

Stevenage is Britain's first new town. A town with a distinctive character and demographic within the county of Hertfordshire. We are one of the district and borough councils across England that provide local services and a local voice for communities in coastal and market towns, new towns and garden cities, rural, market and urban areas. Importantly we support the 'front-line' and discretionary services that make a real difference to quality of life. We also have the planning powers and economic growth agenda to make a real contribution to the recovery. £1 billion town centre, 500 homes. Herts Growth Board has ambitious plans which councils in Herts are committed to delivering.

There is no more shining example of this than what we have been doing through the Covid epidemic.

At the start of the pandemic the Government told us we were to do 'whatever is necessary' to support our communities and that they would support us with the funding needed. We have truly stepped up, not only providing the reassurance of essential services being carried out throughout the lockdown (and so many of us have had many expressions of thanks from the public about, for example, the fact that we have continued to collect refuse and recycling throughout), but also mobilising in a quite extraordinary way, both quickly and effectively to deliver additional support. Some key examples of many are;

- Providing support for vulnerable residents, filling the gaps left as the Government 'shielding' was slow to deliver. We have supported residents with food parcels, collecting prescriptions and providing a listening ear. My own authority, Stevenage, set up Stevenage Helps which has delivered 600 food parcels, and spoken to over 500 residents. We have also raised £46,000 through Stevenage Community Trust to support those in financial hardship because of Covid19. This support absolutely needed the very local input we were able to provide.
- Taking our Rough Sleepers off the streets, getting them into safe accommodation and supporting their complex needs. We are now working on their transition plans so they don't end up back on the streets this has required additional funding to keep them in hotel and temporary accommodation while we work through their personal plans. Our 'No More' service has supported their complex needs including drug and alcohol dependency and mental and physical health needs.
- Rapidly distributing the government's business grants. This simply could not have been done centrally but because of our local knowledge we have been able to support those businesses, in Stevenage this has meant £18 million of funding distributed to over 800 businesses. We have also provided over £21 million of business rate reliefs to local businesses.
- Tackling the spike in domestic abuse that we have seen as a result of lockdown. In my area this has seen a 90% increase in referrals and expanding our 'Safe Space' accommodation for those who need to flee from 2 units to 13.
- Our Environmental Health teams have helped those food businesses that needed professional advice and support on how to manage infection control and social distancing to keep trading.
- We have provided much-needed on-line and telephone support to those who are concerned about payment of council tax, rent and business rates.
- As part of the recovery efforts we have worked to support safe distancing in our town centre, historic High Street and neighbourhood centres
- We are now fully engaged in the planning for local outbreaks with our Environmental Health teams providing vital support.

So we have kept our side of the bargain, but the Government has not kept theirs. What this means for my Council is that by the end of July, if things don't change drastically, we will have a £5.8 million (£11 million if it goes on for the rest of the year) gap in funding associated with Covid on a net budget of £9.3 m made up of increased costs (some of the things I've just mentioned) and loss of income (as an example a 93.5% fall in car parking income), to date we have received just over £1million from government.

We have also had cash flow problems as we have to pay business rates and council tax payments to preceptors whether we get them in or not.

We still await the government allocation of funding for income loss but the letter we received from the Minister last week set out so many caveats around this that it is unlikely to come anywhere near meeting our losses. For example, those of us who have our leisure provided by leisure trusts are being requested to support those trusts with their losses. In the case of Stevenage we have been asked for a million pounds. The Govt scheme only covers local authorities who provide leisure as a direct service; the loss of rental income from commercial property is not covered, for us this means that the dramatic loss of income from the legacy property the council inherited from the Development Corporation will not be covered.

The losses I have set out do not yet include any costs for us of preparing for and supporting local outbreak plans.

We have already taken an emergency budget in Stevenage and agreed to some revenue savings and to hold revenue contributions to capital for the moment to provide some contribution towards our losses. However, this could potential hamper our recovery plan and it will not solve the problem completely. We may need a further emergency budget in September when it is clearer what government support we will receive.

The government does not take account of losses within the Housing Revenue Account at all. For Stevenage the loss of rent combined with increased costs is over £810,000 and these losses are rising as rent arrears accrue. We also have an extensive house building programme which has suffered considerable disruption due to Covid. Lastly on housing we have asked to extend the period we have in which to spend Right to Buy receipts. The extension only runs to December which is unlikely to see our programmes fully operational in time.

Homelessness funding; in spite of frequent announcements of tranches of funding to support our work with rough sleepers, so far we have received only £11.3k but our costs are £495,000. So in some cases this funding is just not getting to the frontline where the work is being done.

Recovery from the Covid crisis will have to be built place by place in the UK and we have great ideas about how that might happen, but we need certainty in our funding first. Covid has driven a steam roller through our medium term financial strategies. Councils can make a very significant contribution to growing our way out of the crisis but the future of our funding is key to providing that support. My personal view is that throwing us all into local government reorganisation is not helpful. Particularly in advance of having important building blocks like the green paper on Adult Care services and a clear view on how childrens services should be delivered.

If, as the Bank of England says, we are to have the worst recession for generations, it is hard to see where the 'bounce back' will come. Our sources of income are still way down; we still face huge

uncertainty over our budgets, new homes bonus, business rates retention. We need a long term plan

Sharon Taylor OBE, Leader, Stevenage Borough Council