

EPPING FOREST DISTRICT COUNCIL CABINET MINUTES

Committee: Cabinet **Date:** 8 September 2014

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.00 - 8.40 pm

Members Present: Ms S Stavrou (Vice-Chairman), R Bassett, W Breare-Hall, Mrs A Grigg, D Stallan, G Waller, Ms H Kane and A Lion

Other Councillors: R Butler, Mrs J Lea, A Mitchell MBE, R Morgan, Mrs M Sartin and Ms G Shiel

Apologies: C Whitbread and J Philip

Officers Present: G Chipp (Chief Executive), D Macnab (Deputy Chief Executive and Director of Neighbourhoods), C O'Boyle (Director of Governance), R Palmer (Director of Resources), K Durrani (Assistant Director (Technical Services)), S G Hill (Assistant Director (Governance & Performance Management)), P Maginnis (Assistant Director Human Resources), P Pledger (Assistant Director (Housing Property)), K Polyzoides (Assistant Director (Policy & Conservation)), T Carne (Public Relations and Marketing Officer), S Devine (Private Sector Housing Manager), I White (Forward Planning Manager) and G J Woodhall (Democratic Services Officer)

Also in attendance: K Bentley (ECC Portfolio Holder for Economic Development & Infrastructure)

30. WEBCASTING INTRODUCTION

The Leader made a short address to remind all present that the meeting would be broadcast on the Internet, and that the Council had adopted a protocol for the webcasting of its meetings.

31. ELECTION OF VICE-CHAIRMAN

In the absence of the Leader, the Deputy Leader took the Chair and requested a nomination for the role of Vice-Chairman for the duration of the meeting.

Resolved:

(1) That Councillor G Waller be elected Vice-Chairman for the duration of the meeting.

32. DECLARATIONS OF INTEREST

There were no declarations of interest pursuant to the Council's Code of Member Conduct.

33. MINUTES**Resolved:**

(1) That the minutes of the meeting held on 21 July 2014 be taken as read and signed by the Chairman as a correct record.

34. REPORTS OF PORTFOLIO HOLDERSPlanning Policy Portfolio Holder

The Portfolio Holder reported that, since the agenda had been published, concerns had been raised by residents regarding the report on the Level II Strategic Flood Risk Assessment and it had been decided to defer this report until further information was available.

35. PUBLIC QUESTIONS

There had been no questions submitted by the public for the Cabinet to consider.

36. OVERVIEW AND SCRUTINY

The Chairman of the Overview & Scrutiny Committee stated that, as their next meeting was not scheduled until 16 September 2014, there was nothing to report to the Cabinet.

37. ASSET MANAGEMENT AND ECONOMIC DEVELOPMENT CABINET COMMITTEE - 14 JULY 2014

The Portfolio Holder for Asset Management & Economic Development presented the minutes from the meeting of the Asset Management & Economic Development Cabinet Committee held on 14 July 2014.

The Cabinet Committee had made recommendations to the Cabinet regarding the Main Runway at North Weald Airfield and the Marketing of an Operational Management Agreement at North Weald Airfield. However, since the meeting of the Cabinet Committee, it was realised that the report on the Marketing of an Operational Management Agreement at North Weald Airfield required further information and a revised report would be submitted to a future meeting of the Cabinet. Other issues that had been considered by the Cabinet Committee included a report on North Weald Airfield Income Generation Plans, a progress report from the Economic Development Team, and a progress report from the Asset Management Co-ordination Group.

Decision:Main Runway at North Weald Airfield

(1) That the findings of the RPS report on the current condition of the runway at North Weald Airfield be noted;

(2) That the confidential advice from Counsel with respect to the Council's obligations under the Leases and Licences with aviation tenants be noted;

(3) That the current maintenance and inspection regimes be maintained, as they were considered suitable for maintaining safe operating conditions at the current time; and

(4) That any significant remedial work or consideration of the reduction in runway length be deferred until such time as the Local Plan process had been concluded; and

Marketing of an Operational Management Agreement at North Weald Airfield

(5) That consideration of the marketing of an Operational Management Agreement at North Weald Airfield be deferred to a future meeting of the Cabinet pending further information; and

(6) That there were no plans at the current time to sell North Weald Airfield be noted.

Reasons for Decision:

The Cabinet was satisfied that the Cabinet Committee had fully addressed all the relevant issues in relation to the recommendations and that these should be endorsed.

Other Options Considered and Rejected:

The Cabinet was satisfied that the Cabinet Committee had considered all the relevant options in formulating their recommendations. The Cabinet did not consider that there were any further options.

38. FINANCE AND PERFORMANCE MANAGEMENT CABINET COMMITTEE - 28 JULY 2014

The Portfolio Holder for Finance & Technology presented the minutes from the meeting of the Finance & Performance Management Cabinet Committee held on 28 July 2014.

The Cabinet Committee had made recommendations to the Cabinet regarding Risk Management and the Corporate Risk Register and the Financial Issues Paper. There were no other issues considered by the Cabinet Committee.

Decision:

Risk Management – Corporate Risk Register

(1) That risk 1, Local Plan, be updated to reflect the latest position;

(2) That Risk 5, Economic Development, be increased to A2 (Very High Likelihood, Moderate Impact);

(3) That Risk 8, Partnerships, be increased to C3 (Medium Likelihood, Minor Impact);

(4) That no new risks be included on the Corporate Risk Register at the current time;

(5) That, incorporating the above agreed changes, the updated Corporate risk Register be approved; and

(6) That the submission of a report on the financial status of the North Essex Parking Partnership to the next meeting of the Finance & Performance Management Cabinet Committee, scheduled for 18 September 2014, be noted; and

Financial Issues Paper

(7) That the establishment of a new budgetary framework, including the setting of budget guidelines, for 2015/16 be set, including:

(a) the ceiling for Continuing Services Budget net expenditure be no more than £13.146million including net growth;

(b) the ceiling for District Development Fund expenditure be no more than £204,000;

(c) the balances continued to be aligned to the Council's net budget requirement and be allowed to fall no lower than 25% of the net budget requirement; and

(d) the District Council Tax not be increased with the Council Tax for a Band 'D' property remaining at £148.77 per annum;

(8) That a revised Medium Term Financial Strategy for the period to 2018/19 be developed accordingly;

(9) That communication of the revised Medium Term Financial Strategy to staff, partners and other stakeholders be undertaken;

(10) That a detailed review of fees and charges, specifically parking charges, be undertaken; and

(11) That parish support be reduced by 15.4% in line with the reductions in the central funding received by the District Council.

Reasons for Decision:

The Cabinet was satisfied that the Cabinet Committee had fully addressed all the relevant issues in relation to the recommendations and that these should be endorsed.

Other Options Considered and Rejected:

The Cabinet was satisfied that the Cabinet Committee had considered all the relevant options in formulating their recommendations. The Cabinet did not consider that there were any further options.

39. FUNDING FOR SUPERFAST BROADBAND

The Portfolio Holder for Technology & Support Services presented a report on funding for the Superfast Essex broadband programme.

The Portfolio Holder reported that the current Superfast Essex broadband programme, representing an investment of £24.6million in broadband infrastructure in

areas where commercial suppliers were not planning to invest over the next three years, if at all, would make superfast broadband available to 87.4% of home and business premises in Essex by the summer of 2016. In April 2014, the Government announced a further £10.62million would be made available to Essex through the Broadband Delivery UK programme, provided it was matched locally. The funds matched by Essex County Council would enable coverage of 93% of the county to be achieved. Essex County Council had appealed to the District Councils to consider contributing additional match funding in order to enable coverage of 95% to be achieved.

The Portfolio Holder stated that Epping Forest District Council was being asked to provide funding in the sum of £84,000 to enable 95% coverage in the District. Without the investment by the Council, 93% coverage would still be achieved, the extra monies would enable an extra 2% of hard to reach areas to be covered. Subject to the recommendation that a bid be made for this investment, the District Council would also need to assess levels of demand across the District and work towards the identification and adoption of the Council's priorities for how this funding was invested and inform discussions with Essex County Council as to how and where the investment would take place. For this, it was felt that the establishment of a Portfolio Holder Advisory Group would be appropriate.

The Essex County Council Portfolio Holder for Economic Growth & Infrastructure addressed the Cabinet and welcomed their consideration of a bid in the sum of £84,000 to co-fund the investment from the Superfast Essex programme. The extension of the programme, following further funding from the Government, the County Council and suppliers would enable 95% of the County to be covered; regrettably, there were some areas in Essex where it was impossible to lay the necessary fibre optic cables. The establishment of a Portfolio Holder Advisory Group was supported, and the contribution to the Programme being considered by the District Council would help the local economy.

The Cabinet welcomed the report and felt that the extension of superfast broadband throughout the District would bring a number of advantages, including more social inclusion in rural areas, local businesses better able to compete in the global market, and greater assistance for home workers. In response to questions raised by the Cabinet, the Portfolio Holder confirmed that the membership of the Group would be on a pro rata basis between the different political groupings, notes of the meetings would be published via the Committee Management System for Members to access, meetings of the Group would be advertised in the Council Bulletin and all Members would be able to attend meetings of the Group if they so desired.

Decision:

- (1) That a bid in the sum of £84,000 be included in the draft Capital Programme for 2015/16 to co-fund the investment in superfast broadband infrastructure and achieve 95% coverage in the District;
- (2) That a letter be written to the Chief Executive of Essex County Council to confirm the Council was minded to support the Superfast Essex broadband programme and a bid in the maximum sum of £84,000 had been provisionally agreed, subject to the approval of the Council's budget in February 2015;
- (3) That a Technology & Support Services Portfolio Holder Advisory Group be established, with the support of officers as required, to work through the potential District priorities for this investment and recommend the Council's preferred options,

in so far as they were practical and in discussion with Essex County Council and suppliers;

(4) That the composition of the Technology & Support Services Portfolio Holder Advisory Group be seven Members on a pro-rata basis with Group Leaders requested to make suitable nominations;

(5) That, to inform the discussions of the Portfolio Holder Advisory Group, an exercise be undertaken to determine both the current levels of coverage and current levels and types of demand for enhanced broadband provision and access throughout the District;

(6) That, to further inform the discussions of the Portfolio Holder Advisory Group, additional advice be sought from Essex County Council as to the likely timescales for completion of the rollout of superfast broadband and the implications for the remaining 5% of the District which would remain without superfast broadband once the 95% target had been achieved;

(7) That the preferred options of the Portfolio Holder Advisory Group be submitted to the Cabinet for adoption, with Essex County Council to be subsequently notified of the Council's adopted priorities for the investment of the agreed funding in the sum of £84,000; and

(8) That the process for prioritising the investment of non-district matched funds to achieve 93% coverage across Essex be clarified with Essex County Council and opportunities to be involved in that process be identified to ensure the Council's agreed priorities also be considered as part of that investment programme.

Reasons for Decision:

This extension to the programme would allow the Essex Superfast Broadband Programme to improve connections for even more homes and businesses and the additional funding requested in this report will enable that extended level of coverage to be achieved specifically across the Epping Forest District.

Other Options Considered and Rejected:

To not opt to make a funding contribution to the Superfast Broadband Programme. However, this could result in the District failing to reach 95% superfast broadband coverage and denying residents and businesses the opportunities to benefit from such an infrastructure. It may also limit any discretion the District Council might have over where and how the infrastructure was improved within its boundaries.

40. LICENCE CONDITIONS FOR GYPSY, ROMA AND TRAVELLER SITES

The Housing Portfolio Holder presented a report on the proposed licence conditions for Gypsy, Roma and Traveller sites.

The Portfolio Holder reported that it was a statutory requirement for local authorities to issue site licences for all the park homes sites in their area and to decide what conditions to attach to them. In 2008, the Government produced new standards for permanent residential park homes sites, providing a framework upon which councils could base the conditions they attached when re-licensing sites. In July 2012, based upon these standards, the Cabinet agreed the conditions to be attached to the site licences for the permanent residential park homes sites in the District and also that the site licence conditions for 31 Gypsy, Roma and Traveller sites in the District,

which had Planning Permission to be occupied on a permanent residential basis, should generally be in accordance with these conditions.

The Portfolio Holder stated that there were significant differences between sites occupied by Gypsy, Roma and Traveller families and those occupied by the settled community. Taking account of these differences, new conditions had been drafted and with the approval of the Housing Portfolio Holder on 18 June 2014 (HSG-003-2014/15), a four-week consultation with site owners and residents on the Gypsy, Roma and Traveller sites in the District was undertaken. Comments from the consultation had been taken into account in the drafting of the site licence conditions that were attached at Appendix 1 to the report. The Cabinet was requested to agree these conditions so that the new site licences could be issued to the owners.

The Portfolio Holder added that no responses to the public consultation had been received from the Gypsy, Roma and Traveller community despite strenuous efforts by Officers to explain the conditions to them at the sites within the District. It was intended to enforce the recommended spacing requirement of 6 metres between pitches at these sites, and Epping Forest was the first District Council to implement these site conditions.

In response to questions and queries from the Members present, the Private Sector Housing Technical Manager stated that the risk of fire was the most important consideration. There would be no charge for sites with 5 pitches or less, but the agreed site conditions would be enforced regardless of the number of the pitches on-site. In addition, any site with planning permission – permanent or temporary – would need to apply the site conditions.

It was highlighted that a number of Gypsy, Roma and Traveller sites tended to be under multiple ownership, which could potentially cause enforcement problems. The Private Sector Housing Technical Manager accepted that would cause a difficult situation, but Officers would look for family links between the owners and treat the situation in that manner.

The Member for the Roydon ward highlighted condition (5) of the proposed conditions regarding site lighting, and suggested that it should be amended to state that it should be suitable for the site location and not be so excessive as to be considered 'light pollution', whilst also being sufficient to provide safe movement around the site. This was agreed by the Cabinet.

Decision:

(1) That, following consultation with site owners, residents, statutory consultees and other interested parties, the Park Home Site Licence Conditions for Gypsy, Roma and Traveller Sites in Epping Forest District Council, as attached at Appendix 1 of the report, be adopted subject to the following amendment:

- (a) that condition (5) of the proposed Site Licence Conditions concerning Lighting be amended to state the installed lighting should be appropriate to the location and not be so excessive as to be considered 'light pollution' whilst also providing safe movement around the site.

Reasons for Decision:

The Council was required to issue licences on all park homes sites in the District with conditions that were relevant, consistent and would adequately protect the health and safety of people residing at, or visiting, the sites. Although new proposed standard

park home site licence conditions for permanent residential sites occupied by the settled community were agreed by the Cabinet in July 2012, the existing site licence conditions for the Gypsy, Roma and Traveller sites that were occupied on a permanent residential basis had not been reviewed for many years.

Other Options Considered and Rejected:

To not set new licence conditions and allow the remaining ones to remain in place. However, the existing conditions were outdated and such an approach could compromise the health and safety of those living on or visiting the sites.

To apply the same conditions to the Gypsy, Roma and Traveller sites in the District as the ones attached to the permanent residential sites occupied by the settled community. However, there were significant differences between the two different types of sites, mainly in terms of ownership and management.

41. PHASE II RESOURCES FOR THE ASSET MANAGEMENT AND ECONOMIC DEVELOPMENT TEAM

The Portfolio Holder for Asset Management & Economic Development presented a report on the proposed restructure of the Asset Management & Economic Development Team.

The Portfolio Holder reported that the Council was committed to supporting local businesses, attracting inward investment and utilising its own assets to drive economic regeneration. To ensure that these objectives were met, there was a need to progress the Economic Development Strategy and the area or theme specific economic development plans which supported it. This required a dedicated team to work both within the Council and beyond utilising existing productive partnerships and seeking innovative additional ways of working/funding these aims. To facilitate this, four new posts were proposed to be added to the Council's establishment – two new Economic Development Officers, and two new Assistant Asset Management & Economic Development Officers. All four posts would be subject to job evaluation. It was unlikely that these new posts would be appointed to before January 2015, therefore it was proposed to request the Council to approve a supplementary Continuing Services Budget estimate in the sum of £30,770 for the remainder of 2014/15, and for a Continuing Services Budget growth bid in the sum of £92,310 for 2015/16.

The Cabinet welcomed the report and felt that the restructure would create new economic benefits for the District. The Portfolio Holder added that the cost of the new posts was expected to be mitigated in part by the growth in non domestic rates that would be generated.

Decision:

- (1) That, as set out at Appendix 1 of the report, the proposed structure for the Asset Management & Economic Development Team be approved;
- (2) That two new posts of Economic Development Officer be added to the establishment at Grade 8;
- (3) That two new posts of Assistant Asset Management and Economic Development Officers be added to the establishment at grade 4 - 6;
- (4) That the posts in (2) and (3) above be subject to job evaluation; and

- (5) That in order to finance the above:
- (a) a Continuing Services Budget supplementary estimate in the sum of £30,770 for 2014/15 be recommended to the Council for approval; and
 - (b) a Continuing Services Budget growth bid in the sum of £92,310 for 2015/16 be made.

Reasons for Decision:

The proposed structure and new posts would assist in the production of an Economic Development Strategy and support the financial and economic aims of the Council, which in turn would reduce the Council's reliance upon grants from the Government.

Other Options Considered and Rejected:

To do nothing. However, the current team would not be sufficient to deliver the Council's stated aims.

To agree fewer permanent resources for the Team. However, the extent of work to be undertaken would be compromised by a smaller or temporary external resource.

42. ESSEX GYPSY AND TRAVELLER AND TRAVELLING SHOWPEOPLE ACCOMMODATION ASSESSMENT

The Portfolio Holder for Planning Policy presented a report on the Essex Gypsy and Traveller and Travelling Showpeople Accommodation Assessment, which had been published in July 2014.

The Portfolio Holder stated that the study provided information on an aspect of future accommodation provision with its own specific national planning guidance (Planning Policy for Traveller Sites) and which the National Planning Policy Framework recognised as an important issue for Local Plans. The Assessment, which covered the whole of Essex, suggested that there was a need to make provision for an additional 112 Gypsy and Traveller permanent pitches in the period 2013 to 2033 – and this was in the context that the District currently (as of May 2014) already had 117 permanent pitches. Options for phasing provision over the next 20 years and for identifying suitable sites within the next 5 years would need to be considered before the 'Preferred Options' document was prepared for public consultation in the Spring of 2015. Subsequently, it would be necessary to satisfy an Inspector at the Examination in Public that every effort to make adequate provision within the District had been considered, before requesting any neighbouring authorities to take any unmet need under the Duty to Co-operate. The Assessment had also identified a need for two additional yards for the use of Travelling Showpeople within the District. The Portfolio Holder added that a total of 71 Travellers had responded to the consultation, and the Assessment document was already in the public domain.

Decision:

- (1) That the Essex Gypsy and Traveller and Travelling Showpeople Accommodation Assessment (July 2014) be included as part of the Evidence Base for the new Local Plan.

Reasons for Decision:

The inclusion of the Assessment in the Evidence Base and its use to identify suitable policy approaches would help to develop a Local Plan which was more likely to be found "sound".

Other Options Considered and Rejected:

To not include the Assessment within the Local Plan Evidence Base. However, without such evidence the Local Plan would be likely to be considered unsound at the Examination in Public, as future needs, and thus the policy means of meeting these needs, could not be determined. This would lead to further delays in the Local Plan process and incur additional costs.

43. STRATEGIC FLOOD RISK ASSESSMENT LEVEL II

The Portfolio Holder for Planning Policy referred the Cabinet to his earlier comments concerning the deferral of this report.

Decision:

(1) That the inclusion of the Strategic Flood Risk Assessment Level II and its findings in the Evidence Base for the new Local Plan be deferred at the current time pending further information.

44. UPDATE ON CONSULTATION FOR LOCAL COUNCIL TAX SUPPORT SCHEME 2015/16

The Finance Portfolio Holder presented an update report on the public consultation for the Council Tax Support Scheme for 2015/16.

The Portfolio Holder reminded the Cabinet that, on 21 July 2014, it had approved the elements of the Local Council Tax Support scheme that were to be consulted upon for possible change to the Epping Forest District Council scheme for 2015/16. One of the issues that Members had been keen to consult on was the possible introduction of a residency requirement. This would mean that if a person had not been resident in the Epping Forest District for a certain period of time, they would not be able to receive any Local Council Tax Support to help them pay their Council Tax liability. At that meeting, Members were advised of a judicial review that would be heard later that week which could affect any decision to include a residency requirement in the Epping Forest scheme.

The Portfolio Holder reported that Sandwell Metropolitan Borough Council had introduced a two-year residency requirement in their Local Council Tax Support Scheme following a public consultation, however the Child Poverty Action Group took judicial review proceedings against Sandwell. The judgement was issued on 30 July 2014, and Mr Justice Hickinbottom found against Sandwell. The key findings was that the residency requirement was ultra vires, on the basis that a residency requirement was not relevant to defining persons in financial need, as outlined in the Local Government Finance Act 2012, that it was discriminatory and a barrier to the freedom of movement, particularly for foreign nationals and women who had suffered domestic violence.

The Portfolio Holder added that Tendring and Braintree District Councils were the only other local authorities that had a residency requirement in their Local Council Tax Support Scheme, but both had now suspended that element of their schemes. In

light of the judgement issued on 30 July 2014, Officers had not included questions regarding a residency requirement in the public consultation for the 2015/16 Scheme and the Cabinet was requested to retrospectively approve this course of action.

Decision:

(1) That, in light of a recent judicial review, the actions undertaken by Officers not to include questions concerning a residency condition in the consultation for the Local Council Tax Support Scheme for 2015/16 be approved.

Reasons for Decision:

Although the Cabinet agreed to consult on a residency requirement for the Local Council Tax Support scheme for 2015/16, the findings of the recent judicial review made it clear that such a residency requirement would be unlawful and the Council would be acting unlawfully to still undertake consultation on something that is now known to be unlawful.

Other Options Considered and Rejected:

To undertake consultation on all the elements previously agreed by the Cabinet, including the residency requirement. However, the Council would be acting unlawfully.

45. LOCAL GOVERNMENT PENSION SCHEME 2014 - DISCRETIONS POLICY STATEMENT

The Portfolio Holder for Technology & Support Services presented a report on the Discretions Policy Statement for the Local Government Pension Scheme 2014.

The Portfolio Holder reported that the Local Government Pension Scheme (LGPS) had been amended from 1 April 2014 so that benefits accrued after 31 March 2014 would be based on a Career Average Revalued Earnings (CARE) basis, rather than on a final salary basis. As a result of the changes to the Scheme, the Council was required to formulate, publish and keep under review a Statement of Policy on Discretions which they had the power to exercise in relation to members of the new Scheme.

The Portfolio Holder stated that the proposed Statement of Policy had been attached at Appendix 1 of the report and its purpose was to ensure that there was clarity on the policy of the Council with regard to the various discretions provided by the Local Government Pension Scheme. This was for the purpose of the Council, the Essex Pension Fund, ex-employees and current employees of the Council who were contributing members of or eligible to be a member of the Local Government Pension Scheme. In formulating the draft policy on discretions, Officers had had regard to the principles of cautious and conservative management of its financial resources and the extent to which the policy was workable, affordable and reasonable with regard to the foreseeable cost. Because of the potential costs involved, many of the discretions currently offered had not been recommended for continuation.

Decision:

(1) That, as attached at Appendix 1 of the report, the Discretions Policy Statement for the Local Government Pension Scheme 2014 be agreed.

Reasons for Decision:

To seek approval for the adoption of a revised scheme of employer pension discretions for the Council.

Other Options Considered and Rejected:

To substitute the proposed employer discretions with others. However, non-adoption of a Discretions Policy Statement was not an option as it was required under the Local Government Pension Scheme Regulations 2013.

46. CORPORATE PLAN KEY OBJECTIVES 2014-15 - QUARTER I PROGRESS

In the absence of the Leader, the Deputy Leader presented a report on the progress with the Corporate Plan Key Objectives during the first quarter of 2014/15.

The Deputy Leader stated that the Corporate Plan was the Council's key strategic planning document, setting out its priorities over the four-year period from 2011/12 to 2014/15, with strategic themes reflecting those of the Community Strategy for the District. Updates to the Corporate Plan were published annually, to reflect the key objectives for each year of the plan period and progress against the achievement of objectives for previous years.

The Deputy Leader added that the annual identification of key objectives provided an opportunity for the Council to focus attention on how areas for improvement would be addressed, opportunities exploited and better outcomes delivered during the year. A range of key objectives for 2014/15 were adopted by the Cabinet in April 2014. At the end of the first quarter, 37 actions supporting the Key Objectives had been achieved or were anticipated to be achieved (68%), 6 actions were anticipated to be achieved in accordance with revised targets (11%), and 8 actions might not be achieved by year-end (15%). In addition, 3 actions were on hold as a result of external factors (5.5%).

The Cabinet welcomed the active promotion of the new Waste Management contract, due to begin in November 2014, and wondered whether articles could be produced for the various Parish newsletters. The Environment Portfolio Holder responded that he would be happy to provide an article for the Parish Magazines within the District, and would also speak at Parish Council meetings if requested.

The target date for the redevelopment of the Epping Forest Museum was queried as two dates, April 2015 and June 2015, were listed. The Portfolio Holder for Leisure & Wellbeing accepted that there had been a delay, and the Director of Neighbourhoods confirmed that June 2015 was a more accurate target date.

Decision:

(1) That the progress in relation to the achievement of the Key Objectives for 2014/15 for the first three months of the municipal year be noted.

Reasons for Decision:

It was important that relevant performance management processes were in place to review progress against the key objectives, to ensure their continued achievability and relevance, and to identify proposals for appropriate corrective action in areas of slippage or under-performance.

Other Options Considered and Rejected:

No other options were appropriate in this respect. Failure to monitor and review performance against the key objectives and to consider corrective action where necessary, could have negative implications for the Council's reputation and judgements made about its progress, and might mean that opportunities for improvement were lost.

47. VIREMENT OF BUDGETS FROM NEIGHBOURHOODS TO RESOURCES DIRECTORATE

The Environment Portfolio Holder presented a report concerning the virement of budgets from the Neighbourhoods Directorate to the Resources Directorate.

The Portfolio Holder reminded the Cabinet that, in the recently concluded procurement process for the new waste management contractor, the Council required all tenderers to consider enhanced Information Technology (IT) systems with the ability to provide reliable and accurate information to the Council. All of the tenderers had made proposals for new IT systems which mainly consisted of the same output, for example exception reports and other service delivery information being sent and received to and from the Council in real time. However, each tenderer proposed a different methodology for integration of their IT systems with those of the Council.

The Portfolio Holder stated that the contract had been awarded to Biffa Municipal Limited and efforts had begun to facilitate mobilisation of the new contract. A key element of the mobilisation process was to install adequate software systems to enable smooth communication between the Council's systems and the contractor's systems. It was also necessary to employ external specialist contractors to carry out the implementation and train Council officers to access the new systems and realise the full benefits of these new systems. In order to enable the necessary changes in the Council's ICT system, it was estimated that an expenditure of £40,000 was required, which could be financed from existing resources; £17,000 from existing revenue budgets for the waste service for the necessary works and training costs; and £23,000 from the Capital Programme for software and licence purchases. Both of these would be virements from the Neighbourhood Directorate to the Resources Directorate.

Decision:

(1) That, in order to achieve the full benefits of the new waste and recycling contract recently awarded to Biffa Municipal Limited, the following reallocation of budgets be approved for essential ICT system integration and other enabling work:

(a) a virement in the sum of £17,000 from existing revenue budgets for the Waste Service within the Neighbourhood Directorate to the ICT Service within the Resources Directorate for necessary works and training costs; and

(b) a virement in the sum of £23,000 from within the existing Capital Programme from the Neighbourhoods Directorate to the Resources Directorate for software and licence purchases.

Reason for Decision:

To carry out the enhancements to the Council ICT systems to enable the real time exchange of information with Biffa.

Other Options for Action Considered and Rejected:

To avoid delay in mobilisation of the new waste management contract, the ICT department instructed and paid for the necessary works from its own routine maintenance budgets. If the money was not transferred from the waste service then this would impact routine ICT maintenance activities with a subsequent impact on the operations of the Council.

To cancel the order and not carry out the changes and not achieve the integration of systems would result in abortive costs for the works already undertaken. This would mean that an opportunity to achieve significant improvements would be lost.

48. PURCHASE OF ENVELOPING MACHINE

The Portfolio Holder for Technology & Support Services presented a report regarding the purchase of an Enveloping Machine.

The Portfolio Holder reported that the current enveloping machine was managed by the Council's Reprographics section and was used extensively between February and April each year enveloping benefit claims, Council Tax bills, non-domestic rate bills and postal vote inserts. It was obtained in 2005 and was becoming obsolete with parts increasingly difficult to source, increasingly expensive to maintain and there was a concern that a major fault would arise at a critical time with limited or no options for repair.

The Portfolio Holder stated that the current machine could not meet all of the Council's requirements. The technology for these machines had advanced considerably and the standard specification for the new machine would extend the range of envelope size that could be processed, enabling other work to be handled in-house, such as the Housing Tenant Survey and work for the Housing Income and House Sales teams. The purchase price for a new enveloping machine was approximately £40,000, and it was proposed that £15,000 of unallocated new burdens funding was utilised alongside £25,000 from the Reprographics photocopier budget which was not required for this financial year. In addition to the purchase price, the annual service charge of approximately £4,700 would also be met from existing resources. The life expectancy of the new machine was expected to be at least five years.

Decision:

(1) That the capital purchase of a new Enveloping Machine be agreed, funded from:

(a) £15,000 of unallocated New Burdens funding; and

(b) a one-off saving in the sum of £25,000 from the Reprographics Photocopier budget.

Reasons for Decision:

To enable the Council to purchase a new enveloping machine, which would be easier to maintain and enable additional work to be handled in-house, without requesting additional resources.

Other Options Considered and Rejected:

To lease a new machine. However, this would cost an additional £21,000 over the lifetime of the machine.

To outsource the production and packaging of documents with an external provider. However, indications from other District Councils in Essex were that this would be a more expensive solution.

To not replace the current machine or outsource the service. However, the current machine was obsolete with increasingly expensive service/maintenance costs, with parts for the current machine becoming more difficult to source and the Council was at risk from it breaking down at short notice with limited options to deal with time critical work.

49. ANY OTHER BUSINESS**Decision:**

(1) That, as agreed by the Leader of the Council and in accordance with Section 100B(4)(b) of the Local Government Act 1972, together with paragraphs (6) and (24) of the Council Procedure Rules, the following item of urgent business be considered following the publication of the agenda:

- (a) Acceptance of Tender – Council Housebuilding Programme Phase I.

50. EXCLUSION OF PUBLIC AND PRESS**Decision:**

(1) That, in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the item of business set out below as it would involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12(A) of the Act indicated and the exemption is considered to outweigh the potential public interest in disclosing the information:

<u>Agenda Item</u>	<u>Subject</u>	<u>Paragraph No.</u>
22	Acceptance of Tender – Council Housebuilding Programme Phase I	3

51. ACCEPTANCE OF TENDER - COUNCIL HOUSEBUILDING PROGRAMME PHASE I

The Housing Portfolio Holder presented a report on the acceptance of the tender for Phase I of the Council Housebuilding Programme.

The Portfolio Holder stated that a tender exercise, undertaken in accordance with Contract Standing Orders, for the Design and Build contract for Phase I of the Council Housebuilding programme had resulted in 4 tenders being returned. The tenders had been evaluated by Pellings LLP, the Employers Agent acting on behalf of the Council's Development Agent - East Thames Housing Association. At the request of the Council Housebuilding Cabinet Committee, financial evaluations on the tenderers had been carried out by the Council's Chief Internal Auditor, including seeking independent credit checks.

The Portfolio Holder reported that, based on the financial credit details for each of the contractors, the lowest tender submitted represented a high risk, the second lowest tender submitted represented a medium risk, whilst the third and fourth lowest tenders submitted both represented a low risk. The second lowest tender, submitted by Broadway Construction Limited, was £126,000 above the pre-tender estimate but was a fully compliant bid. Financial credit checks had revealed that Broadway Construction had been trading for three years and had a average credit rating that was improving. Broadway Construction had also indicated that they could provide a performance bond to the value of 10% of the contract. The third and fourth lowest tenders each had a high credit rating but their tenders were considerably higher than the pre-tender estimate, which made it difficult to justify the additional cost from public funding. Therefore, it was recommended that the second lowest tender submitted by Broadway Construction Limited be accepted, subject to the provision of a performance bond.

The Cabinet discussed at length the award of the contract for the first phase of the Council Housebuilding Programme, as some members had concerns about awarding the contract to a supplier whose risk rating had been scored as medium. The Housing Portfolio Holder acknowledged that there was money available in the budget to award the contract to the third lowest tender whose risk rating was lower, but it would affect the monies available for the programme in the future. The Assistant Director of Communities (Property) explained to the Cabinet the nature of a 'Design and Build' contract being used for first phase of the Housebuilding Programme and details of the works being undertaken by Broadway Construction Limited for East Herts District Council and the East Thames Housing Association, as well as the financial information provided by the Council's consultants, Pellings LLP. The Housing Portfolio Holder reassured the Cabinet that progress with the contract would be closely monitored by the Council Housebuilding Cabinet Committee, and the Assistant Director reported that the decision could not be deferred as the Council would then lose a grant of £127,300 from the Harlow Growth Area Fund towards the Programme.

Following the conclusion of the debate, the vote to decide the issue was tied and the Chairman used her casting vote to award the contract in line with the Officer's recommendation.

Decision:

(1) That the tender submitted by Broadway Construction Limited, being the second lowest of the four received, for the Design and Build Contract for the construction of 23 new affordable Council homes, making up Phase I of the Council Housebuilding Programme in the sum of £3,245,143.62 be accepted, subject to the provision of a Performance Bond to the value of 10% of the contract sum.

Reasons for Decision:

The Council House-building Cabinet Committee had agreed to tender the works using the East Thames Framework Agreement, based on a Design and Build Contract. Therefore, this tender exercise had satisfied that decision and had been undertaken in line with the Council's Development Strategy and the Council's Contract Standing Orders. The tender exercise had identified Broadway Construction Limited as the Council's preferred supplier.

Other Options Considered and Rejected:

To not take account of the financial evaluations and to simply accept the lowest

tender. However, this could expose the Council to the potential risk of entering into a high profile contract with a company financially unfit to complete the works.

To accept either the third or fourth lowest tender, each of which was a low risk contractor with a high credit rating. However, their tenders were considerably higher than the pre-tender estimate.

CHAIRMAN