to officers being focused on the implementation of the new parking machines, there has been a delay in completing the programmed lines and signs replacement programme for 2024/25. This will be implemented alongside the 2025/26 programme of works. In addition, planned spend on tariff board upgrades and additional signage associated with the electric vehicle charging points could not commence before April 2025. It is therefore requested that the remainder of this budget is carried forward to fund these outstanding projects in the next financial year.	12	0

Budget Area	Working Budget £k	Forecast Outturn £k	Variance £k	Reason for difference	Carry Forward Request £k	Estimated Impact on 2025/26 £k
Regulatory Letchworth Multi-Storey Car Park lighting	25	0	(25)	Delays in the supply of materials caused these works to be deferred to April 2025. A carry forward of the unspent budget is requested to cover the costs incurred in the next financial year.	25	0
Regulatory Princes Mews Car Park in Royston	39	(14)	(53)	Improved position in 2024/25 follows a new agreement reached with the landlord of the car park after Morrison's supermarket vacated the site. The financial impact is however not ongoing, as the landowners have subsequently terminated the licence agreement, and the car park was closed permanently from 7 th April 2025.	0	0
Resources Directorate Staffing Costs	1,718	1,633	(85)	Underspend is due to a higher level of vacancies held, including one post in the Property Services team being vacant for the entire financial year as recruitment attempts were unsuccessful.	0	0
Resources Insurance funded works at Walsworth Community Centre	35	25	(10)	Works funded from an insurance payout received for a claim relating to Walsworth Community Centre, have not yet been completed. It is requested that the unspent balance is carried forward to cover the cost of the works in the next financial year.	10	0
Total of explained variances	4,901	4,515	(386)		563	(371)
Other minor balances	13,848	13,417	(431)		0	10
Overall Total	18,749	17,932	(817)		563	(361)

8.3. Cabinet are asked to approve the estimated impact on the 2025/26 budget, an overall increase in budget of £160k (recommendation 2.3), which comprises;

- £563k of budget carry-forwards from 2024/25 to 2025/26 for projects that were not completed by the end of the financial year. These are shown in the penultimate column of table 4 above. This will take the total budget carried forward to £1.682million, after including those reported and approved at Quarters One, Two and Three.
- £361k decrease in budget to reflect the estimated net impact in 2025/26 and beyond of variances identified at Outturn. These are shown in the final column of table 4 above.

8.4. The original approved budget for 2024/25 (and therefore working budget) included efficiencies totalling £699k, which were agreed by Council in February 2024. At the end of the year a net total of £515k of efficiencies have been achieved in 2024/25, representing a net underachievement of planned efficiencies of £184k. The forecast at Quarter Three was a net underachievement of £264k. The change at Outturn relates to the delivery of the planning income efficiency, with the shortfall lower than previously forecast, as highlighted in table 4 above.

8.5. The working budget for 2024/25 includes budgets totalling £1.456million that were carried forward from the previous year. These are generally carried forward so that they

can be spent for a particular purpose that had been due to happen in 2023/24 but was delayed into 2024/25. At Quarter Three, it was forecast that £603k of the budget carried forward will not be spent in this year. At the end of the year £853k of the budget carried forward has not been spent. The increase of £250k relates to budgets carried forward for:

- Strategic Priorities Fund. £69k of the £76k carry forward budget was not spent during this financial year and is requested to be carried forward again, as highlighted in table 4 above.
- Riverside hub footpath. £24k of the £26k carry forward budget was not spent during this financial year and is requested to be carried forward again, as explained in table 4 above.
- Waste Management IT Systems integration. The £20k budget carried forward was not spent this year and is no longer required, as noted in table 4 above.
- Town Centre Strategies Consultants Expenditure. £69k of the £100k carry forward budget was not spent during this financial year and is requested to be carried forward again, as explained in table 4 above.
- Local Plan Supplementary planning documents. £135k (increase of £14k on the forecast at Quarter Three) of the £144k budget carried forward was unspent at the end of the year and is requested to be carried forward again, as highlighted in table 4 above.
- Local Plan post adoption review. £70k (increase of £17k on the forecast at Quarter Three) of the £108k budget carried forward was not spent in 2024/25 and is requested to be carried forward again, as highlighted and explained in table 4 above.
- Letchworth Multi-Storey Car Park lighting. The £25k budget carried forward was not spent in this financial year and is requested to be carried forward again, as noted in table 4 above.
- Parking Lines and Signs maintenance. £12k of the £39k budget carried forward was not spent in this financial year and has been requested to be carried forward again, as highlighted and explained in table 4 above.

8.6. Six corporate 'financial health' indicators were identified in relation to key sources of income for the Council in 2024/25. Table 5 below shows the performance for the year. A comparison is made to the original budget to give the complete picture for the year. Each indicator is given a status of red, amber, or green. A green indicator means that income recorded matched or exceeded the budgeted level of income. A red indicator means that the outturn has not met the budgeted level of income. An amber indicator is only used during the year to highlight that there is a risk that the budgeted level of income may not be met.

8.7. At the end of the year, four of the indicators are red and two are green. At Quarter Three, three of the indicators were red and three were green. The additional red indicator relates to car parking fees income, with a minor shortfall in income recorded for the year compared to the original budget expectation (variance included in 'other minor variances' total in table 4 above).





Table 5 - Corporate financial health indicators

Indicator	Status	Original Budget £k	Outturn £k	Variance £k
Leisure Centres Management Fee Income	Red	(1,130)	(807)	+323
Garden Waste Collection Service Subscriptions Income	Green	(1,029)	(1,097)	(68)

Commercial Refuse & Recycling Service Income	Red	(1,282)	(1,244)	+38
Planning Application Fees (including fees for pre-application advice)	Red	(1,186)	(997)	+110
Car Parking Fees Income	Red	(1,948)	(1,937)	+11
Parking Penalty Charge Notices (PCNs)	Green	(573)	TBC	TBC

- 8.8. Table 6 below indicates current activity levels, where these drive financial performance, and how these compare to the prior year to indicate the direction of current trends. As performance against the planning applications fee income budget is generally determined by the number of large applications resolved in the year (rather than the total number of applications received), and this distinction is not captured in the data available, this indicator is omitted from table 6.

Table 6 - Corporate financial health indicators – activity drivers

Indicator	Activity Measure	Performance 2024/25	Performance 2023/24	Percentage Movement	Direction of Trend
Leisure Centres Management Fee	Number of Leisure Centre visits	1,724,052	1,609,760	+7.1%	
Garden Waste Collection Service	Number of bin subscriptions	34,386	31,082	+10.6%	
Commercial Refuse & Recycling Service	Number of customers	1,044	1,062	-1.7%	
Car Parking Fees	Car park tickets sold / average ticket price sold	TBC / TBC	1,136,408 / £1.72	TBC / TBC	TBC
Parking Penalty Charge Notices	Number of PCNs issued	16,602	15,395	+7.8%	

FUNDING, RISK AND GENERAL FUND BALANCE

- 8.9. The Council's revenue budget is funded primarily from Council Tax and Retained Business Rates income. The Council was notified by Central Government in February 2024 of the amount of New Homes Bonus, Services Grant and Funding Guarantee Grant it could expect to receive in 2024/25 and planned accordingly.
- 8.10. Council Tax and Business Rates are accounted for in the Collection Fund rather than directly in our accounts, as we also collect them on behalf of other bodies. Each organisation has a share of the balance on the Collection Fund account. The Council repaid in this year its share of the Council Tax deficit for the prior year and received its share of the Business Rates Collection Fund surplus for the prior year, as estimated in January 2024. As reported previously, this was a contribution from the General Fund of £24k to the Council Tax Collection Fund and a contribution to the General Fund of £416k from the Business Rates Collection Fund. While the repayment of the Council Tax deficit amount of £24k is included in the funding total in table 7, the business rates surplus has been transferred to reserve and will be used to mitigate the impact of deficits recorded, and/or changes to the rates retention scheme, in future years. It is also reviewed as part of the Medium-Term Financial Strategy and budget process to assess whether it can be used to support the General Fund budget.

- 8.11. The Council's share of the Council Tax Collection Fund at the end of the year is a surplus balance of £132k. This represents a decrease of £12k on the forecast surplus of £144k estimated in January. The slight deterioration in the position in the final quarter will be incorporated in the calculation of the surplus/deficit position for 2025/26 and hence impact the level of Council Tax funding available in 2026/27. It is the forecast surplus of £144k that will be transferred from the General Fund to the Collection Fund in the next financial year and increase the amount of Council Tax funding available in 2025/26, as was shown in Appendix E to the Budget 2025/26 (revenue budget and investment strategy) report.
- 8.12. The Council receives a Council Tax Support Fund grant amount annually from Government to support the operation of the Council's Council Tax Reduction Scheme. While there is a restriction that the grant must only be used to fund the costs of a localised Council Tax support scheme to help low-income and vulnerable households, there is no condition on the grant received that requires unspent funding to be returned to the Government department (MHCLG). As such, at the end of the year, the accumulated amount of grant unspent has been transferred to an earmarked reserve, as shown in table 9 below. It is anticipated that the full balance held in reserve will be used in funding the cost of the Council Tax Reduction Scheme approved for 2025/26 Council Tax billing.
- 8.13. The Council's share of the Business Rates Collection Fund at the end of the year is an overall surplus balance of £2.404million. This represents an increase of £2.306million on the estimated surplus of £98k declared in the NNDR1 return submitted to Government in January. The increase in the surplus at the end of the year is primarily due to a reduction in the provision calculated to be required at the end of the year for the impact of business rates appeals. The provision amount has been calculated based on the experience to date following the most recent triennial Business Rates revaluation, effective from April 2023, with there now being only one year left for businesses to submit an appeal against their rating value. To this point, the number of appeals registered with the Valuation Office, as well as the value of refunds issued following successful appeals, has been much lower than previously estimated. Like the Council Tax Collection Fund, it is the forecast surplus amount of £98k that will be transferred to the General Fund in the next financial year.
- 8.14. The Council is also subject to a business rates levy from Central Government as it collects more in business rates than the baseline need determined by Central Government. In 2024/25 the Council is a member of the Hertfordshire Business Rates Pool with Hertfordshire County Council and two other Hertfordshire Local Authorities. The Pool was formed with the expectation that this should reduce the business rates levy amount otherwise payable at the end of the year, referred to as the 'pooling gain', though this would be dependent on the actual level of rates collected across the Pool authorities. Based on draft business rate returns shared with the consultants to the Pool at the end of May, the Council has accrued an amount of £701k for the cost of the levy contribution for 2024/25. If the accrued amount is ultimately the final levy contribution amount payable to the Pool, this would represent a pooling gain of £1.546million on the £2.247million business rates levy that would have been due to government if the Council was outside the business rates pool. The accrued levy contribution has been funded from the grant held in earmarked reserve and therefore has had a net zero impact on the General Fund balance at the end of the year.
- 8.15. The Council receives compensation in the form of a grant from Central Government for business rate reliefs introduced, which goes into our funds rather than the Collection Fund. The total grant amount receivable for 2024/25 is £5.340million, which includes an amount of £589k received as compensation for the Government's previous decisions to cap the increases in the business rates multiplier. The multiplier compensation is included in the funding total in table 7 below, with the rest of the grant received

transferred to reserve. Some of the amount held in reserve has been used to fund the business rates levy payable for this year, while a further £2.7 million has been used to top up the business rates income charged to the General Fund in 2024/25 to the baseline funding amount anticipated when the budget was set. In addition, as shown in table 7 below, £1.727million has been transferred from the reserve to the General Fund in 2024/25 to bridge the funding gap anticipated when the budget was set.

- 8.16. Table 7 below summarises the impact on the General Fund balance of the outturn position detailed in this report. It should be noted however that the accounts for 2024/25 are yet to be audited and changes to the General Fund balance may arise as a result of the final accounts audit.

Table 7 – General Fund impact

	Working Budget	Projected Outturn	Difference
	£k	£k	£k
Brought Forward balance (1st April 2024)	(14,057)	(14,057)	-
Net Expenditure	18,749	17,932	(817)
Funding (Council Tax, Business Rates, NHB, Services Grant, Funding Guarantee)	(18,229)	(18,229)	0
Funding from Reserves (including Business Rate Relief Grant)	(1,727)	(1,727)	0
Carried Forward balance (31st March 2025)	(15,264)	(16,081)	(817)

- 8.17. The minimum level of General Fund balance was determined based on known and unknown risks. Known risks are those things that we think could happen and we can forecast both a potential cost if they happen, and percentage likelihood. The notional amount is based on multiplying the cost by the potential likelihood. The notional amount for unknown risks is based on 5% of net expenditure. There is not an actual budget set aside for either of these risk types so, when they occur, they are reflected as budget variances (see table 4). We monitor the level of known risks that actually happen, as it highlights whether there might be further variances. This would be likely if a number of risks come to fruition during the early part of the year. We also use this monitoring to inform the assessment of risks in future years. The notional amount calculated at the start of the year for known risks was £1,060k, and at the end of the year a total of £528k has come to fruition. The identified risks realised in the final quarter relate to:

- Housing benefit overpayments bad debt provision - need to increase provision in light of the roll-out of Universal Credit, as explained in table 4 above - £182k.
- Increase in the net cost of recycling services - adverse changes in the market price for commodities and change in material composition, as highlighted in table 4 above - £47k.
- Costs associated with a challenge to a decision of the Council – legal costs incurred in relation to a public enquiry for a refused planning application (included in ‘other minor variances’ total in table 4 above) - £10k

Table 8 – Known financial risks

	£'000
Original allowance for known financial risks	1,060
Known financial risks realised in Quarter 1	(50)
Known financial risks realised in Quarter 2	(60)
Known financial risks realised in Quarter 3	(179)
Known financial risks realised in Quarter 4	(239)
Remaining allowance for known financial risks	532

EARMARKED RESERVES

8.18. The Council has a number of earmarked reserves, which have been used to fund revenue expenditure during the year. These are detailed in Table 9 below. A total of £6.998million has been contributed to the reserves in 2024/25 and a total of £5.992million has been transferred out of the reserves to the General Fund.

Table 9 – Earmarked Reserves

	Balance at 1 April 2024	Contributions to reserve	Transfers out from reserves	Balance at 31 March 2025
	£'000	£'000	£'000	£'000
Children's Services Reserve	10	0	(9)	1
Churchgate Development Reserve	123	0	(112)	11
Climate Change Grant Reserve	17	6	(3)	20
Council Tax Hardship Grant Reserve	0	269	0	269
Elections Admin Grant Reserve	67	54	0	121
Environmental Health Grants Reserve	118	10	(113)	15
Growth Area Fund Reserve	24	0	0	24
Homelessness Grants Reserve	398	80	(203)	275
Housing & Planning Delivery Reserve	691	231	(90)	832
Insurance Reserve	34	0	0	34
Land Charges Reserve	12	0	0	12
Leased Assets Reserve	0	63	0	63
Leisure Management Maintenance Reserve	308	0	(275)	33
MHCLG Grants Reserve	5,735	5,349	(4,862)	6,222
Museum Exhibits Reserve	14	0	0	14
Neighbourhood Plan Reserve	132	20	(31)	121
Paintings Conservation Reserve	11	0	0	11
Shared Prosperity Fund Grant Reserve	27	0	(27)	0
Street Name Plates	16	0	0	16
Syrian Refugee Project	737	136	(115)	758
Taxi Licences Reserve	11	0	0	11
Town Centre Maintenance	85	8	0	93
Traffic Regulation Orders	372	0	(5)	367
Waste Reserve	836	0	0	836
Waste Vehicles Reserve	2,456	722	0	3,178
Welfare Reform Grants Reserve	455	50	(147)	358
Total Revenue Reserves	12,689	6,998	(5,992)	13,695

9. LEGAL IMPLICATIONS

9.1. The Cabinet has a responsibility to keep under review the budget of the Council and any other matter having substantial implications for the financial resources of the Council. Specifically, 5.7.8 of Cabinet's terms of reference state that it has remit "*to monitor quarterly revenue expenditure and agree adjustments within the overall budgetary framework*". By considering monitoring reports throughout the financial year Cabinet is able to make informed recommendations on the budget to Council. The Council is under a duty to maintain a balanced budget and to maintain a prudent balance of reserves.

- 9.2. The requirement for financial reserves is acknowledged in statute. Sections 31A, 32 42A and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. The Council must ensure sufficient flexibility to avoid going into deficit at any point during the financial year. The Chief Financial Officer is required to report on the robustness of the proposed financial reserves, under Section 25 of the Local Government Act 2003.
- 9.3. Section 151 of the Local Government Act 1972 requires every local authority to make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs. The level of the general reserve is a matter for the Council to determine having had regard to the advice of the S151 Officer. This is a requirement of the Council Procedure Rules as set out in Part 4.4.1 (b) and 4.4.1 (k) of the Council's Constitution.
- 9.4. Council's terms of reference at paragraph 4.4.1 (dd) state that it will "determine those financial matters reserved to Council by the Financial Regulations". The Financial Regulations at paragraph 10.2 include that "[t]he creation and movements in reserves need to be formally approved by Full Council, which is incorporated in to Revenue Budget Outturn report."

10. FINANCIAL IMPLICATIONS

- 10.1. Members have been advised of any variations from the budgets in the body of this report and of any action taken by officers.
- 10.2. General Fund balance of £16.081million (table 7) is significantly above the recommended minimum balance of General Fund reserves of £2.46million agreed when the budget was set. The Statement of Accounts is however yet to be audited and changes to the General Fund balance may arise as a result of the final audit. As the Housing Benefit claim is also yet to be audited, the relevant values included in the reported outturn are based on un-audited figures.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. As outlined in the body of the report. The process of quarterly monitoring to Cabinet is a control mechanism to help to mitigate the risk of unplanned overspending of the overall Council budget.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. For any individual new revenue investment proposal of £50k or more, or affecting more than two wards, a brief equality analysis is required to be carried out to demonstrate that the authority has taken full account of any negative, or positive, equalities implications; this will take place following agreement of the investment.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” policy do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known Environmental impacts or requirements that apply to this report.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1. Although there are no direct human resource implications at this stage, care is taken to ensure that where efficiency proposals or service reviews may affect staff, appropriate communication and consultation is provided in line with HR policy.

16. APPENDICES

- 16.1. Appendix A - Significant Revenue Budget Variances in 2024/25.

17. CONTACT OFFICERS

- 17.1. Antonio Ciampa, Accountancy Manager
antonio.ciampa@north-herts.gov.uk; ext 4566
- 17.2. Ian Couper, Director – Resources
ian.couper@north-herts.gov.uk; ext 4243
- 17.3. Rebecca Webb, Human Resources Services Manager
rebecca.webb@north-herts.gov.uk; ext 4481
- 17.4. Douglas Traill-Stevenson, Acting Legal Manager & Deputy Monitoring Officer
douglas.traill-stevenson@north-herts.gov.uk; ext 4653
- 17.5. Reuben Ayavoo, Policy and Communities Manager
reuben.ayavoo@north-herts.gov.uk; ext 4212

18. BACKGROUND PAPERS

- 18.1. None.

This page is intentionally left blank

Appendix A - Significant Revenue Budget Variances in 2024/25

Directorate	Significant Service Area Variances	Net Direct Budget at April 2024	Net Direct Outturn	(Under) / Overspend	Summary Explanation	Relevant Report
Managing Director	Treasury Investments Interest Income	(1,150)	(2,983)	(1,833)	Higher than anticipated interest rates during the year and higher cash balances due to the reprofiling of planned capital investments.	Q1, Q2, Q3 & Outturn 2024/25
	Other budgets with variances under £100k	1,795	1,601	(194)		
	Directorate Total	645	(1,382)	(2,027)		
Customers Directorate	Customers Directorate Staffing Costs	6,523	6,182	(341)	Underspend results from various vacant posts due to difficulty in recruiting temporary and permanent staff in Revenues & Benefits, IT Services, the Customer Service Centre and Careline service.	Q1, Q2, Q3 & Outturn 2024/25
	Contribution to Sales Ledger Bad Debt Provision	10	172	162	Increase in outstanding debt amounts between 3-12 months past their payment due date as recovery was suspended with the transition to the new finance system. Ultimately expected that debt will be recovered at similar levels to previous years	Outturn 2024/25
	Net Housing Benefit expenditure	233	367	134	Reliance on nightly paid units to accommodate homeless households, where the eligible amount of Housing Benefit Subsidy is capped at less than the housing benefit payment, and higher levels of benefit overpayments, eligible for only 40% reimbursement through Housing Benefit subsidy.	Q2 & Outturn 2024/25
	Housing Benefit Overpayments Income - Contribution to bad debt provision	50	232	182	Where working age Housing Benefit clients have migrated to Universal Credit (UC), the Council can no longer collect overpayments debt from deductions to ongoing housing benefit payments.	Outturn 2024/25
	Other budgets with variances under £100k	(2,250)	(2,617)	(367)		
	Directorate Total	4,566	4,336	(230)		
Enterprise Directorate	Churchgate Shopping Centre - net rental income	(440)	(139)	301	Number of vacant units, including several of the larger premises, reducing rent income and increasing associated expenditure with empty property rates payable, plus higher repairs and maintenance spend.	Outturn 2024/25
	Transfer to Churchgate Regeneration Project reserve	216	0	(216)	The level of return in this financial year has meant no additional contribution has been made to the Churchgate Regeneration Project earmarked reserve	Outturn 2024/25
	Other budgets with variances under £100k	359	319	(40)		
	Directorate Total	135	180	45		
Housing & Environmental Health	Environmental Health Apprenticeship	100	0	(100)	Due to staffing pressures within the Environmental Health service, the recruitment process has not yet started. Recruitment will now begin in the new financial year to get an apprentice in place before the start of the new academic year.	Q2 2024/25
	Other budgets with variances under £100k	1,985	1,933	(52)		
	Directorate Total	2,085	1,933	(152)		
Legal & Community Directorate	Directorate Total (all budgets have variances under £100k)	2,694	2,640	(54)		

Directorate	Significant Service Area Variances	Net Direct Budget at April 2024	Net Direct Outturn	(Under) / Overspend	Summary Explanation	Relevant Report
Place Directorate	Leisure Centres Management Contract Income	(1,130)	(807)	323	Rebasing of Leisure Centre staffing costs, in advance of the new Leisure contract commencing in April 2024, to capture the actual increase of 9.8% in the National Living Wage from April 2024.	Q1 & Outturn 2024/25
	Leisure Centres Repairs and Maintenance	2	134	132	Contract required that the facilities were handed over to the new leisure operator in a good condition. With previous operator SLL in liquidation, the Council was liable for cost of rectifying dilapidations identified.	Outturn 2024/25
	Leisure Centres - Contribution to Provision	0	272	272	The Council's previous Leisure Centres operator, Stevenage Leisure Limited (SLL), entered liquidation during this financial year, significantly increasing the risk that debts outstanding will not be fully recovered.	Outturn 2024/25
	Leisure Centres - Fitness Equipment Loan – Contribution to Impairment Allowance	0	158	158	With SLL in liquidation, further impairment required of the loan principal outstanding from the £510k loan to SLL for the purchase of gym and fitness equipment at Hitchin and Royston Leisure Centres approved by Council in August 2017.	Outturn 2024/25
	Leisure Centres - Transfer from reserve	(26)	(266)	(240)	Impact on the General Fund partially mitigated by the release of amounts held in the Leisure Centre maintenance earmarked reserve	Outturn 2024/25
	Waste and Recycling Contract Expenditure	5,612	5,370	(242)	Additional cost from indexation applied to the contract in each of the last two years has been lower than the provision for contract inflation included in the budget.	Q3 2024/25
	Commingled Recycling Haulage and Processing	381	529	148	Marked decreases in the basket price achieved for the sale of the recyclates in the second half of the financial year, most notably glass and plastic.	Q3 & Outturn 2024/25
	Other budgets with variances under £100k	2,050	1,815	(235)		
	Directorate Total	6,889	7,205	316		
Regulatory Services Directorate	Supplementary Planning Documents	162	16	(146)	Most of the work on documents and processes supporting the Local Plan have been carried out in-house. This includes the adopted SPDs on Developer Contributions and Sustainability as well as work to support Biodiversity Net Gain.	Q3 & Outturn 2024/25
	Local Plan Review	244	38	(206)	Delivery of full review contingent on new legislation and guidance from Government. A proposed timetable and way forward for the Local Plan was presented to Cabinet in January 2025. This will see substantial work and external costs being incurred from 2025/26 onwards.	Q3 & Outturn 2024/25
	Town Centre Strategies	150	31	(119)	An early draft of a district-wide town centre strategy was presented to the Council's Project Board in October 2024. Further work was requested before the strategy could be presented to Cabinet. The temporary contractor that was leading on this work has subsequently left the Council and Lichfields - who prepared the underlying retail expenditure evidence - have been appointed to review, update and represent the draft strategy. This is now expected in Summer 2025.	Outturn 2024/25
	Planning Applications Income	(1,197)	(1,076)	121	Lower number of minor applications, which is a trend nationally. Larger applications subject to the master planning process as opposed to the previous paid pre-application advice, with fee income from subsequent reserved matters applications therefore being deferred.	Q2 & Outturn 2024/25
	Other budgets with variances under £100k	1,688	1,221	(467)		
	Directorate Total	1,047	230	(817)		
Resources Directorate	Directorate Total (all budgets have variances under £100k)	2,916	2,790	(126)		
OVERALL TOTAL		20,977	17,932	(3,045)		

CABINET
24 June 2025

***PART 1 – PUBLIC DOCUMENT**

TITLE OF REPORT: INVESTMENT STRATEGY (CAPITAL AND TREASURY) END OF YEAR REVIEW 2024/25

REPORT OF: DIRECTOR - RESOURCES

EXECUTIVE MEMBER: RESOURCES

COUNCIL PRIORITY: SUSTAINABILITY

1 EXECUTIVE SUMMARY

- 1.1 As at the end of financial year 2024/25, there is a reduction in Capital spend compared to quarter 3 of **£5.467million**. The majority of this change is due to revisions to the profile of planned project spend, with **£5.240million** that will now instead be incurred in 2025/26.
- 1.2 During the year the Council has generated **£2.983million** of interest from its investments. This is an increase on the budget reported Quarter 3 (£2.955M), and significantly more than the original budget of £1.150million.
- 1.3 The Council has repaid £0.022million of borrowing during the year as it has matured. The Council has £0.325million of remaining borrowing. This borrowing is at a fixed rate for a fixed period. The premium incurred from repaying this borrowing early means that it is not worthwhile to do so.
- 1.4 The Council complied with its legislative and regulatory requirements throughout the year.

2. RECOMMENDATIONS

- 2.1 That Cabinet notes expenditure of £11.348million in 2024/25 on the capital programme, paragraph 8.3 refers.
- 2.2 That Cabinet approves the adjustments to the capital programme for 2025/26 as a result of the revised timetable of schemes detailed in table 2, increasing the estimated spend by £5.204million.
- 2.3 That Cabinet notes the position of the availability of capital resources, as detailed in table 4 paragraph 8.7 and the requirement to keep the capital programme under review for affordability.

- | | |
|-----|--|
| 2.4 | That Cabinet approves the application of £3.712million of capital receipts/set aside towards the 2024/25 capital programme, paragraph 8.7 refers. |
| 2.5 | Cabinet is asked to note the position of Treasury Management activity as at the end of March 2025. |
| 2.6 | Cabinet is asked to recommend this report to Council and ask Council to:

1) Approve the actual 2024/25 prudential and treasury indicators as detailed in Appendix B.
2) Note the annual Treasury Management Review for 2024/25 (Appendix B). |

3. REASONS FOR RECOMMENDATIONS

- 3.1 Cabinet is required to approve adjustments to the capital programme and ensure the capital programme is fully funded.
- 3.2 To ensure the Council's continued compliance with CIPFA's code of practice on Treasury Management and the Local Government Act 2003 and that the Council manages its exposure to interest and capital risk.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Options for capital investment are considered as part of the Corporate Business Planning process.
- 4.2 The primary principles governing the Council's investment criteria are the security of its investments (ensuring that it gets the capital invested back) and liquidity of investments (being able to get the funds back when needed). After this the return (or yield) is then considered, which provides an income source for the Council. In relation to this the Council could take a different view on its appetite for risk, which would be reflected in the Investment Strategy. In general, greater returns can be achieved by taking on greater risk. Once the Strategy has been set for the year, there is limited scope for alternative options as Officers will seek the best return that is in accordance with the Investment Strategy.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 Consultation on the capital expenditure report is not required. Members will be aware that consultation is incorporated into project plans of individual capital schemes as they are progressed.
- 5.2 There are regular meetings with Treasury advisors (MUFG, previously known as Link).

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 17th April 2025.

7. BACKGROUND

- 7.1 In February 2024, Council approved the Integrated Capital and Treasury Strategy for 2024/25 to 2033/34.
- 7.2 The Council will seek opportunities to utilise capital funding for 'invest to save' schemes. This is one way the Council will allocate resources to support organisational transformation that will reduce revenue expenditure. Capital spend will also be necessary to ensure the continued provision of services and delivery of priorities.
- 7.3 MUFG are contracted to provide Treasury advice. The service includes:
- Regular updates on economic and political changes which may impact on the Council's borrowing and investment strategies
 - Information on investment counterparty creditworthiness
 - Technical updates
 - Access to a Technical Advisory Group.

8. RELEVANT CONSIDERATIONS

- 8.1 The Council has £122million of capital assets that it currently owns (as at 31 March 2024). The Investment Strategy set out the reasons for owning assets that are not for service delivery, including an assessment of Security, Liquidity, Yield and Fair Value. There have been no significant changes in relation to these since the Strategy was set.

Capital Programme 2024/25

- 8.2 The full capital programme is detailed in Appendix A and shows the revised costs to date, together with the actual spend from 2024/25 to 2034/35 and the funding source for each capital scheme.
- 8.3 The Outturn Capital expenditure for 2024/25 is **£11.348million**. This is a reduction of **£5.467million** on that reported at the end of the third quarter. The decrease in spend is largely due to re-profiling spend into 2025/26. Table 1 below details the changes from what was reported at Quarter 3.

Table 1- Current Capital Estimates

	2024/25 £M	2025/26 £M	2026/27 to 2034/35 £M
Budget Reported at Q3	16.815	21.689	23.560

	2024/25 £M	2025/26 £M	2026/27 to 2034/35 £M
Public Sector Decarbonisation project		1.143	
Changes as detailed in this report	-5.467	5.204	
Current Capital Estimates	11.348	28.036	23.560

- 8.4 Table 2 lists the schemes in the 2024/25 Capital Programme that will start or continue in 2025/26:

Table 2: Scheme Timetable Revision:

(Key: - = reduction in capital expenditure, + = increase in capital expenditure)

Scheme	2024/25 Working Budget £'000	2024/25 Outturn £'000	Difference £'000	Reason for Difference	Estimated impact on 2025/26 £'000
Public Sector Decarbonisation Project	8,590	6,442	-2,148	The PSDS Project spans over 2024/25-2025/26. Year 1 spend includes pre-construction fees and early order of materials. Y2 includes construction contract.	2,148
Museum Commercial Storage	1,350	0	-1,350	Purchase was agreed at the tail end of last financial year and is expected to complete in June.	1,350
Infrastructure Hardware	375	0	-375	Carrying forward the spend to 25/26 and implementing in August-November 25 will allow us to procure technology and systems more appropriate for the next 4 years.	375
NHLC Air Handling Units	250	0	-250	Budget merged with PSDS	250
Parking Charging Payments Management System	235	0	-235	Linked to the parking machine replacement works.	235
Parking Machines Replacement	291	140	-151	Reflects the cost of the work completed by the end of the year, with further upgrades to 5 machines taking place in 25/26 along with upgrades to tariff boards.	151
Property Improvements	165	39	-126	Some works identified by previous surveys as being required in the future have found not to be necessary by our Building Surveyor and a variety of works that were	126

Scheme	2024/25 Working Budget £'000	2024/25 Outturn £'000	Difference £'000	Reason for Difference	Estimated impact on 2025/26 £'000
				previously funded from this capital budget do not meet the criteria to be capitalised and consequently are funded through the revenue budget. In addition a few premises are awaiting longer term strategic decisions on their future.	
Match Funding Electric Vehicle charging	100	0	-100	Not required so far to enable EV charging installation which has been funded by grants and private sector. To be reviewed during 25/26 as may not be needed.	100
RLC Members Change Refurb	200	127	-73	Members accessible changing refurbishment to take place June 2025	73
Lairage Stairwells Windows/doors Decoration	75	6	-69	New PVC windows have been installed to two of the stairwells. There were plans to apply a coating to the concrete stairs however, since the budget was approved it's been decided to seek a full structural survey of the car park and as a result this work has been put on hold.	69
Community Centres Flat Roof Safety	43	0	-43	Two community centres were identified as requiring safety rail upgrade works. Since then, it was discovered that the roof at one of the community centres is in poor condition and as a consequence the roof safety rail works has been placed on hold.	43
Royston Leisure Centre Extension	250	212	-38	Budget merged with PSDS	38
Upgrade 25 Parking Machines	56	18	-38	Reflects the cost of the work completed by the end of the year, with further upgrades to take place in 25/26.	38
Home Repair Assistance	75	38	-37	The Carry forward will enable more of our residents the opportunity to seek financial assistance should they need	37

Scheme	2024/25 Working Budget £'000	2024/25 Outturn £'000	Difference £'000	Reason for Difference	Estimated impact on 2025/26 £'000
				to, and should they qualify. The spend on this budget is demand led and a review of the provisions of these grants is planned during 25/26 to raise awareness and make this money available to more local residents.	
Bury Mead Road Transfer Facility	30	0	-30	The work has not yet been completed as this impacts on the operational availability of the site and other planned works to improve the site being facilitated by HCC. It is anticipated to be completed in 25/26.	30
Total Minor (under £25k) slippage on other projects	280	102	-177		177
Changes to 25/26 Budget					-36
Total Revision to Budget Profile			-5.240		5.204

- 8.5 There are also changes to the overall costs of schemes in 2024/25. These changes total a net decrease of £0.215million and are detailed in Table3.

Table 3: Changes to Capital Schemes Commencing in 2024/25:

(Key: - = reduction in capital expenditure, + = increase in capital expenditure)

Scheme	2024/25 Working Budget £'000	2024/25 Spend £'000	Difference £'000	Comments
Leased Vehicles and Grounds Maintenance Vehicles and Machinery	456	210	-246	This budget was set for an accounting requirement to show vehicles (and equipment) as our assets when previously they have been shown as lease costs or part of a contract total. The budget was set when this was first going to be implemented as an accounting requirement but was then delayed. The variance is mainly due to us now having more leased vehicles (+£69k), but following detailed assessment the vehicles contained within the Grounds contract should not be treated as our asset (-£315k). These accounting adjustments do not affect the amounts that we pay for leases/ contract sums.
Technology One Implementation	156	190	34	Overspend due to additional consultancy support to implement the new finance system. This was to reduce the pressure on Officers and also reflected the complexity of the Accounts Receivable module.
Environmental Improvements to Leisure Centres	78	0	-78	Works completed within budget in 23/24
Other minor changes			63	
Total revision to scheme spend			-227	

8.6 The following capital schemes have been completed during 2024/25:

- Completion of all remaining works on the Playground Renovation projects for 23/24
- Technology One Implementation
- Old Hale Way Allotments
- Newmarket Road Skatepark
- Oughtonhead Common Footpaths
- Bancroft & Priory Splash Pads
- St Johns Cemetery Footpaths
- Ivel Springs Footpaths
- John Barker Place
- Various Leisure Facilities Refurbishments

Capital Programme 2024/25 Funding onwards

8.7 Table 4 below shows how the Council have funded the 2024/25 capital programme.

Table 4: Funding the Capital Programme:

	2024/25 Balance at start of year £M	2024/25 Additions £M	2024/25 Funding Used £M	2024/25 Balance at end of year £M
Useable Capital Receipts and Set-aside Receipts	4.914	0.070	(3.712)	1.272
S106 receipts			(1.090)	
Other third party grants and contributions			(6.546)	
Revenue Contributions / IT Reserve			0	
Planned Borrowing			0	
Total			(11.348)	

- 8.8 The availability of third party contributions and grants to fund capital investment is continuously sought in order to reduce pressure on the Council's available capital receipts and allow for further investment. Additional capital receipts are dependent on selling surplus land and buildings. Ensuring that the Council gets best value from the disposal of land and buildings can take a long time and therefore the amounts that might be received could be subject to change.
- 8.9 The Council's Capital Financing Requirement (CFR) at 31st March 2025 was negative £0.592 million (negative £2.583 million 31st March 2024). As the CFR is negative the Council does not have a need to borrow to fund capital spend. However, should the Capital programme be fully spent in 25/26 there will be a potential need to borrow £20.9M. This will have an impact on the revenue budget by way of a Minimum Revenue Provision (MRP) charge in 26/27. We will look to borrow internally against cash reserves, so as the money is spent it will reduce the income we generate from treasury investments (which is currently over 5%, but is expected to decrease over time).

Treasury Management 2024/25

- 8.10 The Council has operated both within the treasury and prudential indicators set out in the Treasury Management Strategy Statement and in compliance with the Treasury Management Practices. There was a minor breach of investment limits for one day, as detailed in Appendix B.
- 8.11 The Council generated £2.983M of interest during 2024/25. The average interest rate agreed on new deals during the year was 5.26%. The average interest rate on all outstanding investments at the 31st March was 5.1%.
- 8.12 The Council's activities expose it to a variety of risks (credit, liquidity and market). The Treasury Strategy sets out the Authority's appetite for the level of exposure to these risks.

- 8.13 **Security Risk** – The possibility that other parties fail to pay amounts due to the Authority.

The Council's counterparty list for 2024/25 comprised UK building societies and UK banks with a Fitch (a credit rating agency) credit rating greater than BBB, non-UK banks with a credit rating greater than AA- with a AAA Country rating, other Local Authorities and Public Corporations. It also includes smaller Building Societies that do not have a credit rating.

- 8.14 **Liquidity Risk** – the possibility that the Authority may not have funds available to meet its commitments to make payments.

- 8.15 **Market Risk** - the possibility that financial loss might arise as a result of changes in interest rates.

Investing long term (greater than one year) currently achieves lower interest rates than short term deals. The risks of long term deals are:

- (i) The longer the time period the longer the investment is exposed to default.
- (ii) If the investment has a fixed interest rate, interest rates could rise and the potential to invest at a higher rate will be lost until the investment matures. Conversely, rates could fall and it is better to have locked in to a higher rate.

- 8.16 Members have indicated that they are prepared to accept this risk within the limits expressed in the Treasury Strategy, which allows no more than £7M of outstanding investments to be invested for longer than 365 days at any one time. At the end of the year the Council didn't have any investments invested for longer than 365 days.

- 8.17 **Interest (Yield)** – The Bank of England decreased Bank Rate three times during 2024/25 starting the year at 5.25% and ending at 4.5%. With investments being kept relatively short for cashflow the yield on investments reduced as the year went on. £2.983million of interest was received during the year compared to £2.941million in 2023/24.

- 8.18 The investments outstanding at the 31 March 2025 were £45.0million. This compares to a balance of £46.0million at 31 March 2024. Investment in capital projects will continue during 2025/26 and the estimated investment interest for 2025/26 was set at £0.8250million. This estimate will be revised in the 1st quarter monitoring report to reflect a higher level of balances available to invest due to capital slippage and a higher interest rate than anticipated.

9. LEGAL IMPLICATIONS

- 9.1 Cabinet's terms of reference under Section 5.7.7 of the Constitution specifically includes "to monitor expenditure on the capital programme and agree adjustments within the overall budgetary framework". The Cabinet also has a responsibility to keep under review the budget of the Council and any other matter having substantial implications for the financial resources of the Council. By considering monitoring reports throughout the financial year Cabinet is able to make informed recommendations on the budget to Council.

- 9.2 The Council is under a duty to maintain a balanced budget. Section 151 of the Local Government Act 1972 states that:
“every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs.” This duty is enhanced further by the Local Government Finance Act 1992, which requires a council to set an annual budget and that budget to be fully balanced or funded. The report will assist the Council in understanding its sources of revenue and assess if the annual budget is balanced, therefore enabling the Council to comply with its statutory obligations.
- 9.3 Asset disposals must be handled in accordance with the Council’s Contract Procurement Rules, to ensure the Council obtains best value for its assets.
- 9.4 The Prudential Indicators comply with the Local Government Act 2003, which permits local councils to prudently borrow and invest.

10. FINANCIAL IMPLICATIONS

- 10.1 The main financial implications are covered in section 8 of the report.
- 10.2 The Authority operates a tolerance limit on capital projects that depends on the value of the scheme and on this basis over the next ten-year programme it should be anticipated that the total spend over the period could be £4.039million higher than the budgeted £51.595million.
- 10.3 The capital programme will need to remain under close review due to the limited availability of capital resources and the affordability in the general fund of the cost of using the Council’s capital receipts. When capital receipts are used and not replaced the availability of cash for investment reduces. Consequently, interest income from investments reduces. £1.0million currently earns the Authority approximately £42k per year in interest (4.2%). The general fund estimates are routinely updated to reflect the reduced income from investments. When the Capital Financing Requirement (CFR) reaches zero the Council will need to start charging a minimum revenue provision to the general fund for the cost of capital and will need to consider external borrowing for further capital spend. The CFR at the 31 March 2025 was negative £0.592million. This may turn positive in 25/26.
- 10.4 The Council also aims to ensure that the level of planned capital spending in any one year matches the capacity of the organisation to deliver the schemes to ensure that the impact on the revenue budget of loss of cash-flow investment income is minimised.

11. RISK IMPLICATIONS

- 11.1 Good risk management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.

- 11.2 The inherent risks in undertaking a capital project are managed by the project manager of each individual scheme. These are recorded on a project risk log which will be considered by the Project Board (if applicable). The key risks arising from the project may be recorded on Ideagen (the Council's Performance & Risk management software).
- 11.3 Risks associated with treasury management and procedures to minimise risk are outlined in the Treasury Management Practices document, TMP1, which was adopted by Cabinet in July 2003 and is revisited annually as part of the Treasury Strategy review. The risk on the General Fund of a fall of investment interest below the budgeted level is dependent on banks and building societies need for borrowing.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 There are no direct equalities implications directly arising from the adoption of the Capital Programme for 2024/25 onwards. For any individual new capital investment proposal of £50k or more, or affecting more than two wards, an equality analysis is required to be carried out. This will take place following agreement of the investment proposal.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and "go local" requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known Environmental impacts or requirements that apply to recommendations of this report. The projects at section 8.4 may have impacts that contribute to an adverse impact. As these projects go forward, an assessment will be made where necessary.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 There are no direct human resource implications.

16. APPENDICES

- 16.1 Appendix A, Capital Programme Detail including Funding 2024/25 onwards.
Appendix B, Treasury Management Update.

17. CONTACT OFFICERS

- 17.1 Report Writer – Dean Fury, Corporate Support Accountant, Tel 474509,
Dean.fury@north-herts.gov.uk

Ian Couper, Service Director: Resources, Tel 474243, email
ian.couper@north-herts.gov.uk

Antonio Ciampa, Accountancy Manager, Tel 474566, email,
Antonio.ciampa@north-herts.gov.uk
Douglas Traill-Stevenson, Property Lawyer, acting Legal Manager &
deputy Monitoring Officer
Douglas.Traill-Stevenson@north-herts.gov.uk

Reuben Ayavoo, Policy and Communities Manager
reuben.ayavoo@north-herts.gov.uk;

18. BACKGROUND PAPERS

- 18.1 Investment Strategy (Integrated Capital and Treasury Strategy)
<https://srvmodgov01.north-herts.gov.uk/documents/s24164/INVESTMENT%20STRATEGY%20INTEGRATED%20CAPITAL%20AND%20TREASURY.pdf>
<https://srvmodgov01.north-herts.gov.uk/documents/s24165/FAR%20Appendix%20A-%20Integrated%20Capital%20and%20Treasury%20Strategy.docx.pdf>

									Funding				
		2024/25 Funding £	2025/26 Funding £	2026/27 Funding £	2027/28 Funding £	2028/29 Funding £	2029/30 Funding £	2030/31 - 2034/35 Funding £					
Project	Service Directorate								Funded from Other Grants	Funded from Government Grant	Funded from s106 contributions	Funded from Revenue / IT Reserve	Balance funded from Capital Receipts/ Set- aside receipts/ Borrowing
40 KVA UPS Device or Battery Replacement	Customers	0	12,000	0	0	0	0	0	0	0	0	0	12,000
Air conditioning at Hitchin Town Hall	Enterprise	0	100,000	0	0	0	0	0	0	0	0	0	100,000
Air Handling Humidification	Enterprise	0	15,000	0	0	0	0	0	0	0	0	0	15,000
Alternative to safeword tokens for staff/members working remotely	Customers	0	9,900	0	0	0	0	0	0	0	0	0	9,900
An alternative set of 25 machines that are outside of the Windows Environment for Disaster Recovery	Customers	0	15,000	0	0	15,000	0	30,000	0	0	0	0	60,000
Audio Improvements to Mountford Hall	Enterprise	0	15,000	0	0	0	0	0	0	0	0	0	15,000
Avenue Park Floodlights	Place	1,000	0	0	0	0	0	0	0	0	0	0	1,000
Avenue Park Splash Park	Place	0	70,000	0	0	0	0	0	0	0	0	0	70,000
Baldock Road Recreation Ground Letchworth	Place	0	30,000	0	0	0	0	0	0	0	0	0	30,000
Bancroft & Priory Splash Pads	Place	13,100	0	0	0	0	0	0	0	0	0	0	13,100
Bancroft Lighting	Place	0	45,000	0	0	0	0	0	0	0	0	0	45,000
Broadway Gardens Resurfacing	Place	0	250,000	0	0	0	0	0	0	0	0	0	250,000
Burymead Road Transfer Facility	Place	0	30,000	0	0	0	0	0	0	0	0	30,000	0
Cadcorp Local Knowledge & Notice Board Software	Customers	0	5,400	0	0	0	0	0	0	0	0	200	5,200
CCTV at PCO & Hitchin Town Hall	Customers	2,400	12,500	0	0	0	0	0	0	0	0	0	14,900
CCTV Control Room Upgrade	Resources	0	45,000	0	0	0	0	45,000	0	0	0	0	90,000
CCTV Replacement	Customers	132,200	0	0	0	0	0	0	0	0	0	0	132,200
Charwood House	Enterprise	19,800	370,800	0	0	0	0	0	0	0	0	0	390,600
Community Centres Flat Roof Safety Barriers	Resources	0	43,000	0	0	0	0	0	0	0	0	0	43,000
Conference Calling Solutions in Large Meeting Rooms at District Council Offices	Customers	7,000	6,000	0	0	0	0	0	0	0	0	0	13,000
Council Property improvements following condition surveys	Resources	38,900	176,300	50,000	50,000	50,000	50,000	250,000	0	0	0	0	665,200
Cyber Attacks - Events Monitoring Software Solution	Customers	0	2,000	0	0	0	0	0	0	0	0	0	2,000
Cycle Strategy implementation (GAF)	Regulatory	0	278,000	0	0	0	0	0	0	278,000	0	0	0
DR Hardware Refresh Inc UPS Battery Pk (unit 3)	Customers	0	65,000	0	0	16,000	0	32,000	0	0	0	0	113,000
Email Encryption Software Solution	Customers	0	17,700	0	0	0	0	0	0	0	0	0	17,700
Environmental Improvements	Place	0	0	0	0	0	0	0	0	0	0	0	0
EV Charging at the existing Letchworth Depot	Place	0	100,000	0	0	0	0	0	0	0	0	0	100,000
Fibre Waste Bins	Place	0	1,170,000	0	0	0	0	0	0	0	0	0	1,170,000
Green Infrastructure implementation (GAF)	Regulatory	0	185,000	0	0	0	0	0	0	185,000	0	0	0
Grounds Maintenance Vehicles & Machinery	Resources	0	0	0	0	0	0	0	0	0	0	0	0
Hitchin Lairage car park - cosmetic coating to four stairwells and replacement windows and doors	Resources	5,900	69,100	0	0	0	0	0	0	0	0	0	75,000
Hitchin Swim Centre Café	Place	41,600	0	0	0	0	0	0	0	0	0	0	41,600
Hitchin Swimn Centre Pool View	Place	70,000	0	0	0	0	0	0	0	0	0	0	70,000
Hitchin Swim Centre Reception Toilet Refurbishment	Place	39,300	0	0	0	0	0	0	0	0	0	0	39,300
Hitchin Swim Centre: Archers Member Change and Relaxation Area Refurbishment	Place	0	300,000	0	0	0	0	0	0	0	0	0	300,000
Hitchin Swim Centre: Changing Village Refurbishment	Place	0	0	225,000	0	0	0	0	0	0	0	0	225,000

Project	Service Directorate								Funding				
		2024/25 Funding £	2025/26 Funding £	2026/27 Funding £	2027/28 Funding £	2028/29 Funding £	2029/30 Funding £	2030/31 - 2034/35 Funding £	Funded from Other Grants	Funded from Government Grant	Funded from s106 contributions	Funded from Revenue / IT Reserve	Balance funded from Capital Receipts/ Set- aside receipts/ Borrowing
Hitchin Swim Centre: Fitness Equipment Replacement	Place	383,400	0	0	0	0	0	0	10,000	0	0	0	373,400
Hitchin Swim Centre Outdoor Boiuler	Place	2,700											2,700
Hitchin Town Hall Kitchen Enhancement	Enterprise	0	0	25,000	0	0	0	0	0	0	0	0	25,000
Howard Park Kiosk Refurbishment	Enterprise	15,400	0	0	0	0	0	0	0	0	0	0	15,400
Howard Park Letchworth Path Resurfacing	Place	6,200	13,800	10,000	10,000	0	0	0	0	0	0	0	40,000
Infrastructure Hardware	Customers	0	375,000	18,000	18,000	190,000	0	0	0	0	0	0	601,000
Installation of trial on-street charging (GAF)	Regulatory	0	50,000	0	0	0	0	0	0	50,000	0	0	0
Ivel Springs Footpaths	Place	8,300	0	0	0	0	0	0	0	0	0	0	8,300
King George V Muga Hitchin	Place	0	55,000	0	0	0	0	0	0	0	55,000	0	0
John Barker Place, Hitchin	Regulatory	1,096,000	0	0	0	0	0	0	0	0	786,900	0	309,100
Laptops - Refresh Programme	Customers	19,900	339,100	49,000	35,000	40,000	349,000	234,000	0	0	0	0	1,066,000
Leased Cars	Resources	209,800	0	0	0	0	0	0	0	0	0	0	209,800
Letchworth Outdoor Pool Café	Place	59,600	0	0	0	0	0	0	0	0	0	0	59,600
Letchworth Outdoor Pool Boiler	Place	2,700											2,700
Local Authority Housing Fund Pt 2	Regulatory	300	0	0	0	0	0	0	0	300	0	0	0
Match funding for Electric Vehicle charging	Regulatory	0	100,000	0	0	0	0	0	0	0	0	0	100,000
Mel Tal Offices, Royston	Enterprise	0	25,000	0	0	0	0	0	0	0	0	0	25,000
Memos Laptops Refresh Programme	Customers	0	0	30,000	0	0	0	0	0	0	0	0	30,000
Microsoft Enterprise Software Assurance	Customers	2,200	679,000	0	0	747,000	0	1,494,000	0	0	0	0	2,922,200
Museum Storage Facility	Enterprise	0	2,000,000	2,000,000	0	0	0	0	0	0	0	0	4,000,000
Newmarket Road Royston Skatepark & Access	Place	100,000	0	0	0	0	0	0	0	0	100,000	0	0
NH Museum & Community Facility	Enterprise	0	48,300	0	0	0	0	0	48,300	0	0	0	0
NH Museum Chiller	Enterprise	0	80,000	0	0	0	0	0	0	0	0	0	80,000
NHLC Air Handling Units	Place	0	0	0	0	0	0	0	0	0	0	0	0
NHLC Café	Place	14,200	0	0	0	0	0	0	0	0	0	0	14,200
NHLC Gym Platform Lift Replacement	Place	14,900	0	0	0	0	0	0	0	0	0	0	14,900
NHLC Gym Equipment	Place	388,800	0	0	0	0	0	0	0	0	0	0	388,800
NHLC Gym Refurbishment	Place	335,900	0	0	0	0	0	0	0	0	0	0	335,900
NHLC Lift Replacement	Place	0	90,000	0	0	0	0	0	0	0	0	0	90,000
NHLC Male, Female and Accessible Wet Change Refurbishment	Place	0	0	0	0	0	0	0	0	0	0	0	0
NHLC Pool Flume Replacement	Place	0	300,000	0	0	0	0	0	0	0	0	0	300,000
NHLC Pool View	Place	90,000	0	0	0	0	0	0	0	0	0	0	90,000
Northern Transfer Station	Place	0	0	0	0	3,000,000	3,000,000	0	0	0	0	0	6,000,000
Norton Common Bowls Pavilion	Place	0	55,000	0	0	0	0	0	0	0	28,000	0	27,000
Norton Common Footpaths	Place	0	10,000	0	0	0	0	0	0	0	0	0	10,000
Norton Common Letchworth Tennis Courts	Place	0	48,700	0	0	0	0	0	0	0	0	0	48,700
Off Street Car Parks resurfacing and enhancement	Resources	3,000	36,000	43,000	77,000	0	0	0	0	0	0	0	159,000
Old Hale Way Allotments Hitchin	Place	18,400	0	0	0	0	0	0	0	0	0	0	18,400
Oughtonhead Common Footpaths	Place	20,000	0	0	0	0	0	0	0	0	0	0	20,000
Oughtonhead Common Hitchin Weir	Place	40,200	323,400	0	0	0	0	0	0	0	0	0	363,600
Oughtonhead Common Signage and Interpretation	Place	0	10,000	0	0	0	0	0	0	0	0	0	10,000
Parking Charging, Payments & Management	Regulatory	0	235,000	0	0	0	0	0	0	0	0	0	235,000
Parking Machines Replacement	Regulatory	140,100	151,100	0	0	0	0	0	0	0	0	0	291,200
Parking Machines Upgrade - Contactless Payment Facility Installation	Regulatory	18,000	38,000	0	0	0	0	0	0	42,200	0	0	13,800
PC's - Refresh Programme	Customers	22,600	11,000	8,000	5,000	8,000	5,000	8,000	0	0	0	0	67,600

Project	Service Directorate								Funding				
		2024/25 Funding £	2025/26 Funding £	2026/27 Funding £	2027/28 Funding £	2028/29 Funding £	2029/30 Funding £	2030/31 - 2034/35 Funding £	Funded from Other Grants	Funded from Government Grant	Funded from s106 contributions	Funded from Revenue / IT Reserve	Balance funded from Capital Receipts/ Set- aside receipts/ Borrowing
Playground Renovation District Wide	Place	157,100	343,400	180,000	180,000	180,000	180,000	900,000	0	0	0	0	2,120,500
Priory Gardens Bandstand	Place	0	50,000	0	0	0	0	0	0	0	0	0	50,000
Priory Memorial Gardens MUGA Royston	Place	0	55,000	0	0	0	0	0	0	0	0	0	55,000
Private Sector Grants	Regulatory	37,700	227,000	60,000	60,000	60,000	60,000	300,000	0	0	0	0	804,700
Provide housing at market rents.	Enterprise	3,000	0	0	0	0	0	0	0	0	0	0	3,000
Public Sector Decarbonisation Fund	Place	6,442,000	9,829,200	0	0	0	0	0	0	7,743,300	0	0	8,527,900
Public Sector Decarbonisation Fund Phase 2	Place	0	730,000	2,001,000	423,000	0	0	0	0	1,172,000	0	0	1,982,000
Ransoms Rec Footpaths, Gates and Railing	Place	0	20,000	0	0	0	0	0	0	0	0	0	20,000
Refurbishment and improvement of community facilities	Legal and Community	42,800	5,000	0	0	0	0	0	0	0	0	0	47,800
Refuse and Recycling Bins	Place	126,400	90,000	90,000	90,000	90,000	90,000	450,000	0	0	0	0	1,026,400
Remote testing equipment - Emergency Lights and Water Temperature Monitoring	Resources	0	13,000	0	0	0	0	0	0	0	0	0	13,000
Renovate skate park at KGV Hitchin	Place	20,000	228,700	0	0	0	0	0	0	0	0	0	248,700
Replacement of Newark Close, Royston	Enterprise	900	65,000	0	0	0	0	0	0	0	0	0	65,900
Replacement of the timber access bridge at Norton Common	Place	73,400	1,600	0	0	0	0	0	0	0	0	0	75,000
Resurface Lairage Car Park	Resources	0	346,300	0	0	0	0	0	0	0	0	0	346,300
Riverside walkway, Biggin Lane	Place	0	53,000	0	0	0	0	0	0	0	0	0	53,000
RLC change village refurbishment – replacement of cubicles, lockers, vanity area and group change.	Place	0	150,000	0	0	0	0	0	0	0	0	0	150,000
RLC Pool	Place	0	20,000	0	0	0	0	0	0	0	0	0	20,000
Royston Leisure Centre Dry Side Toilet Refurbishment	Place	0	30,000	0	0	0	0	0	0	0	0	0	30,000
Royston Leisure Centre extension	Place	211,700	0	0	0	0	0	0	0	0	174,700	0	37,000
RLC Pool View	Place	70,000	0	0	0	0	0	0	0	0	0	0	70,000
RLC Gym Equipment	Place	0	349,800	0	0	0	0	0	0	0	0	0	349,800
RLC Gym Refurbishment	Place	0	452,000	0	0	0	0	0	0	0	0	0	452,000
Royston Leisure Centre Members Changing Refurbishment	Place	127,100	72,900	0	0	0	0	0	0	0	0	0	200,000
S106 Projects	Various	28,700		0	0	0	0	0	0	0	28,700	0	0
S016 Funding for additional social housing	Regulatory	0	192,500	0	0	0	0	0	0	0	192,500	0	0
Security - Firewalls	Customers	0	23,600	18,000	0	18,000	0	54,000	0	0	0	0	113,600
Shared Prosperity Fund Community and Place Intervention: Community Engagement Schemes	Enterprise	202,800	0	0	0	0	0	0	0	202,800	0	0	0
Shared Prosperity Fund Community and Place Intervention: Creation of and improvements to local green spaces	Enterprise	81,800	0	0	0	0	0	0	0	81,800	0	0	0
Shared Prosperity Fund Community and Place Intervention: Local sports facilities, tournaments, teams and leagues	Resources	68,000	0	0	0	0	0	0	0	68,000	0	0	0
Solar Together	Place	0	563,000	0	0	0	0	0	0	44,000	0	0	519,000
St Johns Cemetery Footpath	Place	29,600	0	0	0	0	0	0	0	0	0	0	29,600
Swinburne Recreation Ground Hitchin	Place	0	30,000	0	0	0	0	0	0	0	0	0	30,000
Tablets - Android Devices	Customers	5,900	18,000	10,000	4,000	4,000	4,000	8,000	0	0	0	0	53,900
Technology One Financial System	Resources	190,100	0	0	0	0	0	0	0	0	0	0	190,100
Thomas Bellamy House, Hitchin	Enterprise	0	6,000	0	0	0	0	0	0	0	0	0	6,000
Transport Plans implementation (GAF)	Regulatory	0	250,000	0	0	0	0	0	0	250,000	0	0	0

									Funding				
Project	Service Directorate	2024/25 Funding £	2025/26 Funding £	2026/27 Funding £	2027/28 Funding £	2028/29 Funding £	2029/30 Funding £	2030/31 - 2034/35 Funding £	Funded from Other Grants	Funded from Government Grant	Funded from s106 contributions	Funded from Revenue / IT Reserve	Balance funded from Capital Receipts/ Set- aside receipts/ Borrowing
Walsworth Common Pavilion - contribution to scheme	Place	0	0	300,000	0	0	0	0	250,000	0	37,000	0	13,000
Waste and Street Cleansing Data Mgmt	Place	0	470,000	0	0	0	0	0	0	0	0	0	470,000
Waste and Street Cleansing Vehicles	Place	0	4,800,000	0	0	0	0	5,500,000	0	0	0	3,200,000	7,100,000
Weston Hills Baldock	Place	12,200	0	0	0	0	0	0	0	0	0	0	12,200
Weston Hills LNR Footpath Renovation	Place	23,800	0	0	0	0	0	0	0	0	0	0	23,800
WiFi Upgrade	Customers	0	40,000	0	0	0	0	0	0	0	0	0	40,000
Wilbury Hills Cemetery Footpaths	Place	9,400	0	30,000	0	0	0	0	0	0	0	0	39,400
		11,348,200	28,036,100	5,147,000	952,000	4,418,000	3,738,000	9,305,000	308,300	10,117,400	1,402,800	3,230,200	47,885,600

Classification: Choose classification

Annual Treasury Management Review 2024/25

English Local Authorities

DATE 08 APRIL 2025

Contents

Annual Treasury Management Review 2024/25 4

Purpose..... 4

Executive Summary..... 5

Introduction and Background..... 6

1. The Council’s Capital Expenditure and Financing..... 6

2. The Council’s Overall Borrowing Need..... 7

3. Treasury Position as of 31st March 2025..... 9

4. The Strategy for 2024/25 11

5. Borrowing Outturn 13

6. Investment Outturn 14

ABBREVIATIONS USED IN THIS REPORT

CE: Capital Economics - is the economics consultancy that provides MUFG Corporate Markets Treasury Limited, with independent economic forecasts, briefings and research.

CFR: capital financing requirement - the Authority's annual underlying borrowing need to finance capital expenditure and a measure of the Authority's total outstanding indebtedness.

CIPFA: Chartered Institute of Public Finance and Accountancy – the professional accounting body that oversees and sets standards in local authority finance and treasury management.

CPI: consumer price index – the official measure of inflation adopted as a common standard by the UK and countries in the EU. It is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. It is calculated by taking price changes for each item in the predetermined basket of goods and averaging them.

MHCLG: the Ministry for Housing, Communities and Local Government - the Government department that directs local authorities in England.

ECB: European Central Bank - the central bank for the Eurozone

EU: European Union

EZ: Eurozone - those countries in the EU which use the euro as their currency

Fed: the Federal Reserve System, often referred to simply as "the Fed," is the central bank of the United States. It was created by the Congress to provide the nation with a stable monetary and financial system.

FOMC: the Federal Open Market Committee – this is the branch of the Federal Reserve Board which determines monetary policy in the USA by setting interest rates and determining quantitative easing/tightening policy. It is composed of 12 members - the seven members of the Board of Governors and five of the 12 Reserve Bank presidents.

GDP: gross domestic product – a measure of the growth and total size of the economy.

G7: the group of seven countries that form an informal bloc of industrialised democracies - the United States, Canada, France, Germany, Italy, Japan, and the United Kingdom - that meets annually to discuss issues such as global economic governance, international security, and energy policy.

Gilts: gilts are bonds issued by the UK Government to borrow money on the financial markets. Interest paid by the Government on gilts is called a coupon and is at a rate that is fixed for the duration until maturity of the gilt, (unless a gilt is index linked to inflation); while the coupon rate is fixed, the yields will change inversely to the price of gilts i.e., a rise in the price of a gilt will mean that its yield will fall.

HRA: housing revenue account.

IMF: International Monetary Fund - the lender of last resort for national governments which get into financial difficulties.

MPC: the Monetary Policy Committee is a committee of the Bank of England, which meets for one and a half days, eight times a year, to determine monetary policy by setting the official interest rate in the United Kingdom, (the Bank of England Base Rate, commonly called Bank Rate), and by making decisions on quantitative easing/tightening.

MRP: minimum revenue provision - a statutory annual minimum revenue charge to reduce the total outstanding CFR, (the total indebtedness of a local authority).

PFI: Private Finance Initiative – capital expenditure financed by the private sector i.e., not by direct borrowing by a local authority.

PWLB: Public Works Loan Board – this is the part of H.M. Treasury which provides loans to local authorities to finance capital expenditure.

QE/QT: quantitative easing – is an unconventional form of monetary policy where a central bank creates new money electronically to buy financial assets, such as government bonds, (but may also include corporate bonds). This process aims to stimulate economic growth through increased private sector spending in the economy and also aims to return inflation to target. These purchases increase the supply of liquidity to the economy; this policy is employed when lowering interest rates has failed to stimulate economic growth to an acceptable level and to lift inflation to target. Once QE has achieved its objectives of stimulating growth and inflation, QE will be reversed by selling the bonds the central bank had previously purchased, or by not replacing debt that it held which matures. This is called quantitative tightening. The aim of this reversal is to ensure that inflation does not exceed its target once the economy recovers from a sustained period of depressed growth and inflation. Economic growth, and increases in inflation, may threaten to gather too much momentum if action is not taken to 'cool' the economy.

RPI: the Retail Price Index is a measure of inflation that measures the change in the cost of a representative sample of retail goods and services. It was the UK standard for measurement of inflation until the UK changed to using the EU standard measure of inflation – Consumer Price Index. The main differences between RPI and CPI is in the way that housing costs are treated and that the former is an arithmetical mean whereas the latter is a geometric mean. RPI is often higher than CPI for these reasons.

SONIA: the Sterling Overnight Index Average. Generally, a set of indices for those benchmarking their investments. The benchmarking options include using a forward-looking (term) set of reference rates and/or a backward-looking set of reference rates that reflect the investment yield curve at the time an investment decision was taken.

TMSS: the annual treasury management strategy statement reports that all local authorities are required to submit for approval by the Full Council before the start of each financial year.

VRP: a voluntary revenue provision to repay debt, in the annual budget, which is additional to the annual MRP charge, (see above definition).

Annual Treasury Management Review 2024/25

Purpose

This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2024/25. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

During 2024/25 the minimum reporting requirements were that the Full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 29/02/2024)
- a mid-year, (minimum), treasury update report (Council 23/01/2025)
- an annual review following the end of the year describing the activity compared to the strategy, (this report)

In addition, Cabinet and the Finance, Audit and Risk (FAR) Committee have received quarterly treasury management update reports.

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

This Council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Finance, Audit and Risk (FAR) Committee before they were reported to Cabinet / Full Council. Members are provided with an annual training session on Local Government finance, which takes place in June each year. All members are invited, with a focus on new members attending. Members of Finance, Audit and Risk Committee are provided with a short training session before most meetings. The content of these sessions is guided by Members needs, and treasury management will be considered as a topic for 2025/26.

Executive Summary

During 2024/25, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Prudential and treasury indicators	31.3.24 Actual £000	2024/25 Original £000	31.3.25 Actual £000
Capital expenditure	2.409	22.633	11.348
Capital Financing Requirement:	-2.583	11.856	-0.592
Gross borrowing	0.347	11.857	0.325
External debt	0.347	0.325	0.325
Investments	46.000	25.500	45.000
Net borrowing	-45.653	-25.175	-44.675

Other prudential and treasury indicators are to be found in the main body of this report. The Director- Resources (s151 Officer) also confirms that no new borrowing was only undertaken and the statutory borrowing limit, (the authorised limit), was not breached.

Introduction and Background

This report summarises the following:-

- Capital activity during the year;
- Impact of this activity on the Authority's underlying indebtedness, (the Capital Financing Requirement);
- The actual prudential and treasury indicators;
- Overall treasury position identifying how the Authority has borrowed in relation to this indebtedness, and the impact on investment balances;
- Summary of interest rate movements in the year;
- Detailed debt activity; and
- Detailed investment activity.

1. The Council's Capital Expenditure and Financing

The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

£m General Fund	31.3.24 Actual	2024/25 Budget	31.3.25 Actual
Capital expenditure	2.409	22.633	11.348
Financed in year	2.273	8.621	9.353
Unfinanced capital expenditure	0.136	14.012	1.995

2. The Council's Overall Borrowing Need

The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the 2024/25 unfinanced capital expenditure (see above table), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies, (such as the Government, through the Public Works Loan Board [PWLB], or the money markets), or utilising temporary cash resources within the Council.

The Council's 2024/25 MRP Policy, (as required by MHCLG Guidance), was approved as part of the Revenue Budget and Investment Strategy Report for 2024/25 on 29/02/2024.

The Council's CFR for the year is shown below, and represents a key prudential indicator.

CFR (£m): General Fund	31.3.24 Actual	2024/25 Budget	31.3.25 Actual
Opening balance	-2.719	-2.156	-2.587
Add unfinanced capital expenditure (as above)	0.136	14.012	1.995
Less MRP/VRP*	0	0	0
Less PFI & finance lease repayments	0.004	0	0
Closing balance	-2.587	11.856	-0.592

The negative closing balances mean that the Council does not have a need to borrow.

Borrowing activity is constrained by prudential indicators for gross borrowing and the CFR, and by the authorised limit.

Gross borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2023/24) plus the estimates of any additional capital financing requirement for the current (2024/25) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator as all borrowing is historic and it is not economical to repay it.

	31.3.24 Actual £'m	2024/25 Budget £'m	31.3.25 Actual £'m
Gross borrowing position	0.347	0.325	0.325
CFR	-2.583	11.856	-0.592

The authorised limit - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2024/25 the Council has maintained gross borrowing within its authorised limit.

The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached.

Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital, (borrowing and other long term obligation costs net of investment income), against the net revenue stream.

	2024/25 £'m
Authorised limit	7.0
Maximum gross borrowing position during the year	0.347
Operational boundary	2.0
Average gross borrowing position	0.337
Financing costs as a proportion of net revenue stream	-16.54%

3. Treasury Position as of 31st March 2025

The Council's treasury management debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the end of 2024/25 the Council's treasury position, (excluding borrowing by PFI and finance leases) was as follows:-

DEBT PORTFOLIO	31.3.24 Principal £'m	Rate/ Return	31.3.25 Principal £'m	Rate/ Return
Fixed rate funding:				
-PWLB	0.347	10.28%	0.325	10.72%
-Market	0.000		0.00	
Variable rate funding:				
-PWLB	0.000		0.000	
-Market	0.000		0.000	
Total debt	0.347	10.28%	0.325	10.72%
CFR	-2.579		-0.954	
Over / (under) borrowing	2.926		1.279	
Total investments	46.0	5.47%	45.0	5.1%
Net debt	(45.653)		(44.675)	

The maturity structure of the debt portfolio was as follows:

	31.3.24 Actual £'000	31.3.25 Actual £'000
Under 12 months	21	20
12 months and within 24 months	20	15
24 months and within 5 years	40	33
5 years and within 10 years	15	7
10 years and above	250	250

INVESTMENT PORTFOLIO	31.3.24 Actual £'m	31.3.24 Actual %	31.3.25 Actual £'m	31.3.25 Actual %
Treasury investments				
Banks	2	4	0	0
Building societies – rated	0	0	0	0
Building societies – unrated	0	0	0	0
Local authorities	44	96	36	80
DMADF (H M Treasury)	0	0	9	20
TOTAL TREASURY INVESTMENTS	46	100	45	100

The maturity structure of the investment portfolio was as follows:

	31.3.24 Actual £m	31.3.25 Actual £m
Investments Longer than 1 Year	2.0	0
Investments Up to 1 Year	44.0	45.0

4. The Strategy for 2024/25

The strategy in 2024/25 was to continue lending to UK banks, building societies, money market funds and Local Authorities and allow investments with non-UK banks with a credit rating greater than AA- with a AAA Country rating. Only UK banks that met credit rating criteria (“BBB” or above for longer term deals, and F3 or above for short term deals) were on the Council’s lending list. (These are Fitch definitions of ratings). Not all building societies are credit rated but this did not preclude them from the lending list as lending to a building society was dependant on their asset size. Where a society did have a rating, this was considered at the time of the deal taking into account the amount of investment and the length of the deal.

4.1 Investment strategy and control of interest rate risk

Investment returns remained robust throughout 2024/25 with Bank Rate reducing steadily through the course of the financial year (three 0.25% rate cuts in total), and even at the end of March the yield curve was still relatively flat, which might be considered unusual as further Bank Rate cuts were expected in 2025/26.

Bank Rate reductions of 0.25% occurred in August, November and February, bringing the headline rate down from 5.25% to 4.5%. Each of the Bank Rate cuts occurred in the same month as the Bank of England publishes its Quarterly Monetary Policy Report, therein providing a clarity over the timing of potential future rate cuts.

As of early April 2025, market sentiment has been heavily influenced of late by President Trump’s wide-ranging trade tariffs policy. Commentators anticipate a growing risk of a US recession, whilst UK GDP is projected by the Office for Budget Responsibility to remain tepid, perhaps achieving 1% GDP growth in 2025/26.

Looking back to 2024/25, investors were able to achieve returns in excess of 5% for all periods ranging from 1 month to 12 months in the spring of 2024 but by March 2025 deposit rates were some 0.75% - 1% lower. Where liquidity requirements were not a drain on day-to-day investment choices, extending duration through the use of “laddered investments” paid off.

That is not to say that investment choices were straight-forward. Concerns over rising inflation after the Autumn Statement in October led to reduced expectations for Bank Rate to fall. Indeed, the CPI measure of inflation is expected to reach c3.75% by the autumn of 2025, which could provide for some presentational issues for a Bank whose primary mandate is to ensure inflation is close to 2% on a two-to-three-year timeframe. At the end of March, only two further rate cuts were priced into the market for 2025 (4% at December 2025). A week later and sentiment has changed dramatically in the wake of the equity market sell-off to the extent that markets now expect three Bank Rate reductions between May and December 2025 (Bank Rate to fall to 3.75%).

4.2 Borrowing strategy and control of interest rate risk

The policy of avoiding new borrowing by running down spare cash balances which has served well over the last few years continued during 24/25.

Interest rate forecasts initially suggested gradual reductions in short, medium and longer-term fixed borrowing rates during 2024/25. Bank Rate did peak at 5.25% as anticipated, but the initial expectation of significant rate reductions did not transpire, primarily because inflation concerns remained elevated. Forecasts were too optimistic from a rate reduction perspective, but more recently the forecasts, updated from November 2024 onwards, look more realistic.

At the start of April 2025, following the introduction of President Trump’s trade tariffs policies, the market now expects Bank Rate to fall to 3.75% by the end of December 2025, pulling down the 5- and 10-year parts of the curve too.

This should provide an opportunity for greater certainty to be added to the debt portfolio, although a significant fall in inflation will be required to underpin any material movement lower in the longer part of the curve.

MUFG Corporate Markets Interest Rate View 05.02.24													
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE	5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	4.80	4.30	3.80	3.30	3.00	3.00	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.20	5.10	4.60	4.10	3.70	3.30	3.10	3.10	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.00	4.90	4.40	3.90	3.60	3.20	3.10	3.10	3.10	3.10	3.10	3.20	3.20
5 yr PWLB	4.50	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.60	3.50	3.50	3.50
10 yr PWLB	4.70	4.50	4.40	4.30	4.20	4.10	4.00	3.90	3.80	3.70	3.70	3.70	3.70
25 yr PWLB	5.20	5.10	4.90	4.80	4.60	4.40	4.30	4.20	4.20	4.10	4.10	4.10	4.10
50 yr PWLB	5.00	4.90	4.70	4.60	4.40	4.20	4.10	4.00	4.00	3.90	3.90	3.90	3.90

5. Borrowing Outturn

Borrowing

No new borrowing was undertaken during the year

Borrowing in advance of need

The Council has not borrowed more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.

Rescheduling

No rescheduling was done during the year as the approximate 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

Repayments

£22K of PWLB loans were repaid during the year, as they became due. balances.

6. Investment Outturn

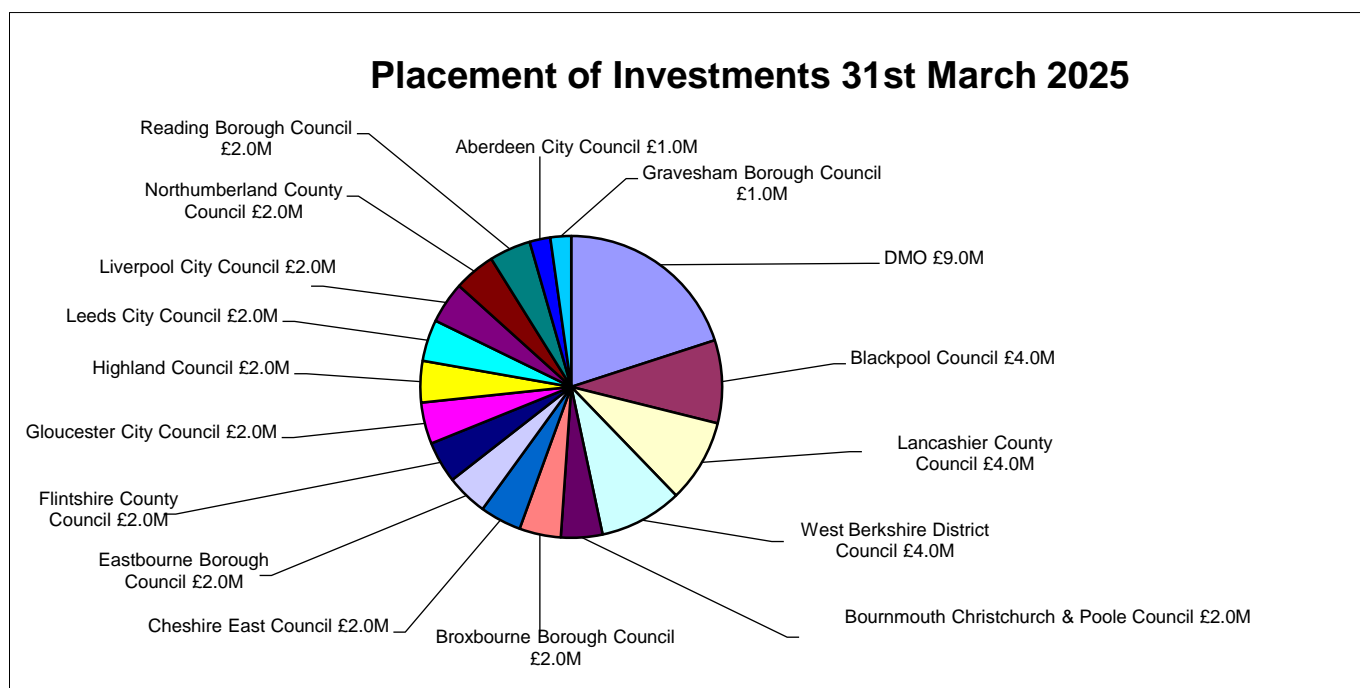
Investment Policy – the Council's investment policy is governed by MHCLG investment guidance, which has been implemented in the annual investment strategy approved by the Council in February 2024. This policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data, (such as rating outlooks, credit default swaps, bank share prices etc.).

The investment activity during the year conformed to the approved strategy, and the Authority had no liquidity difficulties. However, the £5M combined limit on the Council's Current Account and Call Account was exceeded on 20th March for one day. The combined total on both accounts was £10.9M. The Treasury Officer had to take emergency leave on the day so the planned deals were actioned the following morning. This occurred on the same day as other leave in the team.

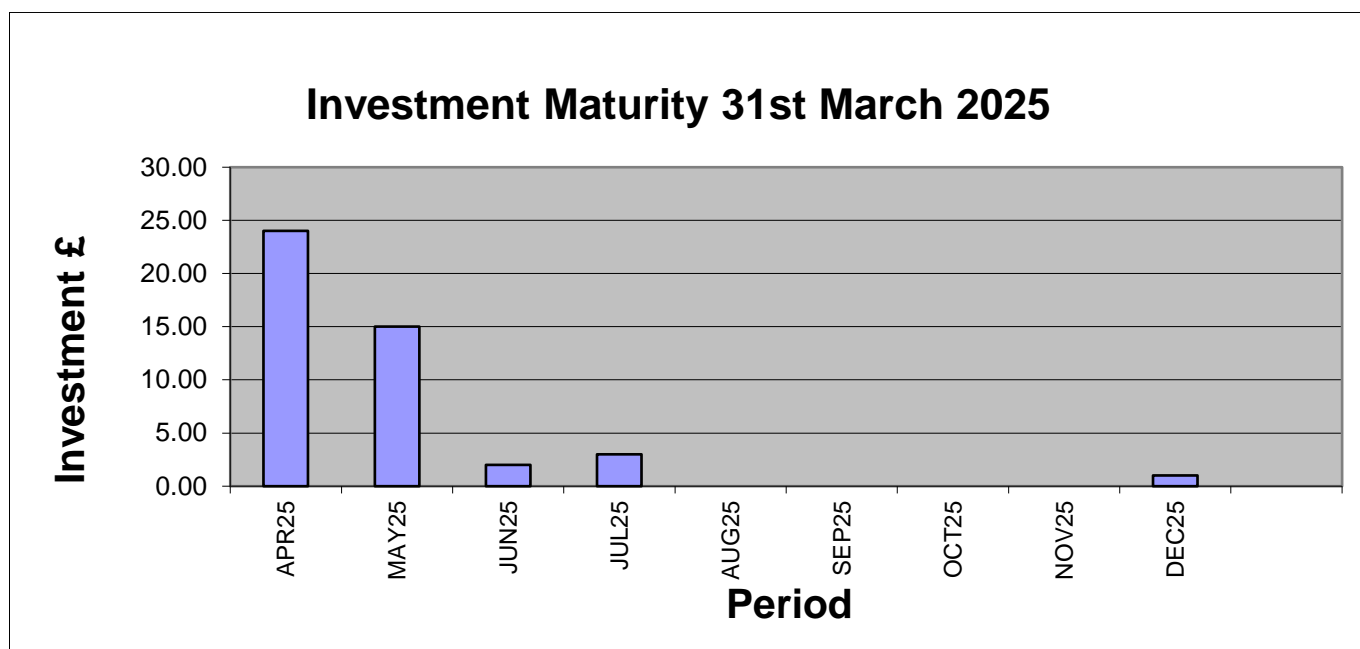
Investments held by the Council

- The Council maintained an average Investment balance of £57.3M during the year.
- Total investment income for the year was £2.983M
- Average Interest rate for the year was 5.17%

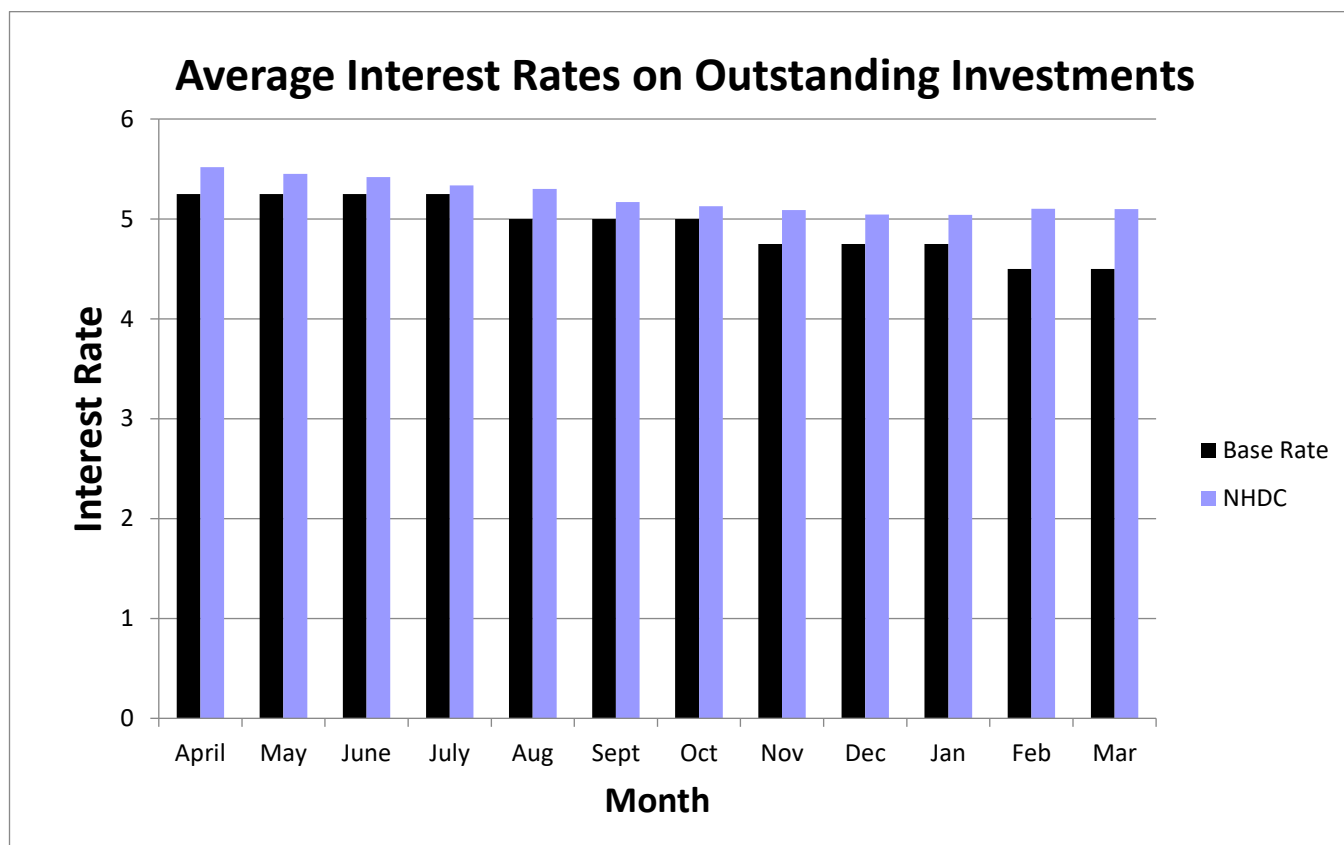
The pie chart below shows the spread of investment balances as at 31 March 2025. This is a snapshot in time that demonstrates the diversification of investments.



The graph below shows the maturity profile of investments at 31st March 2025.



The graph below shows the average interest rates on outstanding Investments at month end throughout the year.



The level of risk of any investment will be affected by the riskiness of the institution where it is invested and the period that it is invested for. Where an institution has a credit rating this can be used to measure its riskiness. This can be combined with the period remaining on the investment to give a historic risk of default percentage measure. The table below shows the Historic Risk of Default for outstanding investments at 31 March. The most risky investment still has a risk of default of only around 0.015%. It should also be noted that in general the interest rate received is correlated to the risk, so the interest income received would be less if it took on less risk. All investments

have been made in accordance with the Investment Strategy. The risk of default is also affected by the length of the investment.

Borrower	Interest Rate %	Principal	Days to Maturity from 31/03/25	Risk of Default %	Expected Credit Loss £
DMO	4.45	9,000,000	1	0.000	0
Lancashire County Council	5.05	1,000,000	7	0.000	0
Reading Borough Council	4.75	2,000,000	7	0.000	0
Blackpool Council	4.75	3,000,000	24	0.001	0
Gravesham Borough Council	5.20	1,000,000	25	0.001	0
Leeds City Council	5.05	2,000,000	25	0.001	0
Gloucester City Council	5.70	3,000,000	30	0.002	0
Lancashire County Council	5.20	3,000,000	30	0.002	0
Highland Council	5.10	2,000,000	36	0.002	0
Blackpool Council	5.70	1,000,000	39	0.002	0
Bournemouth, Christchurch & Pool Council	4.80	2,000,000	42	0.003	0
Eastbourne Borough Council	5.75	2,000,000	42	0.003	0
Cheshire East Council	5.20	2,000,000	52	0.003	0
West Berkshire District Council	4.95	2,000,000	52	0.003	0
Flintshire Council	5.80	2,000,000	57	0.003	0
West Berkshire District Council	5.10	2,000,000	59	0.004	0
Northumberland County Council	4.85	2,000,000	79	0.005	0
Broxbourne Borough Council	5.70	1,000,000	98	0.006	0
Liverpool City Council	4.85	2,000,000	120	0.007	0
Aberdeen City Council	5.50	1,000,000	254	0.015	0
Total	5.1	45,000,000		0.002	0

Under IFRS 9, the Code does not recognise a loss allowance where the counterparty is central government or a local authority since relevant statutory provisions prevent default.

This page is intentionally left blank

CABINET
24 June 2025

***PART 1 – PUBLIC DOCUMENT**

TITLE OF REPORT: REPORT ON RISK MANAGEMENT GOVERNANCE (YEAR-END UPDATE)

REPORT OF: DIRECTOR - RESOURCES

EXECUTIVE MEMBER: RESOURCES

COUNCIL PRIORITY: ALL

1. EXECUTIVE SUMMARY

To provide the Committee with an update on the effectiveness of the Risk Management Governance arrangements at the Council. The review is referred on to Cabinet and the Committee can make recommendations on how we can improve our risk management arrangements.

The highest strategic risks are the four over-arching risks of Financial Sustainability, Resourcing, Cyber, and Local Government Reorganisation and Devolution, as well as the project risks for Churchgate, Engaging the Community on our Finances, Waste and Street Cleansing Contract, and Leisure Centre Decarbonisation. All Corporate Risks were reviewed during the six-month period October 2024 to March 2025, with updates to completed and planned mitigating activities.

During the six-month period, the risk scores for two project risks were reduced - Waste and Street Cleansing Contract (from 9 to 8) and Engaging the Community on our Finances (from 8 to 7) – although both are still assessed as high risk. The overarching risk of Local Government Reorganisation and Devolution was also introduced (by Cabinet, as part of the Quarter 3 Council Delivery Plan report).

2. RECOMMENDATIONS

2.1. That Cabinet note the report and refer it on to Full Council.

3. REASONS FOR RECOMMENDATIONS

3.1. Cabinet has responsibility for ensuring the management of risks.

3.2. This Committee has responsibility to monitor the effective development and operation of risk management.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. There are no applicable alternative options.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. Consultation has been undertaken with Leadership Team and the Risk and Performance Management Group (RPMG). The Executive Member for Finance and IT (now Resources), as Risk Management Member Champion, the Chair of Finance, Audit and Risk Committee and the Chair of Overview and Scrutiny Committee are invited to RPMG meetings, as well as key officers and members of both committees. Lead officers discuss risks with the relevant Executive Member.

6. FORWARD PLAN

- 6.1. This report does not contain a recommendation on a key Executive decision and has not been referred to in the Forward Plan.

7. BACKGROUND

- 7.1. In March 2022, Cabinet agreed that risks impacting on the delivery of the Council Plan and linked key projects would be reported to the Overview and Scrutiny Committee (O&S), along with details of key performance indicators. This forms part of the established Council Delivery Plan process and performance monitoring arrangements. The Finance, Audit and Risk Committee (FAR) focuses on its role (as set out in the Constitution) of “monitor[ing] the effective development and operation of risk management”. To achieve this, the Committee receives a mid-year (in December/January) and end of year (in June) report.
- 7.2. The Executive Member for Finance and IT (now Resources), in their role as the Risk Management Member Champion, is a regular attendee at quarterly RPMG meetings. The items discussed at these meetings inform the content of related committee reports.
- 7.3. The RPMG is chaired by the Director – Resources, the Officer Champion for Risk Management, who is responsible for the risk management function at a strategic and operational level. This function is delivered by the Controls, Risk and Performance Manager and the Performance and Risk Officer, including the provision of training and support to officers and Members.
- 7.4. Hertfordshire County Council (HCC) delivers the Council’s insurance services and their Risk and Insurance Manager attends RPMG meetings. This enables the Council to obtain an insight into emerging risks and issues at both HCC and other Hertfordshire local authorities. The SIAS Head of Assurance also attends RPMG meetings, helping to inform understanding of wider risk issues.
- 7.5. These reports provide a wider commentary on risk, a broader understanding of risks and mitigations, and assurance that risk governance arrangements are working and effective risk management processes are in place.

- 7.6. When the Committee considered the year-end report for 2023/24, there was a request for further information on risk mitigations. This was included in the mid-year report and again, at paragraph 8.2.6 of this report.

8. RELEVANT CONSIDERATIONS

8.1. RISK MANAGEMENT GOVERNANCE

- 8.1.1. The Councils Risk Management Framework requires us to:

- Identify and document key risks in all areas of our business, understand them and seek to proactively manage them.
- Assess each risk, identify existing controls, and further actions required to reduce the risk.
- Have Business Continuity Plans in place for each of our service areas, which identify the key functions, what the risks are and how they can be mitigated to allow them to continue operating.
- Develop capacity and skills in identifying, understanding, and managing the risks facing the Council.
- Regularly review the Risk Management Framework and update it in line with statutory and best practice requirements.

- 8.1.2. Changes to the Risk Management Framework were reported to this Committee in January 2025 as part of the mid-year update and were approved by Cabinet on 14 January 2025.

8.2. Risk Identification and Assessment

- 8.2.1. Leadership Team and Cabinet are responsible for the Corporate Risks, with Cabinet ensuring these risks are managed appropriately and proportionately. These key risks are those that cut across the delivery of all services, relate to key projects, or could significantly affect the delivery of Council objectives. They are likely to require a high-level of resources to manage and need to be monitored at a strategic level.
- 8.2.2. The reporting of Corporate Risks to Cabinet, via quarterly Council Delivery Plan updates, allows details of the top risks facing the Council to be monitored. The half-yearly reports on risk management governance (to FAR and Cabinet) help to provide assurance over the processes that are in place to support risk management.
- 8.2.3. In March 2024, Cabinet decided that there would be 11 Council Delivery Plan projects and 3 over-arching Corporate Risks. Each Council Delivery Plan project has a risk assessment in place to determine the major risks to the delivery of the project and the mitigating actions required. The majority of the projects were carried forward from the previous Council Delivery Plan, although the scope of the waste and street cleansing project was changed from contract award to contract mobilisation and the scope of the leisure centre works project was changed to the delivery of all works forming part of the Public Sector Decarbonisation Scheme bid. There were new projects relating to Engaging the Community on our Finances and a new skate park at King George V

recreation ground, Hitchin. In March 2025, Cabinet approved a further over-arching Corporate Risk entitled Local Government Reorganisation and Devolution.

8.2.4. The following diagram highlights the definitions of likelihood and impact used in the Risk Management Framework:

4 Likelihood High (3) Impact Low (1) Chance of it happening -More than 60% Consequences - Minor	7 Likelihood High (3) Impact Medium (2) Chance of it happening - More than 60% Consequences - Noticeable effect on the Council	9 Likelihood High (3) Impact High (3) Chance of it happening - More than 60% Consequences - Significant impact on the Council
2 Likelihood Medium (2) Impact Low (1) Chance of it happening – between 20 – 60% Consequences - Minor	5 Likelihood Medium (2) Impact Medium (2) Chance of it happening – between 20 – 60% Consequences – Noticeable effect on the Council	8 Likelihood Medium (2) Impact High (3) Chance of it happening – between 20 – 60% Consequences – Significant impact on the Council
1 Likelihood Low (1) Impact Low (1) Chance of it happening – less than 20% Consequences - Minor	3 Likelihood Low (1) Impact Medium (2) Chance of it happening – less than 20% Consequences – Noticeable effect on the Council	6 Likelihood Low (1) Impact High (3) Chance of it happening – less than 20% Consequences – Significant impact on the Council

8.2.5. The most recent Council Delivery Plan monitoring report contains the following risks, which have been plotted on the Corporate Risk Matrix to show a visual risk profile of the Plan:

Likelihood	3 - High	4	7 - Engaging the Community on our Finances	9 - Financial Sustainability - Local Government Reorganisation and Devolution - Resourcing
	2 - Medium	2 - King George V Skate Park - Oughtonhead Common Weir	5 - Local Plan Review - Resident/Public EV Charging in our Car Parks - Town Centre Strategies	8 - Churchgate - Cyber Risks - Leisure Centre Decarbonisation - Waste and Street Cleansing Contract
	1 - Low	1 - Pay on Exit Parking	3	6 - Digital Transformation
		1 - Low	2 - Medium	3 - High
		Impact		

8.2.6. The risks can also be assessed in the context of mitigating actions, including those that have been completed. Where mitigating actions are completed, there would be an expectation that these would have some impact on the risk score. The current completed actions and proposed mitigating actions are detailed below for each of the Council Delivery Plan high level risks. Actions completed since the mid-year update are in ***bold italics*** to indicate how mitigating activity is progressing.

Risk Title/ Risk Scores	Completed Mitigating Actions	Ongoing Controls and Mitigating Actions
Churchgate Current: 8 Target: 6	<ul style="list-style-type: none"> - Secured both freehold and leasehold ownership. - Project Board appointed (November 2022). - Lead consultant (Lambert Smith Hampton) appointed (June 2023). LSH supported by design and transport consultants. - Appointed communications agency support (PLMR). - Detailed project risk log created. Issues log also created. - SIAS audit of Churchgate - Ongoing Project Assurance (reported May 2024). Recommendations implemented. - Engagement plan developed and approved by Project Board (July 2024). - Formal engagement process commenced September 2024 and ended November 2024. 	Controls: <ul style="list-style-type: none"> - Communications and consultation plan in place, which is kept updated. - Decisions explained, including that there will need to be compromises. - Financial and expert consultancy support is in place to provide expert advice and help us to move the project forward. - Cost effectiveness/value for money is a key part of assessing and developing options. Project Management Controls: <ul style="list-style-type: none"> - Regular Project Board meetings. - Project risk log and issues log regularly updated.
Waste and Street Cleansing Contract Current: 8 Target: 6	<ul style="list-style-type: none"> - New contract will change to 3-weekly collections. - Robust inflationary models used. - Included management mechanisms for anticipated changes in law. - New contract drafting to manage legislative and statutory guidance changes. - Workshops with Members to consider options for reducing/changing specification requirements. - Dialogue with bidders on reduced/changed specification requirements. - Project Board (Procurement) established. - Independent legal advice sought on draft statutory guidance. - EV charging feasibility assessments undertaken. - Secured use of Letchworth depot. - Pre-contract award uncertainty relating to Waste costs referenced in the MTFs 2024-29. - Procured new long-term Materials Recovery Facility contract, thereby removing previous cost uncertainty relating to this contract. - Procured new fleet vehicles. Will be delivered and on site for start of contract. 	<ul style="list-style-type: none"> - Project Risk Log in place and reported to Project Board. - Support from consultants, and project management support from East Herts. - Remaining uncertainty relating to Waste contract costs referenced in the MTFs 2025-30. - Project Board (Mobilisation) in place and meets regularly. - Service Director - Place to ensure Leadership Team sufficiently considers resource needs of the project. - Risks relating to the development/integration of online forms being managed via the Digital Transformation project. - Development of a comprehensive Communications Plan and a budget setting bid to support delivery of related project comms. - Installation of 10 new EV charging points at Works Road depot. Due to be completed prior to start of contract.

Risk Title/ Risk Scores	Completed Mitigating Actions	Ongoing Controls and Mitigating Actions
Leisure Centre Decarbonisation Current: 8 Target: 6	<ul style="list-style-type: none"> - Project Board established. - Dedicated Project Manager appointed. - Detailed Project Risk Log created and reported to Project Board on an ongoing basis. - Appointed Quantity Surveyor to oversee NHC's interests. - Project Board decision to draw down Year 1 grant funding and place early orders for plant and materials including Air Source Heat Pumps and Solar PV, prior to entering the construction contract. - Council decision on 15 January 2025 to proceed with the design and order of larger, bespoke heat pumps and to approve additional forecast capital and ongoing revenue costs, whilst noting the ongoing project risks associated with this decision. 	<ul style="list-style-type: none"> - Weekly Project Team meetings. - Regular Project Board meetings. - Engagement with Planning. - Regular communication with Salix regarding grant change request and meeting grant conditions. - Discussions with DNO and regular updates on applications. - Contracts to include required savings guarantees and post-installation verifications. - Clarify grant funding implications if carbon savings are not achieved. - Communicate planned disruption to users, highlighting the wider aims of the project, and consider the need for a formal Communication Plan.
Engaging the community on our finances and how we spend our money, via the 'Prioritising our Pounds' Digital Budget Hub Current: 7 Target: 2	<ul style="list-style-type: none"> - Launched the Digital Budget Hub to communicate with those that are most engaged. - Started conversations with Executive Member and Shadow Executive Member over broad format of consultation. - Government confirmation of three-year settlement from 2026/27 onwards. 	<ul style="list-style-type: none"> - Influence Government to ensure they deliver the needed budget certainty, and ideally improved funding. - Continue with communications to maintain engagement and also get more sign-ups.
Resourcing Current: 9 Target: 8	<ul style="list-style-type: none"> - Carry-forward of staffing underspend to help deliver some priorities. - Work on Baldock Fire recovery has subsided. - Council Delivery Plan reviewed for 2024/25 with a reduction in number of projects. - Recruitment website updated to make it more attractive to applicants. - Some success in recruiting to previously hard to fill roles, although still some continuing issues in certain areas. - Pressures identified in the budget setting process for 2025/26 for additional staffing, including training posts. - Joined in with the national recruitment campaign for councils led by the LGA. 	<ul style="list-style-type: none"> - Consider getting in additional staffing resource (especially where New Burdens funding available). - Signposting to external resources and support. - Process automation. - Continue HR projects to help make the Council a more attractive place to work and make the recruitment process easier. - Continue to review the Council Delivery Plan to ensure resources are targeted at those projects that are the highest priority and stop/delay work on those that are a low priority.

Risk Title/ Risk Scores	Completed Mitigating Actions	Ongoing Controls and Mitigating Actions
<p>Cyber Risks Current: 8 Target: 8</p>	<ul style="list-style-type: none"> - In-house fully functional Disaster Recovery solution. - SLA from broadband provider in place (although loss of broadband service is out of our control). - Financial Risk identified for 2025/26 to fund services to aid recovery, "Ransomware attack results in the write-off of some IT hardware and infrastructure" (Low Risk/£200K). - 2022/23 SIAS audits of IT Hardware (Reasonable assurance), Phishing (Reasonable assurance) and Cyber Risk (Reasonable assurance). - V3 laptop rollout completed for staff. - Implemented IT Hardware audit recommendations. - Test Immutable Cloud Back-up - Phase 1. - Implemented Immutable Cloud Back-up - Phase 2. - IT Information Team Leader and Technical Operations Manager completed the Certified Information Security Manager course. - Implemented Phishing audit recommendations. - Implemented Cyber Risk audit recommendations. - New email monitoring system Mimecast implemented and live. Backup server for mail routing in the event of attack on Microsoft 365 in place. - Windows 11 operating system with Microsoft Defender now deployed. - Mimecast system now used to conduct more sophisticated Phishing Simulations. - Website Access Control and Monitoring upgrade completed. - 2024/25 SIAS audits: Cyber Security Supply Chain Management (Reasonable assurance), Cyber Governance and Culture (Reasonable assurance). - The Council has introduced a Cyber Resilience Board, which includes key officers and elected Members, and meets quarterly. - The Council will not now appoint a Chief Information Security Officer. IT Manager to undertake the role of principal security officer as Cyber Security Lead. 	<p><u>Key Controls/Mitigations</u></p> <ul style="list-style-type: none"> - Technology in place to cover systems being interrupted or damaged, and data being corrupted or erased: Computer virus (Realtime Virus Protection/Defender updated), Malware (Realtime Monitoring), Computer hacking (Firewalls/Admin restrictions). - Internal detailed IT risk register in place, which is continually monitored/updated, as individual ongoing risks are identified. (Ongoing) - Cyber Awareness training for all staff, including new requirement for annual refresh. - Continual evaluation and development of cyber policies and threat analysis. - Implementation of 2024/25 SIAS audit recommendations. <p><u>Response Options</u></p> <ul style="list-style-type: none"> - Successful cyber-attack would be managed by a complete disconnect, with no/limited service available until the breach is fixed. IT would have responsibility for initiating this. - Power failure would be managed by the generator/UPS, with a limited service available. - For Ransomware, go to backup and rebuild all devices. Ransomware policy discussed by February 2025 Cyber Board. In line with Government recommendations, no ransom will be paid.

Risk Title/ Risk Scores	Completed Mitigating Actions	Ongoing Controls and Mitigating Actions
Financial Sustainability Current: 9 Target: 5	<ul style="list-style-type: none"> - MTFS for 2025-30 agreed by Council in September 2024. - <i>Set budget for 2025/26, which identified additional pressures and incorporated revised funding assumptions.</i> - Government confirmation of three-year settlement from 2026/27 onwards. 	<ul style="list-style-type: none"> - Revise funding projections as a result of formula changes and insight of future direction. - MTFS sets out a strategy for addressing funding gaps, including how difficult service funding decisions will need to be made. - Regular budget monitoring to highlight any issues. - Budget consultation to ensure savings reflect resident priorities.
Local Government Reorganisation and Devolution Current: 9 Target: 5	<ul style="list-style-type: none"> - <i>The Council is part of the County-wide White Paper Working Group, which aims to provide the information required for a decision on future structure.</i> - <i>Staff have been provided with regular updates and chances to ask questions, this has included reassurance that services will still need to be delivered under any structure.</i> 	<p>Controls and Further Mitigating Activities:</p> <ul style="list-style-type: none"> - To support White Paper Working Group sub-groups with providing relevant information for North Herts. - Continued support for staff. - Engagement and communication with stakeholders to seek views on outcomes and explain outcomes. - Maintain processes for decision making and ensure decisions are taken in the best interests of North Herts (irrespective of future structure).

8.2.7. In addition to Corporate Risks, we also document and review service risks. As of 31 March 2025, there were 41 service risks. Twelve of these were rated as high (red) risks, 17 as medium (amber) risks and 12 as low (green) risks. The high rated risks related to:

- Procurement Risks
- Open Space in Major New Developments
- Unauthorised Encampments on NHC Land
- Sale of Recyclable Materials
- Kimpton Water Table
- Delivery of the Waste Collection and Street Cleansing Services Contract
- Waste Transfer Infrastructure
- EV Charging Points
- Resilience of and increasing demands on Environmental Health
- Increased Levels of Homelessness
- Virgin O2 2G Network Shutdown
- Waste Depots

8.3. Review of Risks

8.3.1. Risk reviews are scheduled within Ideagen (our performance and risk software), with automated reminders sent to assigned officers when risks are due to be reviewed. In line with Risk Management Framework (RMF) requirements, red risks are reviewed most regularly – every 3 months, with amber risks every 6 months and green risks being reviewed at least once a year. The Performance and Risk Officer assists service areas to ensure that information is captured in line with the RMF.

8.3.2. As of 31 March 2025, there were a total of 56 risks on the risk register. All of these had risk reviews scheduled in accordance with the RMF. During the six-month period October 2024 to March 2025, which followed the six-month period previously reported in the mid-year update, 83 risk reviews took place, with 75 (90%) of these taking place in line with strict RMF requirements. Of the eight reviews that were late, five were less than one week late. For the three reviews that were more than one week late, ranging from 16 to 28 days late, reasons for the delay have been investigated. The main reasons were resourcing and waiting for/collating information to allow a more accurate review to be undertaken. Of the eight late reviews, four related to Corporate Risks, with three of these being less than one week late.

8.4. **New and Archived Risks**

8.4.1. During the six-month period to 31 March 2025, three new risks were created. These were:

- **Local Government Reorganisation and Devolution:** New Corporate Risk (included in the Council Delivery Plan) describing key risks associated with local government reorganisation and devolution and setting out key activities to control/mitigate these.
- **Agency workers' rights after 12 weeks:** Where agency workers exceed 12 weeks working at NHC, the risk of not applying their right to the same basic working and employment conditions they would have received if they were directly recruited.
- **Virgin O2 2G Network Shutdown:** The risks to Careline's dispersed alarm systems associated with the planned Virgin O2 2G network shutdown.

8.4.2. During the six-month period to 31 March 2025, 13 risks were archived. All of these related to either existing risks being updated and replaced for the current year, completed Council Delivery Plan projects or projects that had been subsequently removed from the current Council Delivery Plan.

8.4.3. These risks and the reasons for archiving are summarised in Appendix A.

9. **Insurance Review**

9.1. Hertfordshire County Council continues to handle the Council's insurance arrangements under a shared service arrangement. The Council's insurance policies were renewed from 1 April 2025. Unfortunately, once again, due to the rising cost of claims in the insurance market, rates were increased by the liability and motor insurers.

9.2. The Council transfers some financial risks to its insurers. Public liability insurance provides the Council with insurance cover for claims made by the public for personal injury and/or property damage. These types of claims are subject to a £10,000 excess that is charged to the responsible service area. Areas that have been subject to a claim are identified and wherever possible, action is taken to prevent future damage to property or personal injury. As of 31 March 2025, there were three outstanding public liability claims against the council.

- 9.3. The Municipal Mutual Insurance (MMI) Scheme of Arrangement was triggered in 2013, and the Council now pays 25% of any new claims dating back to the period that MMI was the Council's insurer (1974 to 1993). The Council's Financial Risks make provision for any new claims and any further levy demands relating to the period that MMI were the Council's insurers. As of 31 March 2025, there were no outstanding claims with MMI.
- 9.4. The Walsworth Community Centre suffered severe flood damage in September 2024. The claim for damage to the building was settled for the sum of £34,750 by the Council's insurers.

10. Business Continuity and Emergency Planning

- 10.1. For Emergency Planning, a shortage of volunteers (e.g., to be used to open and staff a Rest Centre or to act as Site Liaison Officers) had already been identified prior to the flooding in Hitchin, so recruitment and training of more staff volunteers was in progress. Since the flooding incident, volunteer numbers have increased but still looking to recruit more.
- 10.2. Training sessions have included British Red Cross training on Reception Centres, Introduction to Emergency Planning sessions and training for new Tactical/Site Liaison Officer volunteers. Training through the Local Resilience Forum (LRF) included a Major Incident Exercise for CEXs, Directors.
- 10.3. A Groundwater Flood Alert for Kimpton from the Environment Agency was issued in March 2024 and cancelled in June 2024. A further alert was issued in December 2024, which remained in place until May 2025. Work has continued with Hertfordshire County Council to ensure that there are fully developed plans in place in case there is groundwater flooding in Kimpton. A site visit took place in January 2025 and multi-agency meetings have been held regularly.
- 10.4. Johnson Matthey is an upper-tier Control of Major Accident Hazards (COMAH) site in Royston. An External Emergency Plan is in place for the site. A site visit was arranged for the Chief Executive and Directors to attend. NHC Officers attended a multi-agency LRF exercise facilitated by HCC to test the External Emergency Plan.
- 10.5. A Cyber Incident Business Continuity Response Plan has been drafted to provide guidance on the corporate business continuity response in the event online systems become unavailable. During this year, there will be a training exercise linked to the plan.
- 10.6. Other areas of focus during 2025/26 will be updates to the pandemic plan (linking to the LRF plan and forthcoming exercises), a Widespread Power Outage Business Continuity Plan (linked to a LRF framework) and an Adverse Weather Business Continuity Plan.

11. Health and Safety

- 11.1. Following concerns over certain packages received by the Council, which thankfully proved harmless, we reviewed and updated our bomb/suspicious packages procedures. These are available to all staff and councillors on SharePoint.

- 11.2. Following instances of members of the public gaining access to the council offices via the rear entrance, we issued reminders to staff and councillors of the need to make sure the building is kept secure. Although there have been no further reported incidents, this is not a particularly easy thing to manage and relies on staff and councillors always following the guidance provided.
- 11.3. Discussions were held on the best ways to keep officers safe when they are lone working, especially when carrying out enforcement roles. Technological solutions are available, but these need a mobile signal, which is not available in some rural areas. We consulted with East Herts District Council (EHDC), as they have similar issues in respect of lack of mobile signals. EHDC use a device that uses a combination of GPS and Wi-Fi tracking alongside integration with What3Words. This information has been passed to managers with remote working staff, who are looking at a trial. The lone working policy also includes lower technology solutions e.g., making others aware of schedules and agreed check-in times.

12. Actions for 2024/25 and 2025/26

- 12.1. The mid-year update detailed the following key actions for 2024/25 to enhance our Risk Management processes:

Action	Due Date	Progress
Undertake the annual review of Risk Management Framework documentation.	31/12/24	Completed and approved by Cabinet on 14 January 2025.
Assess how well the cyclical attendance of Service Directors at RPMG works.	31/12/24	Completed – cyclical attendance is taking place and allows broad risk coverage with expert input.
Senior Managers Group (SMG) review of emerging risks and opportunities.	31/12/24	Completed – reviewed by SMG at a meeting in early 2025.
Training for O&S (also open to other Members) on using Ideagen.	30/09/24	Completed - the offer of training was made. The demand for this type of training to be re-visited at regular intervals.
Training for FAR (also open to other Members) on carrying out a risk assessment.	30/09/24	Completed - other training was prioritised and this training took place in advance of a FAR meeting in early 2025.
Continue to refine the Council Delivery Plan.	31/03/25	This will continue as an ongoing activity.

12.2. The following key actions for 2025/26 aim to further enhance our Risk Management processes:

Action	Due Date	Progress
Undertake the annual review of Risk Management Framework documentation.	31/12/25	This is scheduled to take place in September/October 2025. Review outcomes should be reported to the RPMG in November 2025 and to relevant committees in December 2025.
Training exercise linked to the Cyber Incident Business Continuity Response Plan.	31/12/25	Plan close to being finalised, and training is being planned.
Senior Managers Group (SMG) review of emerging risks and opportunities.	31/03/26	This is likely to be undertaken in early 2026, to await publication of wider information on emerging risks e.g., Global Risks Report 2026, National Risk Register 2026.
Updates to Emergency and Business Continuity plans, as detailed in Section 10.	31/03/26	Waiting for information from other sources (e.g., LRF) before commencing.

13. LEGAL IMPLICATIONS

13.1. Cabinet's Terms of Reference include "To take decisions on resources and priorities, together with other stakeholders and partners in the local community, to deliver and implement the budget and policies decided by the Full Council. To monitor performance and risk in respect of the delivery of those policies and priorities" (Constitution 5.7.3).

13.2 The Council's Risk Management Framework Strategy document determines that all Councillors should support and promote an effective risk management culture. This report being considered by Full Council contributes towards that culture.

14. FINANCIAL IMPLICATIONS

14.1. There are no direct financial implications arising from this report.

15. RISK IMPLICATIONS

15.1. Good risk management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.

- 15.2. The Risk Management Framework requires the Finance, Audit and Risk Committee to consider regular reports on the Council's risk management governance arrangements. Failure to provide the Committee with regular updates would conflict with the agreed Framework and would mean that this Committee could not provide assurance to Cabinet that the Council has appropriate risk management governance arrangements in place to manage risks effectively.

16. EQUALITIES IMPLICATIONS

- 16.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 16.2. There are no direct equality implications relating to this report. Reporting on the management of risk provides a means to monitor whether the Council is meeting stated outcomes of district priorities, its targets, and is delivering accessible and appropriate services to the community to meet different people's needs. The Council's risk management approach is holistic, taking account of commercial and physical risks. It should consider the risk of not delivering a service in an equitable and accessible manner, especially to its most vulnerable residents, such as those who are homeless.

17. SOCIAL VALUE IMPLICATIONS

- 17.1. The Social Value Act and "go local" requirements do not apply to this report.

18. ENVIRONMENTAL IMPLICATIONS

- 18.1. There are no known Environmental impacts or requirements that apply to this report.

19. HUMAN RESOURCE IMPLICATIONS

- 19.1. The proposed Resourcing risk highlights the potential impact on staff of taking on new tasks.

20. APPENDICES

- 20.1. Appendix A – Archived Risks (October 2024 to March 2025)

21. CONTACT OFFICERS

- 21.1. Ian Couper, Service Director – Resources
ian.couper@north-herts.gov.uk, ext. 4243
- 21.2. Tim Everitt, Performance and Risk Officer
Tim.everitt@north-herts.gov.uk, ext. 4646
- 21.3. Ellie Hollingsworth, Policy and Strategy Officer
Ellie.hollingsworth@north-herts.gov.uk, ext. 4220

21.4. Douglas Traill-Stevenson, Property Solicitor
Douglas.traill-stevenson@north-herts.gov.uk, ext. 4653

22. BACKGROUND PAPERS

22.1. None.

This page is intentionally left blank

Appendix A

Archived Risks (October 2024 to March 2025)

13 risk entries archived between 1 October 2024 and 31 March 2025.

Code	Title	Reason Risk Entry Archived
RR602	Health Inequalities	Related 2023/24 Council Delivery Plan project completed. Last update reported to Cabinet on 25 June 2024. HCC funding was secured for 2024/25, and projects were delivered by our partners throughout the year. However, the risk has now in effect materialised, as the HCC funding stream related to the previous Council Delivery Plan items has ended and will not continue. Therefore, our involvement with these projects ceased at the end of March 2025, although the projects themselves may continue with other sources of funding. £94K has been allocated from 2025/26 Shared Prosperity Fund funding to deliver a range of Active Communities and Community Wellbeing projects. This aims to build on the wellbeing interventions delivered via the UKSPF in 2024/25. However, there remains a risk to the delivery of other NHC community wellbeing projects, as without an approved revenue budget, these are dependent on us continuing to secure external grant funding. Residual risk level assessed as low.
CDP04	Town Centre Recovery	Related project not included in the 2024/25 Council Delivery Plan and no longer a need to monitor associated risks corporately. At the time of the last review, assessed as a low risk area. Last reported to Cabinet on 25 June 2024.
CDP07	Resident/Public EV Charging in our Car Parks	Archived for administrative purposes only. Risk entry superseded by a new Council Delivery Plan risk for 2024/25 - CDP10 (2024/25).

Code	Title	Reason Risk Entry Archived
CDP08	Cycling Network	Related project in the 2023/24 Council Delivery Plan completed and therefore not taken forward into the 2024/25 Council Delivery Plan. This was reported to Cabinet on 25 June 2024, as part of the year-end monitoring report. HCC is responsible for leading on and delivering related cycling projects. We continue to direct officer effort at seeking funding to assist with the design and delivery of schemes outlined in the LCWIP, and to work effectively in partnership with HCC to help identify, fund, and deliver the best schemes for North Herts. Associated risks managed under existing controls at the target risk level.
CDP10	Royston Leisure Centre Solar Thermal	Related project in the 2023/24 Council Delivery Plan was cancelled, as solar thermal at Royston Leisure Centre was no longer something we were looking to install and was not included in the wider Public Sector Decarbonisation Scheme funded project. Therefore, described risks were no longer applicable/present. This was reported to Cabinet on 25 June 2024, as part of the year-end monitoring report.
CDP13	Pursue commercial leasing opportunity for Royston Town Hall Annexe	Related project not included in the 2024/25 Council Delivery Plan and no longer a need to monitor associated risks corporately. At the time of the last review, assessed as a medium risk area. Last reported to Cabinet on 25 June 2024. This is an operational activity managed by Estates as 'business-as-usual'. There are complications associated with the site, and we continue to work and engage with others to try to determine a clear way forward.
CDP17	Empty Homes Strategy	Related project not included in the 2024/25 Council Delivery Plan and no longer a need to monitor associated risks corporately. As the Strategy was adopted in February 2024, remaining risks relate to Environmental Health having sufficient resources to implement it. At the time of the last review, assessed as a low risk area. Last reported to Cabinet on 25 June 2024. There is a service risk recorded on the Risk Register entitled 'Resilience of and increasing demands on Environmental Health', which covers the risk of Environmental Health not having enough resources to achieve service objectives.

Code	Title	Reason Risk Entry Archived
CDP18	New Ways of Delivering Housing on Council Land	Related project not included in the 2024/25 Council Delivery Plan and no longer a need to monitor associated risks corporately. The intention is to treat each of the four opportunities individually on their own merits, undertaking work to determine the most beneficial disposal route for each site and to make a formal decision on how to proceed. Ultimately, risk levels will depend on whether we pursue a standard disposal route (lower risk) or choose to develop sites ourselves (higher risk).
CDP26	Charnwood House	Related project not included in the 2024/25 Council Delivery Plan and no longer a need to monitor associated risks corporately. At the time of the last review, assessed as a medium risk area. Last progress update reported to Cabinet on 25 June 2024, as part of the 2023/24 year-end monitoring report. Progressing this project is an operational activity managed by Estates as 'business-as-usual', and we remain committed to facilitating enduring and beneficial activities at Charnwood House for the Hitchin community. There are complications associated with the site, and we continue to work and engage with others to try to determine a clear way forward. At the Risk & Performance Management Group meeting on 21 May 2025, it was agreed that an updated risk entry should be added to the Risk Register once a related options paper on the preferred approach has been presented to relevant Directors/Executive Members, as there remains the potential for a mismatch between NHC priorities and market demand, leading to a lack of interest. This potentially has a number of implications e.g., maintenance, financial and reputational, should the Council have to retain the building.
CDP31	Create and Communicate a Place Narrative for North Herts	Council Delivery Plan project completed, and no residual project risks remained.
CDP35	Playground Renovation Programme	Related 2023/24 Council Delivery Plan actions completed - improvements at Serby Avenue Recreation Ground completed April 2024 and renovation of playground at Bancroft Recreation Ground completed May 2024. Last update reported to Cabinet on 25 June 2024.

Code	Title	Reason Risk Entry Archived
CDP38	Local Authority Housing Fund	Related 2023/24 Council Delivery Plan project completed. On 17 June 2024, settle confirmed they had completed on the final property, therefore delivering four units in total via Round Two allocated funding. Last update reported to Cabinet on 25 June 2024. Project and risk not carried forward to the 2024/25 Council Delivery Plan and therefore, no need to continue monitoring corporately.
CDP39	Leisure Contract Procurement	Procurement completed successfully. New contract with Sport and Leisure Management (SLM) trading under the brand name Everyone Active commenced on 1 April 2024. The new contract secured a business case for further investment into facilities and will improve the management fee received despite broadening the scope of services to include a new Active Communities Programme. Last Council Delivery Plan update reported to Cabinet on 25 June 2024. Therefore, described risks are no longer applicable.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3,5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3,5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3,5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3,5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

CABINET

DATE: 24 June 2025

PART 1 REPORT - PUBLIC DOCUMENT
--

TITLE OF REPORT: The Arena, Baldock

REPORT OF: Principal Estates Surveyor

EXECUTIVE MEMBER: Executive Member for Enterprise.

COUNCIL PRIORITY: THRIVING COMMUNITIES

1. EXECUTIVE SUMMARY

The Arena, Baldock is let to Hitchin Town Community Football Club Ltd (HTCFC) for a term of 50 years expiring 9 July 2045.

A previous agreement with the club in respect of repayment of arrears and level of new rent was never finalised and the Council continued to invoice based on an historic rent review. The tenant continue to pay rent at a level it understood had been agreed.

The current artificial pitch is in poor condition and requires replacing at significant cost. To enable the club to secure grants and other funding they require certainty about the balance on the rent account and that historic rent reviews will not be implemented.

This report sets out proposals for dealing with the balance on the rent account; regularising underlettings; a new rent and details how future rent reviews will be assessed. This will enable the club to progress replacement of the pitch.

2. RECOMMENDATIONS

- 2.1. That the Council agrees to cancel (write-off or credit note) the outstanding balance on the rent account for the reasons outlined in the report.
- 2.2. That the user clause and alienation provisions in the lease be amended to allow for existing sublettings and licence arrangements to be regularised and provision for possible future sublettings.
- 2.3. That the Council agrees to accept a revised rent as outlined in the Part 2 report. Future 5 yearly rent reviews to be in line with the increase in CPI.

3. REASONS FOR RECOMMENDATIONS

A previous agreement with the club in respect of repayment of arrears and level of new rent was never finalised and the Council continued to issue rent demands based on an historic rent review. The tenant paid rent on the basis of the new rent that they understood had been agreed. The uncertainty of treatment of the rent balance prevents the club from progressing with their financial plans to replace the pitch and invest in the site. The Council also needs to regularise the new rent, outstanding balance and authorise underlettings. It is in both parties interest to have clarity on the lease going forward, and for the future success of the club, its members and users of the facilities.

4. ALTERNATIVE OPTIONS CONSIDERED

The Council could take no action and allow the current situation to continue. This would lead to an increasing rent balance and outstanding rent reviews, in addition to unregulated sublettings. The club would be unable to secure and justify investment in the pitch replacement. The future income and viability of the club would be put at risk. This would not be in either the club's or Council's interests. The recommendations in this report are for these reasons.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

The Executive Member for Resources and the Executive Member for Enterprise have been fully briefed and are in support of the recommendations.

The Ward Members for Baldock have been briefed in advance of this report.

6. FORWARD PLAN

This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 17th April 2025.

7. BACKGROUND

- 7.1. A significant part of the works to create The Arena were undertaken in the 1980s by volunteers from Baldock Town Football Club. In the early 1990s, a new lease of the Arena was granted to Baldock Town Football Club. By 1995, Baldock Town Football Club was in severe financial difficulties. It surrendered its lease to North Herts Council and the current lease was granted to Baldock United Football and Athletic Club Limited, a separate entity. The result of this was that the volunteers' works became part of the property demised to the new tenant and the improvements were rentalised on rent review under the current lease.
- 7.2. The lease was transferred to Hitchin Town Community Football Club Limited, the current tenant ("HTCFC"), in 2007. The tenant advises that with the support of the Football Association and Hertfordshire County Council the current pitch was installed in 2007 at considerable cost and has now been laid for 18 years. The pitch has been patch repaired since this date. On inspection it is evident there are tears and holes in the surface, and other areas where the existing pitch hollows and dips where the substructure has subsided.

- 7.3. The existing lease has around 20 years remaining. Rent reviews were due on 1st October 1996 and every 5 years thereafter. In 2013, HTCFC and the Council agreed to settle the outstanding rent reviews for 2006 and 2011. The rent review of 2006 had been referred to an Independent Surveyor and it was following the final settlement of these reviews in 2013 that the Club were made aware that the work carried out by volunteers could be considered on rent review under the existing lease.
- 7.4. The rent reviews due in 2016 and 2021 have not been actioned. A further rent review is due in 2026.
- 7.5. There has been significant communication and meetings with HTCFC stretching back to 2014 and by 2015 considerable arrears had built up following settlement of the outstanding reviews from 2006 and 2011.
- 7.6. A Guarantee and Indemnity Agreement and Rent side letter were sent to HTCFC in late 2018. Records indicate HTCFC had paid more than required by May 2019 and advised the Council in an email dated 6th June 2019 that, in their view, the Guarantee & Indemnity Agreement was no longer necessary as the Club had paid off the arrears. They requested a simple deed acknowledging that rent would remain at the lower figure suggested going forward, but this was not forthcoming.
- 7.7. The Club was impacted by COVID going into 2020 and for some time after that.
- 7.8. Having (under the revised agreement that they thought was in place) paid off the arrears by the middle of 2019, HTCFC then continued paying rent at the lower figure. Notwithstanding this, the Council continued to issue rental demands at the figure determined at review in 2011 leading to a substantial outstanding balance on the rent account.

8. RELEVANT CONSIDERATIONS

- 8.1. Several discussions, meetings and communications have taken place with the club over the years. This outstanding matter needs to be finalised and regularised to give certainty for the club and enable it to secure funding and invest in the pitch and facilities. The club have advised the cost to replace the pitch is circa £250,000. This should lead to improved bookings and use of the pitch, with associated revenue for the club.
- 8.2. Meetings have taken place with HTCFC over the course of the last year to discuss how best to deal with the situation and to see whether terms can be agreed to amend the existing lease and reach agreement. This included the potential to granting a new extended lease term. However, the primary concern for the club is certainty over the rental account balance and discussions on a potential lease renewal will be addressed at a future date.
- 8.3. HTCFC have indicated they can justify the investment in the pitch with the remaining 20 years on the lease. The proposed agreement with the club is a new rent with a rent review in 2031 and 5 yearly thereafter in line with the existing lease and based on CPI increases over the period. This will be recorded by Deed of Variation to the existing lease.
- 8.4. The Deed of Variation will also regularise sublettings/licenses that currently exist, with any associated widening of the user clause that may be necessary.

- 8.5. If HTCFC is unable to obtain funding based on the 20-year period of the lease that is remaining, it may be necessary to discuss a new extended lease term. If this is necessary, a revised report will be submitted with accompanying information from the funders concerned to justify the request and terms.
- 8.6. HTCFC have confirmed that they are in dialogue with Baldock Town FC about a shared aspiration for the club to return to Baldock (The Arena) from Arlesey to utilise all the facilities for both adults and youth. Baldock Youth already train at the ground. Proceeding with the recommendations in this report will enable the club to progress replacement of the pitch and helps in the joint wish to get Baldock Town F C back to playing at The Arena.

9. LEGAL IMPLICATIONS

- 9.1. The Local Government Act 1972 (s111) confirms that a local authority has the power to do anything (including in relation to finance and property) which is calculated to facilitate or is conducive or incidental to, the discharge of its functions.
- 9.2. The Cabinet may exercise the following functions by resolution at Section 5.7.10 of the Council's Constitution to write-off debts in accordance with the Financial Regulations. The Financial Regulations (paragraph 15.5 of section 19 of the Constitution) require Cabinet approval for write-off of debts over £10,000. The approval for a credit note (paragraph 15.4) would be the relevant Director and the Director of Resources. Consideration can be given to the correct treatment of the account balance as a write-off (non-receipt of a valid debt) or a credit note (reversal of an incorrectly raised debt), and it may be that different treatments could be applied to different parts of the debt. Given the value in question and the history, even if treated as a credit note, then Officers would refer to Cabinet for a decision. This is as per paragraph 14.6 e) which states that "[a]n officer may always refer a delegated decision to the Cabinet or Council or any of their respective Committees rather than make the decision".
- 9.3. The Terms of Reference at section 5.7.15 of the Council's Constitution states that the Cabinet may by resolution 'oversee the provision of all the Council's services other than those functions reserved to the Council.' The writing off of debts in accordance with the Financial Regulations is not a power reserved to the Council and therefore Cabinet can approve this proposal.

10. FINANCIAL IMPLICATIONS

- 10.1. By approving the recommendations in this report, the Council will address the proposals for dealing with the balance on the rent account as outlined in the Part 2 report.
- 10.2. The revised rental payment going forward will be as outlined in the Part 2 report.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. The documentation of the revised rent and cancellation of additional rent charges will enable the Club to seek funding for the replacement of the artificial pitch. There is, however, no guarantee that this will happen. However, this proposal will give the Club the opportunity to achieve this.
- 11.3. There is a potential risk of future rent arrears although this considered low, particularly while the club receive an income from sub-tenants on the site. Early dialogue with the club in such an eventuality, as with all commercial tenants, is the key to managing such situations. Careful consideration has been given to the appropriateness of cancelling out the arrears for the particular reasons outlined in this report.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. There are not considered to be any direct negative equality issues arising from this report.
- 12.3. Cabinet is asked to note the continued delivery of the projects and programmes contained within Hitchin Town Football Club's Football Development Plan outlined below.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Public Services (Social Value) Act 2013 and the Council's "go local" requirements do not apply directly to this decision as the proposal does not involve a procurement of services.
- 13.2. Hitchin Town Community Football Club is a 'not for profit' company managing and delivering the projects and programmes contained within Hitchin Town Football Club's Football Development Plan. This includes:
 - a College programme;
 - Coaching Clinics & Holiday Camps;
 - Schools Programme, Disability Football Programme; and
 - a Community Action Campaign.

Their stated mission is to use the power of football and sport as a tool for social change with a view to building a better future for the community of North Hertfordshire and seeks to provide better health and improved educational attainment.

14. ENVIRONMENTAL IMPLICATIONS

Under the terms of the lease, the club are required to comply with all relevant legislative requirements for correct disposal and/or recycling of the old material and installation of the new pitch. The club are looking into different options for the pitch replacement, and environmental implications will be considered when the replacement project comes to fruition. The club will be encouraged to follow the current guidance available from Sports England in this regard.

15. HUMAN RESOURCE IMPLICATIONS

No direct Human Resource implications have been identified for this report.

16. APPENDICES

None

17. CONTACT OFFICERS

17.1 Stephen Hensby
Estates Surveyor
stephen.hensby@north-herts.gov.uk ext 4190

17.2 Philip Doggett
Principal Estates Surveyor
Philip.Doggett@noth-herts.gov.uk ext 4141

17.3 Steve Crowley
Service Director – Enterprise
steve.crowley@north-herts.gov.uk ext 4211

17.4 Ian Couper
Service Director - Resources
ian.couper@north-herts.gov.uk ext 4243

17.5 Reuben Ayavoo
Policy and Communities Manager
Reuben.Ayavoo@north-herts.gov.uk ext 4212

17.6 Tim Everitt
Performance & Risk Officer
Tim.Everitt@north-herts.gov.uk ext 4646

17.8 Douglas Traill-Stevenson
Property Lawyer, acting Legal Manager & deputy Monitoring Officer
Douglas.Traill-Stevenson@north-herts.gov.uk ext 4653

18. BACKGROUND PAPERS

18.1 None

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

CABINET

DATE: 24 June 2025

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: Radburn Way, Letchworth Garden City

REPORT OF: Principal Estates Surveyor

EXECUTIVE MEMBERS: Executive Member for Enterprise.

COUNCIL PRIORITY: THRIVING COMMUNITIES and SUSTAINABILITY

1. EXECUTIVE SUMMARY

North Herts Council (“The Council”) owns land off Radburn Way, Letchworth as shown on the plan at Appendix A. The grey shaded area is allocated for residential development in the North Herts Local Plan 2011-2031 (Policy LG6). Part of the allocated area is a former priority orchard.

Hertfordshire County Council owns an adjoining plot of land. In 2015 the Council resolved to work with it for a joint disposal of land at Radburn Way (see background paper link). Subsequently, Hertfordshire County Council has developed its site independently. Development of the Council’s site in isolation is considered unviable due to the cost of providing access, Biodiversity Net Gain and orchard reprovion, and noting the Council’s declared ecological and climate emergency.

It is proposed that the Council should not progress development or disposal of the site. Instead, the Council should capitalise on the site’s biodiversity, with a view to improving public use of the site and exploring the site’s value as part of a habitat bank.

2. RECOMMENDATIONS

- 2.1. That the land should no longer be declared surplus, and development of the site should not be pursued.
- 2.2. That Cabinet approves the Council progressing with plans to improve management of the land with the intention to provide a habitat bank, or similar, with improved public access as appropriate. Officers from Green Space, Estates and other services to work jointly to manage and deliver the project, reporting back to the Executive Members for Enterprise, Resources and Environment.

3. REASONS FOR RECOMMENDATIONS

There are a number of factors impacting the ability to bring the site forward for development as follows:

- 3.1 Difficulty providing a suitable access to the site, with a significant associated capital cost to achieve.
- 3.2 Hertfordshire County Council has advised local planning authorities that the Herts Ecological Networks Map should be used to assess the strategic importance of habitats, and this site has been noted as being strategically significant - the highest rating.
- 3.3 The need, as part of the planning allocation, for the reprovision of the priority orchard habitat elsewhere in North Herts, in addition to the new Biodiversity Net Gain (BNG) requirements. BNG makes sure that habitats for wildlife are left in a measurably better state than they were before the development and is now mandatory.
- 3.4 A biodiversity baseline assessment of the site in July 2024 identified a high baseline biodiversity value due to the presence of the strategically significant Priority Habitat Traditional Orchard, with mixed scrub and mature and irreplaceable trees.
- 3.5 Since the allocation of the site in the Local Plan the Council has declared both an ecological and climate emergency.
- 3.6 Settle Group concluded that a small development on the eastern section of the site with access from the garage site on Radburn Way would not be viable.
- 3.7 A financial assessment attached at Appendix B of the Part 2 Report, indicates residential development of the site is not viable either with access from a third-party ownership on Radburn Way or via Freeman Drive, given the additional costs of developing the site in accordance with planning and climate change requirements.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. The Council could pursue development of the site but for the reasons outlined below this would require removal of a strategically significant orchard and may be considered contrary to the ecological emergency declared by the Council in 2023 identifying nature recovery as a priority for planning, habitat restoration and biodiversity net gain. Appendix B of the Part 2 report confirms that development is not financially viable.
- 4.2. Officers reviewed the potential for development of the eastern portion of the site in isolation. However, this is unviable due to the requirement to deliver an acceptable access over the Settle land and long leasehold garages, in addition to the partial orchard reprovision and biodiversity requirements.
- 4.3. The Council could do nothing further with the site. This would result in the majority of the land remaining as largely unmanaged former orchard and works on the land undertaken on an ad hoc basis as at present. There would be continued uncertainty for residents in the vicinity of the site as to whether the site will be developed in the future and potentially a missed opportunity to improve the site as a habitat bank, increase its biodiversity value and enable some improved public access as appropriate.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

The Executive Members for Resources, Enterprise and Environment have been fully briefed and are in support of the recommendations.

Shadow Councillors and Ward Councillors for Letchworth South East have also been briefed in advance of this report.

The Council's Senior Ecologist has been consulted and provided guidance and advice, as required, in the drafting of this report and recommendation.

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on 17 April 2025.

7. BACKGROUND

- 7.1 The Council owns land between Baldock Road and Radburn Way, Letchworth Garden City as shown on the attached plan at Appendix A. Part of the land is used as allotments. The area shaded grey, extending to around 0.94 hectares (2.33 acres), is allocated for residential development in the North Herts Local Plan 2011-2031.
- 7.2 The land was acquired under a Compulsory Purchase Order in 1958. At the time there were several objections by residents adjoining the land and these were only withdrawn on their understanding that the land would remain as a buffer strip and not be developed. The Council's view is that there are no legal restrictions on the land being developed, but some adjoining residents have indicated recently they would challenge any development of the land.
- 7.3 At its meeting on 28 July 2015 Cabinet resolved to work in partnership with Hertfordshire County Council to proceed with a disposal of the land at Radburn Way.
- 7.4 During the local plan review process, the Planning Inspector, after considering representations from residents, advised the following: *'Whether or not there is an insurmountable impediment is unclear to me. If there is, it will not be possible for the site to be brought forward. This does raise a question about its deliverability. However, rejecting this allocation would thwart the opportunity to overcome any legal obstacles and, in the context here, that would be unwarranted. Consequently, deleting it is not necessary for soundness. Even if, in the event, the site cannot be delivered, that would not undermine the supply of land for housing.'*
- 7.5 The site, together with Hertfordshire County Council's adjoining land, was allocated for residential development of 35 homes in the North Herts Local Plan adopted on 8th November 2022 (Policy LG6). The allocation assumed that the whole site would be accessed from Hertfordshire County Council's land.
- 7.6 There was an illustrative development scheme prepared by Vincent & Gorbing architects indicating how the total allocation of 35 dwellings was arrived at for the allocation and is attached at Appendix C.

- 7.7 The Hertfordshire County Council owned section of the allocated site has now been developed by Herts Living (a company owned by the County Council) as Freeman Drive, a complex of 8 dwellings. This would leave a balance of 27 units that could be built on the Council's land.
- 7.8 Without access over Freeman Drive, the site does not have a vehicular access suitable for residential development and acquiring one has significant capital cost as outlined in Appendix B in the Part 2 report. The allocation in the local plan suggests that if access was required via a garage block off Radburn Way, then any garages that would be lost because of development would need to be relocated.
- 7.9 The allocation in the Local Plan requires the off-site compensatory reprovision of the former priority orchard habitat currently on the land. A priority orchard habitat is defined by Natural England as being of principal importance for the purpose of conserving biodiversity. A copy of Policy LG6 and plan of the allocation is attached at Appendix D.
- 7.10 In addition, since 12th February 2024, it is now mandatory to deliver a Biodiversity Net Gain of 10% on development sites. The aim of the legislation being to ensure that there is a better-quality natural habitat than there was before development. The biodiversity net gain would be in addition to reprovision of the orchard habitat within North Herts.
- 7.11 Since adoption of the Local Plan, the Council has declared an ecological emergency. The Council are now committed to addressing the ecological emergency and nature recovery by identifying appropriate areas for habitat restoration and biodiversity net gain, whilst ensuring that development limits impact on existing habitats in the process.
- 7.12 There have been licences issued in the past to residents on Baldock Road to use part of the land for garden purposes. All but one have been terminated or surrendered. There is one existing garden licence for land at the rear of 177 & 179 Baldock.

8. RELEVANT CONSIDERATIONS

- 8.1. The matters to be considered in detail when considering potential development of this site fall under four categories.

Planning

- 8.2. The planning requirements of the allocation requires reprovision of the priority orchard habitat, and the classification of the orchard has been upgraded to strategically significant following the site's allocation. Having consulted the Council's Senior Ecologist, objections could be raised to loss of the orchard habitat as it would not meet the mitigation or biodiversity gain hierarchy for development as there are other available sites that would be less damaging. As the Radburn Way orchard is in a strategically significant area the Senior Ecologist considers it more appropriate to protect and enhance the habitat.

If, however, a decision was made to allow development of the site, the Senior Ecologist would recommend the imposition of a planning requirement that land three times the size of the existing orchard is acquired and planted within the North Herts area. The financial appraisal attached at Appendix B assumes that it will be possible to acquire a 7-acre site in the North Hertfordshire area for the relocation of the orchard for £140,000. It is likely this land would be arable land or an existing orchard. It is worth noting that it may not be possible to deliver an alternative orchard at this price, particularly in light of the current lack of availability of such land.

- 8.3. The planning requirement to deliver biodiversity net gain is discussed in paragraph 14 below.

Access

- 8.4 As there is no existing suitable access for development, the following options have been considered:

- Acquisition of a third party owned property on Radburn Way - The Council previously had an option to purchase this property which expired in June 2023. The owners of the property have been approached to ascertain their view regarding entering into a new option arrangement and they have indicated they would be willing to do this but at an increased price.
- Herts Living scheme - When developing the Freeman Close site, Hertfordshire County Council retained a 1 metre section of land. Hertfordshire County Council will allow access over Freeman Drive and the ransom strip in return for 50% of the value of the site. This may be open to negotiation, but this was put on hold pending other investigations. To provide a vehicular access through the Hertfordshire County Council's land it would also be necessary to cross a public footpath which is in the North Herts Council ownership. The access to any development on the Council's land would be via an unadopted road owned by a third party, which may deter potential developers. The proposal put forward by Herts Living is attached at Appendix F of the Part 2 report.
- Access via Garages on Radburn Way – The Council has previously transferred its interest in land and properties in Radburn Way to the Settle Group, including the land which provides access to a garage block consisting of 19 garages and the allotments at the rear. Of the 19 garages, 9 have been sold on long leases to local residents. Settle has been approached for a view as to the development of part of the site via the land currently occupied by the garages and this is set out in Appendix E in the Part 2 report.

- Acquisition of a third party owned property on Baldock Road – Contact has been made with the owners of this property who indicated that they may be prepared to consider a sale to potentially provide access. On further investigation there are covenants on their title in favour of Letchworth Garden City Heritage Foundation and they would also require a share of any development value of the land, as evidenced by discussions on other sites. This option is likely to have similar costs to the option off Radburn Way. In addition, the access is very close to a main roundabout (A505 & B656) and the junction with Pixmore Avenue and would need detailed investigation by a Highway Engineer.

Climate Change Strategy

- 8.5 The Council has declared a climate emergency and requires increased standards for all developments on land sold by the Council under the Council's Climate Change Strategy. This includes 'Passivhaus, BREEAM or similar standards for all developments on land sold by the Council.' The emerging draft Sustainability Strategy is to strive, where possible, for developments on land sold by the council to be Net Zero operational in line with the Council's 2040 goals, with monitoring of embodied emissions. This has been factored into the financial appraisal at Appendix B in the Part 2 report. There may be a reduced interest in the site by some potential developer purchasers not prepared to build to more than the Future Homes Standard which is due to be implemented this year.

Financial

- 8.6 The appraisal at Appendix B details the implications of proceeding with a development of the site taking account of the above. In its preparation it is necessary to make certain assumptions, including acquiring a 7-acre site in the North Hertfordshire area for the relocation of the orchard. Advice has been taken including from Maydencroft in respect of establishing an orchard elsewhere in the district. The appraisal uses a gross value of the site ascertained by the external valuer, with a cost to secure access from Radburn Way and Freemans Drive respectively. The assessment confirms the development is not financially viable.

9. LEGAL IMPLICATIONS

- 9.1. The Local Government Act 1972 (s111) confirms that a local authority has the power to do anything (including in relation to finance and property) which is calculated to facilitate or is conducive or incidental to, the discharge of its functions.
- 9.2. The Localism Act 2011, section 1 provides local authorities with a general power of competence, allowing them the power to do anything individuals can do which are not prohibited. This includes meeting the needs of the community. The proposed improvement to the management of the site and the proposed use of the site to deliver offsite biodiversity gain required by other developments in the area falls within this power and meet the criteria of meeting the needs of the community.
- 9.3. The Terms of Reference at section 5.7.15 of the Council's Constitution states that the Cabinet may by resolution 'oversee the provision of all the Council's services other than those functions reserved to the Council.' The proposal does encroach on a function reserved to the Council.

10. FINANCIAL IMPLICATIONS

- 10.1. The Council had originally anticipated receiving a capital sum on the sale of this site which will no longer be received.
- 10.2. Cost to date have been for occasional maintenance costs and the biodiversity report that was carried out last year all, of which have been met from existing Estates budgets.
- 10.3. Undertaking works to provide an improved habitat site may provide the Council with an opportunity to sell habitat units to developers who were unable to provide a biodiversity net gain on their sites and/or for offsetting biodiversity requirements for other Council owned development sites. For these gains to be realised it would be necessary for the site to be restored, enhanced, and maintained for a period of no less than 30 years. Providing a habitat bank on Council land could also assist in freeing up the delivery of other development sites which are dependent on finding off-site biodiversity units and keep the BNG benefit in the district. If this recommendation is accepted more work could be carried out to investigate the cost of turning the land into a habitat bank, but it is hoped that the work could be carried out in stages and using volunteers, where possible, to keep costs to a minimum. A further report will be taken to Council if additional capital and revenue funding is required and with details for any associated financial returns.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. Should the Council decide to continue to manage the land as at present there is the risk of increasing costs of maintenance with no associated public gain from improved access and potentially no ability to achieve financial returns from additional biodiversity gain units on the site. However, these risks would be managed as part of project management governance arrangements, should a decision be made to pursue the greater associated opportunity of improving the current site as a habitat bank and increasing its biodiversity value. This could enable other developments in the district to proceed (and for the Council to receive income) via the provision of habitat units to offset biodiversity requirements and could improve public access to the land.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. The Radburn Way green space currently provides community benefits through the allotments. The intention stated at 2.2 to provide improved public access to the space as appropriate will enhance the community benefits as there are mental and physical health benefits associated with access to green space.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1 To fully understand the biodiversity net gain requirements, a biodiversity baseline assessment was undertaken by Maydencroft, in July 2024. This is a comprehensive report and can be made available on request.
- 14.2 This established, inter alia, that the National Priority Habitat Inventory recognises the site as a greenspace with important biodiversity value and mapped the full area as Priority Habitat Traditional Orchards.
- 14.3 It is one of five areas across Letchworth Garden City which are mapped as Traditional Orchards. Apart from the area currently held under licence there is considerable bramble growth and there has been limited management for a number of years. Around 0.2ha of land on the eastern side near the allotments has been cleared of fruit trees and is reverting to scrub and woodland rather than orchard. As previously mentioned, Hertfordshire County Council has now advised local planning authorities that the Herts Ecological Networks Map should be used to assess the strategic importance of such orchards, and this site has been noted as being strategically significant.
- 14.4 The assessment split the site into three parcels; the western portion of the site, the central portion of the site (currently held under a licence by a house owner on Baldock Road) and the eastern section of the site.
- 14.5 The western portion of the site is in poor condition, although consisting of a high proportion of fruit trees including apple, pear and plum as well as hazel.
- 14.6 The central area is in good condition and is much closer to the typical physical structure of a traditional orchard although there are benches, log store, shed and other items which have been put on the land by the licence holders. The floor of the orchard is grassland which has been well maintained. The trees on this portion also consist of apple, pear and one hazel and there are several mature specimens.
- 14.7 The section of land to the east consists mainly of bramble shrub and this may be more suitable for development than other areas of the site.
- 14.8 Some of the trees on site are regarded as veteran trees with one veteran apple tree being regarded as irreplaceable.
- 14.9 The assessment concluded that the site has a high baseline biodiversity value due to the site being Priority Habitat Traditional Orchards, with mixed scrub and veteran trees. This high value is squeezed into a small site, and it would not be possible to generate any improvement in biodiversity on site should there be development of the whole of the land. In addition, Policy LG6 (Appendix D) also requires the reprovion of the priority orchard habitat elsewhere in North Hertfordshire. A site would need to be acquired or provided from existing land holdings (if available) and an orchard created using mature trees rather than young saplings, with the associated cost (assuming that a suitable site could be secured). The biodiversity net gain would be in addition to reprovion of the orchard habitat within North Herts.

- 14.10 Avoiding development protects the significant biodiversity of the site, including irreplaceable veteran trees. The creation of a habitat bank provides opportunities for improving biodiversity and supporting required biodiversity net gain from development taking place within North Herts to be delivered within the district. Maintaining the space in this way can also have positive impacts around improving air quality and minimising flood risk through the ability of trees and shrubs to absorb both carbon dioxide and rainwater.
- 14.11 If public access to the site is improved as indicated at 2.2, consideration should be given to protecting the biodiversity.
- 14.12 Since adoption of the Local Plan, the Council has declared an ecological emergency. The Council are now committed to addressing the ecological emergency and nature recovery by identifying appropriate areas for habitat restoration and biodiversity net gain, whilst ensuring that development limits impact on existing habitats in the process.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 There are no human resource implications.

16. APPENDICES

- 16.1 Appendix A – Site plan.
- 16.2 Appendix B - Financial assessment. (Part 2 only)
- 16.3 Appendix C - Vincent & Gorbing architect's scheme.
- 16.4 Appendix D – Planning Policy LG6.
- 16.5 Appendix E - Email from Settle (Part 2 only).
- 16.6 Appendix F - Email from Herts Living (Part 2 only).

17. CONTACT OFFICERS

- 17.1 Stephen Hensby
Estates Surveyor
stephen.hensby@north-herts.gov.uk ext 4190
- 17.2 Philip Doggett
Principal Estates Surveyor
Philip.Doggett@noth-herts.gov.uk ext 4141
- 17.3 Steve Crowley
Service Director – Enterprise
steve.crowley@north-herts.gov.uk ext 4211

- 17.4 Ian Couper
Service Director - Resources
ian.couper@north-herts.gov.uk ext 4243
- 17.5 Georgina Chapman
Policy & Strategy Team Leader Georgina.Chapman@north-herts.gov.uk ext 4121
- 17.6 Daisy Harris
Policy & Strategy Apprentice
Daisy.Harris@north-herts.gov.uk ext 4209
- 17.7 Tim Everitt
Performance & Risk Officer
Tim.Everitt@north-herts.gov.uk ext 4646
- 17.8 Liz Anderson
Senior Ecologist
liz.anderson@north-herts.gov.uk Ext 07918363500
- 17.9 Douglas Traill-Stevenson
Property Lawyer, acting Legal Manager & deputy Monitoring Officer
Douglas.Traill-Stevenson@north-herts.gov.uk ext 4346

18. BACKGROUND PAPERS

- 18.1 Link to Cabinet report September 2015:

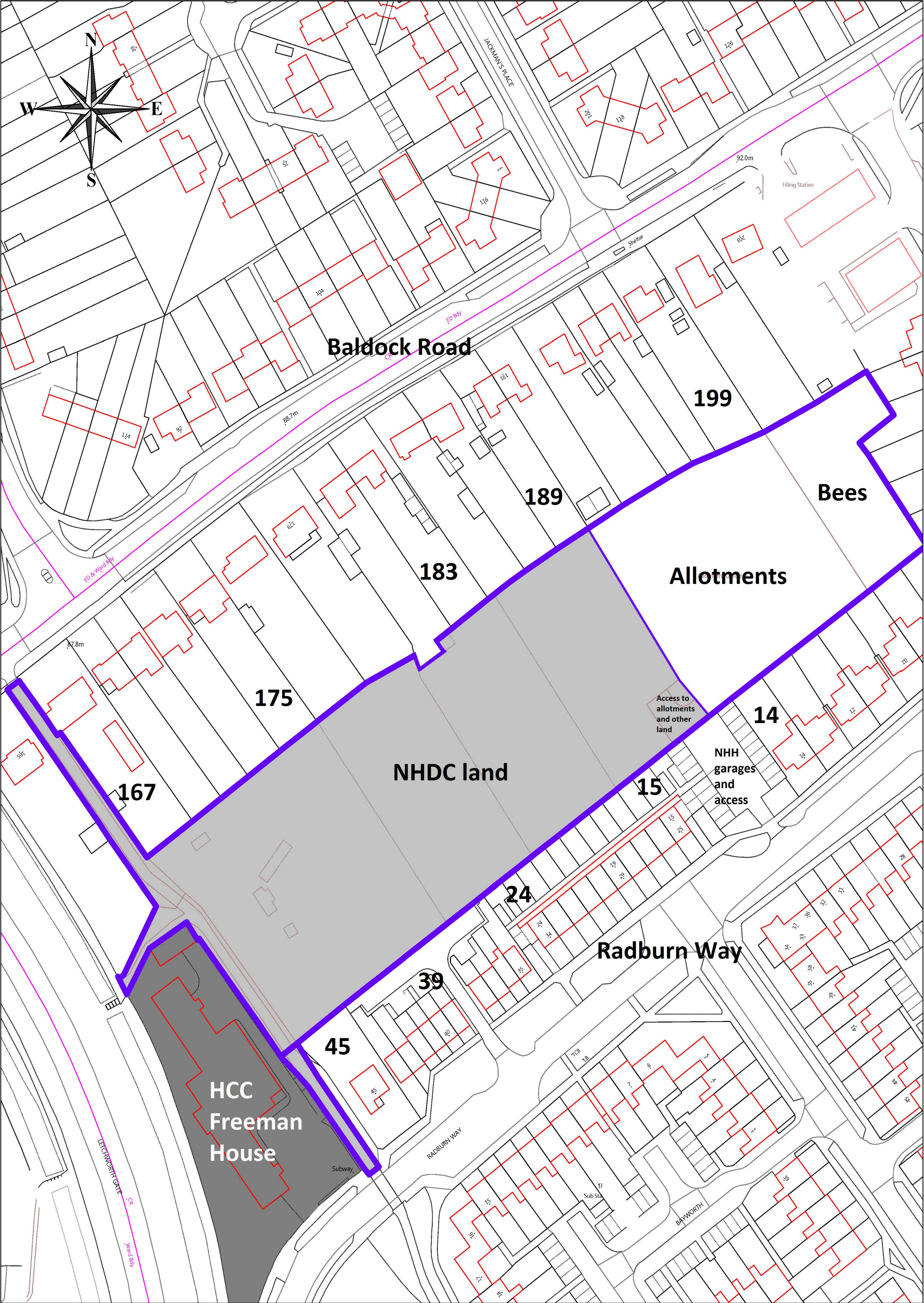
[https://democracy.north-herts.gov.uk/Data/Cabinet/201509291930/Agenda/\\$att9982.docx.pdf](https://democracy.north-herts.gov.uk/Data/Cabinet/201509291930/Agenda/$att9982.docx.pdf)

and Minute 63 decision link below:

[Meeting of Cabinet on Tuesday, 10th November 2015, 7.30 pm | North Herts Council](#)



Land at Radburn Way and Baldock Road, Letchworth Garden City, Hertfordshire



Scale: 1:1500
Date: 30.06.15

© Crown copyright and database rights 2015 Ordnance Survey 100018622



This page is intentionally left blank



- SITE BOUNDARY**
1.27ha 3.14ac
- 2 STOREY NEW BUILD**
- 2½ STOREY NEW BUILD**
- EXISTING TREES**
- PROPOSED TREES**

- NOTES:**
- SITE AREA**
1.27ha 3.14ac
 - HOUSING MIX**
2 bed house 75.0m² 15
3 bed house 96.0m² 12
3 bed house 103.0m² 2
3 bed house 107.0m² 2
4 bed house 120.0m² 4
TOTAL 35
 - SITE DENSITY**
27.56dph 11.15dpa
 - CAR PARKING**
North Hertfordshire District Council standards
2+ bed houses: 2 spaces plus 0.25-0.75 visitor spaces per house
Minimum garage size 3.0m x 7.0m
Provision
As North Hertfordshire District Council standards with 0.45 visitor spaces per house
 - AFFORDABLE HOUSING**
North Hertfordshire District Council standards
25% affordable housing on sites of 20 units and over
Provision
9 units to be provided, plots to be agreed
 - PRIVACY**
HNDC Local Plan No2 : Policy 57
Guideline 7: minimum 30m back to back distance
 - REAR GARDENS**
NHDC Guideline 8: Suggests minimum area for houses of 75m², but planners have previously accepted +/- 50m² as provided
 - PUBLIC OPEN SPACE**
North Hertfordshire District Council standards
NPFA standards:
0.4ha/1000 population - informal open space
0.6ha- 0.8ha/1000 population - children's play space
Requirement:
35 houses @ 2.5ppd = 87.5 persons
1.0ha/1000 population x 0.088 = 0.088ha (880m²)
Provision:
Total public open space = 1216m²

© Vincent & Goring Limited

PROJECT TITLE
Freeman House
LETCHWORTH
Hertfordshire

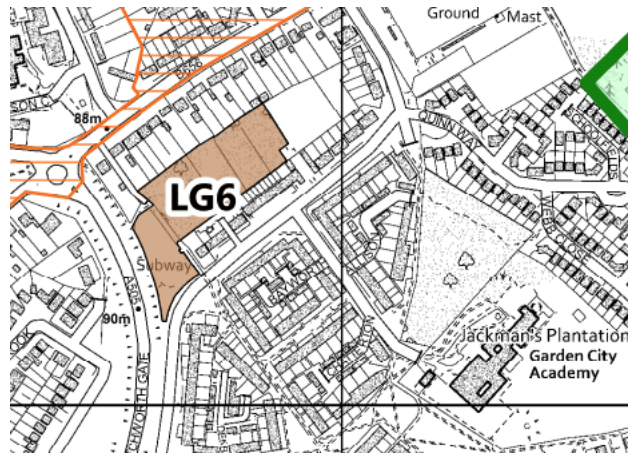
DRAWING TITLE
Illustrative layout: Option 2

SCALE	DATE	CHECKED
1:1000	FEBRUARY 2015	
	DRAWN	DATE
	HNA	
PROJECT No.		
5045	N	012

VINCENT AND GORRING
CHARTERED ARCHITECTS AND TOWN PLANNERS
STERLING COURT NORTON ROAD STEVENAGE HERTS
TELEPHONE: 01438 316331 FAX:01438 722035

This page is intentionally left blank

SITE ALLOCATION LG6 NORTH HERTS LOCAL PLAN



	Land off Radburn Way	35 homes
Policy LG6	<ul style="list-style-type: none"> • Re-provision or relocation of any garages lost as a result of development subject to up-to-date evidence of occupation and demand; and • Off-site compensatory re-provision of former priority orchard habitat. 	

This page is intentionally left blank