

EPPING FOREST DISTRICT COUNCIL CABINET MINUTES

Committee: Cabinet **Date:** 6 October 2014

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.00 - 8.45 pm

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

Other

Councillors: K Angold-Stephens, Mrs J Lea, A Mitchell MBE, B Rolfe, Ms G Shiell, B Surtees and D Wixley

Apologies:

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)), D Newton (Assistant Director (ICT and Facilities Management)), P Pledger (Assistant Director (Housing Property)), K Polyzoides (Assistant Director (Policy & Conservation)), T Carne (Public Relations and Marketing Officer), G J Woodhall (Democratic Services Officer) and S Mitchell (PR Website Editor)

52. 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. The Cabinet noted the Council's Protocol for the Webcasting of Council and Other Meetings.

53. DECLARATIONS OF INTEREST

(a) Pursuant to the Council's Code of Member Conduct, Councillor W Breare-Hall declared a personal interest in agenda item 16, Epping Town Neighbourhood Area Consultation, by virtue of being a member of Epping Town Council. The Councillor had determined that his interest was not pecuniary and would remain in the meeting for the consideration of the issue.

(b) Pursuant to the Council's Code of Member Conduct, Councillor W Breare-Hall declared a personal interest in agenda item 23, Proposed Development of St Johns Road in Epping, by virtue of being a member of Epping Town Council. The Councillor had determined that his interest was pecuniary and would leave the meeting for the consideration of the issue.

(c) Pursuant to the Council's Code of Member Conduct, Councillor C Whitbread declared a personal interest in agenda item 23, Proposed Development of St Johns Road in Epping, by virtue of being a resident of Epping. The Councillor had determined that his interest was not pecuniary and would remain in the meeting for the consideration of the issue. In addition, the Councillor repeated the personal statement that he had made to the Cabinet in July 2012, namely:

“(i) In my own response as a local resident to the public consultation, I stated that I was opposed to the provision of a supermarket;

“(ii) my view has always been that the approved development brief should achieve the twin goals of revitalising the High Street economy and preserving its essential character;

“(iii) it has never been my view that maximising the financial return on the Council’s landholding in that area should be the only objective of the Authority, community benefits are equally important in my mind; and

“(iv) the decision as to whether a supermarket or indeed any other form of development will form part of the brief is not mine as Leader of the Council but one for the whole Council.”

54. MINUTES

Resolved:

(1) That the minutes of the meeting held on 8 September 2014 be taken as read and signed by the Chairman as a correct record.

55. REPORTS OF PORTFOLIO HOLDERS

There were no verbal updates presented by any of the Portfolio Holders in attendance.

56. PUBLIC QUESTIONS

The public had not submitted any questions for the Cabinet to consider.

57. OVERVIEW AND SCRUTINY

The Vice-Chairman of the Overview & Scrutiny Committee reported that the following items of business had been considered at its meeting held on 16 September 2014:

(a) monitoring of the Corporate Plan’s Key Objectives during the first quarter of 2014/15, and it was felt that greater emphasis should be given to the Council’s intention to maintain a 0% increase in the District Council Tax;

(b) a review of Polling Districts, Polling Stations and Polling Places;

(c) the Mayor of London’s public consultation on the London Infrastructure Delivery Plan, which set out a business case for London to have fiscal devolution;

(d) a review of Area Planning Sub-Committee procedures; and

(e) a review of the Grant Aid system.

The Cabinet’s agenda was reviewed but there were no specific issues identified on any of the items being considered.

58. COUNCIL HOUSEBUILDING CABINET COMMITTEE - 17 APRIL 2014

The Housing Portfolio Holder presented the minutes from the meeting of the Council Housebuilding Cabinet Committee held on 17 April 2014.

The Cabinet Committee had made recommendations to the Cabinet concerning: Accelerating the Housebuilding Programme; the Phase II Feasibility Report regarding potential development at Burton Road, Loughton; and the Cabinet Committee's Annual Report to the Cabinet. Other issues considered included: a bid for Affordable Housing Grant from the Homes and Communities Agency; the Council's Policy on Undevelopable Sites; the naming of Council Developments; an update of the Council Housebuilding Risk Register; and the outcome of the funding bid from the London-Stansted-Harlow Programme of Development.

Decision:Accelerating the Housebuilding Programme

- (1) That the report from the Chartered Institute of Housing (CIH) Consultancy on the options for funding an accelerated Council Housebuilding Programme and the associated implications be noted;
- (2) That the number of affordable homes developed in Phases 3-6 by the Council be increased from 20 to 30 per year;
- (3) That Homes & Community Agency (HCA) funding be sought, initially, for Phase 2 of the Housebuilding Programme at Burton Road, Loughton for 40 homes - based on a 56-home development, with the remaining homes in Phase 2 being funded from 1-4-1 Receipts and the other resources made available within the Housing Revenue Account (HRA) as a result of the other recommendations within the CIH Consultancy report;
- (4) That further bids for HCA funding be made in future years for future phases of the Housebuilding Programme, should the amount of 1-4-1 Receipts be less than forecast within the CIH Consultancy report, provided that the receipt of such HCA funding would not result in any 1-4-1 Receipts having to be passed to the Government;
- (5) That, as a policy, the minimum balance held in the HRA be reduced from £3 million to £2 million;
- (6) That the Council's HRA Self-Financing Reserve be re-profiled to release funds for the Housebuilding Programme in earlier years of the HRA Business Plan by increasing contributions to the Reserve in later years (closer to the HRA's first Public Works Loan Board loan maturing in 2021/22), whilst ensuring that sufficient resources had been accumulated within the Reserve to repay this first loan on maturity (subject to no further borrowing being undertaken to extend the Housebuilding Programme, as referred to in (9) below);
- (7) That 30% of the Council's accruing HRA attributable debt balances be utilised to help fund the accelerated Housebuilding Programme;
- (8) That the HRA's contribution to the Housing Improvements and Service Enhancements Fund between 2019/20 – 2021/22 (Years 7-9) be reduced by a sufficient amount to enable Phases 2 - 6 of the Housebuilding Programme to be funded (currently estimated at a reduction of £2.09 million - £2.24 million per annum,

from £3.87 million per annum to £1.63 million - £1.78 million per annum), which would be dependent on:

- (a) the outcome of the HCA funding bid;
 - (b) the amount of 1-4-1 Receipts received in 2014/15;
 - (c) the receipt of any further financial contributions received as a result of Section 106 Agreements;
 - (d) any property or land sales for which the Cabinet agreed the resultant receipt could be utilised to fund the Housebuilding Programme; and
 - (e) any adjustments that had to be made to the amount allocated to the Fund in the intervening period, due to unforeseen and un-budgeted reasons affecting the HRA;
- (9) That, in principle, the Council Housebuilding Programme be extended by a further 4 years to 10 years, after the current Years 3-6, with an additional 30 new affordable homes provided each year;
- (10) That no decisions be made now on the most appropriate way of funding an extended Housebuilding Programme, but that consideration be given at an appropriate time in the future - and before any commitments were made or expenditure incurred; and
- (11) That the purchase of properties from the open market and/or the provision of local authority grant(s) to one of the Council's Preferred Housing Association Partners to fund affordable housing schemes in need of grant, continue to be kept as a contingency plan, should the amount of 1-4-1 Receipts still be in excess of the maximum amount that can be spent on the Housebuilding Programme, in order to avoid having to pass any 1-4-1 Receipts to the Government, with interest.

Phase II Feasibility Report – Burton Road, Loughton

(12) That, subject to Secretary of State consent, the former garage site and associated amenity land at Burton Road, identified for the development of Council Housebuilding, be appropriated for planning purposes under the provisions laid out in the Local Government Act 1972 and Town and Country and Country Planning Act 1990 on the grounds that the land was no longer required for the purposes for which it was currently held in the Housing Revenue Account;

Annual Report to Cabinet

(13) That the Annual Progress Report on the Council Housebuilding Programme be submitted to the Cabinet.

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 to review.

59. COUNCIL HOUSEBUILDING CABINET COMMITTEE - 21 AUGUST 2014

The Housing Portfolio Holder presented the minutes from the meeting of the Council Housebuilding Cabinet Committee held on 21 August 2014.

The Cabinet Committee had made recommendations to the Cabinet concerning the Progress Report on Phases I and II of the Council Housebuilding Programme. Other issues considered by the Cabinet Committee included: Acceptance of a Tender for Phase I of the Council Housebuilding Programme (which was deferred to the Cabinet for a decision on 8 September); the naming of new Council Housing Developments during Phase I of the Council Housebuilding Programme; the outcome of the Affordable Housing Grant application to the Homes and Communities Agency; and an update of the Council Housebuilding Risk Register.

Decision:

Phase 1 and 2 Progress Report

- (1) That the current progress with regard to Marden Close and Faversham Hall, as well as Phases 1 and 2 of the Council Housebuilding Programme be noted, and in particular a reduced number of new affordable homes proposed at Burton Road, Loughton as Phase 2 from 56 homes to 52;
- (2) That the current budget position be noted, based on:
 - (a) the Marden Close and Faversham Hall tender sum already agreed by the Housing Portfolio Holder in the sum of £890,000 (Works and Fees) for 12 new self-contained flats;
 - (b) the Phase 1 tender to be considered by the Cabinet taking account of further financial checks on each of the tenderers for 23 homes at Roundhills and Harveyfields, Waltham Abbey; and
 - (c) Phase 2 feasibility estimate of £8.9million (works and fees) for 52 new homes at Burton Road, Loughton; and
- (3) That the Programme timetable attached at Appendix 1 of the report to the Cabinet Committee 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 to review.

60. FINANCE AND PERFORMANCE MANAGEMENT CABINET COMMITTEE - 18 SEPTEMBER 2014

The Finance Portfolio Holder presented the minutes from the recent meeting of the Finance & Performance Management Cabinet Committee held on 18 September 2014.

The Cabinet Committee had made recommendations to the Cabinet concerning: the Annual Outturn Report on the Treasury Management and Prudential Indicators 2013/14; and the Corporate Risk Register. Other issues considered by the Cabinet Committee included: the Government consultation on the Local Government Finance Settlement for 2015/16; the Revenue and Capital Financial Monitoring reports for the first quarter of 2014/15; the Annual Governance Report for 2013/14; and Risk Management Training for Members.

Decision:Annual Outturn Report on the Treasury Management and Prudential Indicators 2013/14

(1) That the revising of the Treasury Management Strategy Statement for the period 2014/15 to 2016/17 to permit lending to service providers with which the Council was in a contractual relationship be recommended to the Council for approval; and

Corporate Risk Register

(2) That the updated version of the Corporate Risk Register be approved; and

(3) That the inclusion of no new risks in the Risk Register at the current time 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 to review.

61. NORTH WEALD BASSETT MASTERPLAN STUDY

The Portfolio Holder for Planning Policy presented a report on the North Weald Bassett Masterplan Study.

The Portfolio Holder reminded the Cabinet that a more detailed Masterplan exercise was commissioned to consider the way that the Airfield related to the wider village; this followed the decision in August 2013 that a mixed use approach to North Weald Airfield should be adopted, which retained aviation activities at the site. As a result, Allies and Morrison Urban Practitioners were commissioned to undertake the Masterplan study, which would identify a vision for the village and provide a clear framework of options for future development and investment.

The Portfolio Holder reported that the Masterplan had considered transport and movement options, the provision of new homes, economic opportunities including the role of the Airfield, shops and community services for the village, and the role of open space including the identification of a long term defensible green belt boundary. Three options had been developed: option 1 envisaged up to 500 new dwellings being built in North Weald Bassett over the next 20 years; option 2 envisaged approximately 1,000 to 1,200 new dwellings; and option 3 envisaged up to 1,600 new dwellings. The study offered two broad spatial scenarios for new development. Scenario A introduced new dwellings to the south east of the existing settlement, covering land towards the Ongar Redoubt and including part of the existing Golf Course. Scenario B extended residential development closer to the Airfield, up to Merlin Way. Suitable locations were also identified for commercial development, such as retail and leisure uses to support residential growth, and other locations for employment use including those relating to the Airfield.

The Portfolio Holder added that delivery of the Masterplan was envisaged over a long period of time, and a number of phasing principles had been set out to ensure that new development integrated with the existing development to avoid disconnected and isolated pockets of residential development, and to ensure adequate services, facilities and infrastructure to support the new housing proposed for each phase. The Study would feed into the Local Plan process and it was proposed to accept the Study as part of the Evidence Base to inform future planning decisions taken by the Council.

The local ward Members for North Weald Bassett welcomed the report and hailed the public participation with the Masterplan exercise via the workshops. It was noted that the village was short of health facilities, which resulted in some residents of North Weald Bassett being covered by the surgery in Epping. The Director of Neighbourhoods explained that the Consultants had simply presented the scenarios in the report in a different order to which they had been presented at the public workshops, and that there was no further motive involved in this. The Portfolio Holder confirmed that no firm decisions yet had been taken, and that the Study was presented for inclusion in the Local Plan Evidence Base at the current time.

Decision:

- (1) That the completion of the North Weald Bassett Masterplan be noted; and
- (2) That the North Weald Bassett Masterplan be accepted into the Local Plan Evidence Base.

Reasons for Decision:

To enable the Council to work towards a sound new Local Plan, which used robust information and would be more likely to be accepted by the Planning Inspector at the Examination in Public.

Other Options Considered and Rejected:

To not accept the Masterplan study into the Local Plan at the current time, or to ask for additional work to be undertaken.

62. MARKETING OF AN OPERATIONAL MANAGEMENT AGREEMENT AT NORTH WEALD AIRFIELD

The Portfolio Holder for Asset management & Economic Development presented a report concerning the marketing of an Operational Management Agreement for North Weald Airfield.

The Portfolio Holder reminded the Cabinet that the Council had received a number of reports on the options for the future of the Airfield. The Cabinet on 22 July 2013 had resolved that the future should be the “mixed aviation/development option”, subject to the Local Plan. These development options were now being considered in detail as part of the Local Plan review. In order to inform that process and assess the aviation potential, it was suggested that bringing in a private sector operating partner could be beneficial.

The Portfolio Holder stated that property consultants, Savills, were appointed to review the current position and undertake a soft marketing exercise to obtain the views of companies operating in this sector of the aviation industry. Due to the number of unknown factors around how the aviation operation could be improved at the Airfield, there was a clear preference from the private sector for a management agreement rather than a long lease. A management agreement would involve the Council paying a fee to an operator who would take responsibility for running the aviation business. A term of 5 to 10 years was envisaged for the initial agreement and the objective would be to try and ensure that the aviation business at the Airfield became profitable in its own right. It was anticipated that aviation activities would initially be restricted to the west side of the main runway, but would include operational buildings such as the Control Tower.

The Portfolio Holder drew the attention of the Cabinet to the recommendations within the report to progress the appointment of an operational partner at the Airfield. These included the appointment of Marketing Agents in the first instance, including a supplementary District Development Fund estimate in the sum of £60,000 for the Council to approve, and authority being delegated to the Portfolio Holder to agree the terms of appointment. A report would be submitted to a future meeting of the Cabinet on the outcome of the marketing exercise.

A local ward Member for North Weald Bassett reminded the Cabinet that there was support from the majority of residents in North Weald Bassett for the maintenance of aviation activities at the Airfield. It was also hoped that other sources of income would still be considered at the Airfield, aside from aviation. The Portfolio Holder responded that other sources of income would continue to be considered; a ‘park-and-ride’ scheme was considered as part of the Masterplan study, whereby commuters would park at the Airfield before joining a bus service to Epping Underground Station. The Council would seek to recoup the £60,000 outlay for the marketing exercise as soon as possible.

The Director of Governance added that a variety of uses for the Airfield was being considered, including ‘park-and-ride’, and that the payback period would form an important part of the discussions with the newly appointed Operational Partner. The Council would know more when firm proposals were put forward. The Leader of the Council welcomed the report as the Council needed a vision for the future of the Airfield and commercial proposals for its future viability.

Decision:

- (1) That the seeking of an operational partner to work with the Council to produce

a business plan for aviation at North Weald Airfield be agreed;

(2) That the procurement and appointment of Marketing Agents up to an estimated cost in the sum of £60,000 be approved;

(3) That the terms of the appointment of the Marketing Agents be delegated to the Portfolio Holder for Asset Management and Economic Development;

(4) That, in order to progress the procurement and appointment of Marketing Agents in (2) above, a supplementary District Development Fund estimate in the sum of £60,000 be recommended to the Council for approval; and

(5) That a further report on the outcome of the marketing exercise be submitted to the Cabinet in due course.

Reasons for Decision:

To try and secure a sustainable future for aviation at the Airfield through increased income and assistance in guiding future plans for aviation activities.

Other Options Considered and Rejected:

To try and improve the airfield operations in-house without potential private sector expertise and operational risk transfer.

To sell or lease a longer term interest in the Airfield for aviation use, which would mean less control and choice of options for the future for the Council.

63. DELEGATION OF POWERS FROM ESSEX COUNTY COUNCIL UNDER THE FLOOD AND WATER MANAGEMENT ACT 2010 - REVISED AGREEMENT

The Environment Portfolio Holder presented a report regarding the delegation of powers from Essex County Council under the Flood and Water Management Act 2010.

The Portfolio Holder stated that the Council had been exercising certain powers of the Land Drainage Act 1991 (as amended), on behalf of Essex County Council since April 2012 through a Letter of Understanding. The Cabinet had agreed on 22 July 2013 (report C-016-2013/14 refers) to enter into an agreement on the basis that the County Council supplemented the cost to the District Council for carrying out aspects of the work set out in the Letter of Understanding. However, the agreement was never finalised by the County Council and in April 2014, the County Council notified the Council that it wished to change the terms of the original Letter of Understanding by withdrawing the payment of all supplementary costs.

The Portfolio Holder reported that discussions had been held with the County Council subsequently and a revised level of supplement had been proposed, based upon a flat proportion of an Engineer's salary as opposed to payment for the actual number of cases dealt with by the Council. Based on data from the last two years, this would result in slightly less income being generated for the Council. It was highlighted that the Council was the only District authority within Essex which had its own Land Drainage byelaws, so there was a synergy in accepting this agreement from the County Council. Previously, the Council had performed this work through an informal arrangement with the Environment Agency, which did not generate any income for the Council.

The Portfolio Holder advised the Cabinet that a more streamlined service would be delivered to residents through carrying out these works on behalf of the County Council, and would allow the Council to reduce the flood risk throughout the District by retaining control over the flood risk assets. It was accepted that the working arrangements with the County Council would need to be regularly reviewed, but it was thought that the work could be carried out within existing staff resources. Therefore, approval was sought from the Cabinet to accept the delegation of powers based on these revised terms, with the aim of concluding an agreement with the County Council within six months.

The Cabinet had concerns about the proposed level of fees from Essex County Council for performing this work but supported the principle of the District Council having the powers to solve its own flood risk problems as this would be valued by residents. The Portfolio Holder acknowledged the risk of liability from the Council accepting these new powers, and shared the Cabinet's disappointment about the level of the proposed fees. The Assistant Director of Neighbourhoods (Technical Services) reassured the Cabinet that the Council was already performing the majority of these works under the existing bye-laws and the level of fees from the County Council would be regularly reviewed. Ultimately, this amounted to additional income to perform the works without having to obtain additional consent from the County Council.

Decision:

(1) That an agreement with Essex County Council be entered into to accept delegation of the powers and duties under sections 23, 24, 25 of the Land Drainage Act 1991, as amended by the Flood and Water Management Act 2010, for the consenting of works to and the enforcement of ordinary watercourses; and

(2) That the agreement be based on the terms of a revised Letter of Understanding, due to Essex County Council's proposal to change the payment structure to the Council for carrying out the work.

Reasons for Decision:

To ensure that the Council retained the necessary powers to optimise the control of works to ordinary watercourses within the District in order to minimise flood risk.

Other Options Considered and Rejected:

To not accept the delegated powers and let the County Council exercise the relevant powers.

64. SURVEY OF THE RIVER RODING AND ASSOCIATED BRIDGES IN THE RODING VALLEY RECREATIONAL AREA

The Environment Portfolio Holder presented a report concerning a survey of the River Roding and associated bridges in the Roding Valley Recreational Area.

The Portfolio Holder informed the Cabinet that the River Roding was one of the two major river systems flowing through the District. The responsibility for the management and upkeep of rivers fell to riparian owners (those land owners or occupiers through whose land a river passed). The responsibility for the management of the Roding Valley Recreational Area (RVRA) fell to various partners, including Loughton Town Council and Buckhurst Hill Parish Council, and Essex Wildlife Trust

for areas in their management control that fell within the boundary of the Recreational Area.

The Portfolio Holder stated that the last river condition survey of the River Roding through the Recreational Area was carried out in 2003. As a result, a number of works were carried out to manage the risk to members of the public using the Recreational Area. Ongoing monitoring of the river, its banks and associated structures was carried out as suggested in the 2003 survey. An engineering survey of the Charlie Moules Bridge was carried out in August 2012 and the cost of the necessary remedial works was £24,960. It was considered prudent to only make the bridge safe for use at the current time, and then consider a wider scheme which would address accessibility and sustainability issues.

The Portfolio Holder reported that, in view of ongoing erosion damage, it was now considered necessary to carry out another comprehensive survey of the river and the structures. It was proposed that a morphological survey of the River Roding from Chigwell Lane to Roding Lane be carried out to identify the level of erosion of the river banks. In addition, a structural condition survey of the three bridges should also be carried out to assess the level of risk to users and propose any necessary remedial measures.

The Portfolio Holder opined that, as the land owner, the District Council should take the lead in carrying out the investigation and work in partnership with the Town and Parish Councils to implement any necessary actions identified. It was estimated that the cost of engaging specialist engineering surveyors would be £15,000, and a report would be submitted to a future Cabinet meeting detailing the outcome of the survey and any financial implications.

In response to questions from the Members present, the Assistant Director of Neighbourhoods (Technical Services) stated that it was too early to determine if the erosion of the river banks was being caused by the Environment Agency downsizing their maintenance works further upstream, as this process was only just beginning. A local Member for Loughton Roding was concerned about the erosion of the river banks and that there was not any disabled access at the Charlie Moules bridge. It was also highlighted that further erosion of the river banks could cause contamination between the river and a nearby lake. The Portfolio Holder acknowledged the contamination risk, and was keen to provide disabled access at Charlie Moules bridge.

Decision:

- (1) That, in order to assess the condition of the River Roding and the risk of damage to the bridges and other assets, a technical survey be carried out of the entire length of the River Roding where it flowed through Council owned land in the Roding Valley Recreational Area (RVRA);
- (2) That a District Development Fund growth bid in the sum of £15,000 be made for 2015/16 for the appointment of specialist engineering surveyors; and
- (3) That the findings of the survey and any recommended action be reported to a future meeting of the Cabinet.

Reasons for Decision:

To establish the extent of river erosion along the River Roding and any potential impact on the associated structures especially the three bridges, identify remedial

works, and manage the risk to the users of the Roding Valley Recreational Area.

Other Options Considered and Rejected:

To do nothing and allow the erosion to continue, however this would lead to an increasing risk of injury to the public and damage to property.

65. APPROPRIATION OF LAND AT BURTON ROAD, LOUGHTON

The Housing Portfolio Holder presented a report concerning the appropriation of land at Burton Road in Loughton.

The Housing Portfolio Holder reported that the Council Housebuilding Cabinet Committee had identified land at Burton Road in Loughton as suitable for redevelopment with the specific purpose of providing affordable housing for applicants on the Council's Housing Register. The site was currently occupied by garages and grassed amenity land, but the majority of the garages stood empty so it was felt that the current use of the land was not fit for purpose. By appropriating the land for planning purposes, the Council would be able to secure its redevelopment. The land needed to be appropriated prior to the planning application being submitted, as there was no retrospective process for appropriation and there was a risk that the proposed redevelopment scheme could be frustrated by third party rights. The process for appropriation was laid out in Section 122 of the Local Government Act 1972 and Section 226 (1)(a) of the Town and Country Planning Act 1990. The Housing Portfolio Holder was also seeking authority to sign a memorandum confirming the appropriation of the land prior to the planning application being submitted.

The Housing Portfolio Holder requested that for future phases of the Council Housebuilding Programme, the terms of reference for the Council Housebuilding Cabinet Committee be amended, by the Leader of the Council, so that the Cabinet Committee could be delegated authority to appropriate Council-owned land for planning purposes on the grounds that it was no longer required for the purposes for which it was currently held in the Housing Revenue Account, under the relevant legislation listed above.

Finally, the Housing Portfolio Holder stated that although the consent of the Secretary of State for Communities and Local Government under Section 19 of the Housing Act 1985 was not required on this occasion, as neither the land nor the garages were connected to the tenancy of a dwelling, this might not always be the case in the future. Consequently, the Cabinet was also requested to delegate authority to the Director of Communities to apply for such consent in the future, if required.

Decision:

(1) That, in accordance with the previous decision of the Council Housebuilding Cabinet Committee, the former garage site and associated amenity land at Burton Road, ('the Land') (as shown edged red on the plan attached to the report) identified for the development of Council House Building, be appropriated for planning purposes under provisions laid out in Section 122 of the Local Government Act 1972 ('the 1972 Act') and Section 226 (1) (a) of the Town and Country Planning Act 1990 ('the 1990 Act') on the grounds that the Land was no longer required for the purposes for which it was currently held (as under-utilised garages and grassed amenity land) in the Housing Revenue Account;

(2) That the Housing Portfolio Holder be delegated authority to sign a memorandum confirming the Cabinet decision that the Land had been appropriated from housing purposes to planning purposes prior to the planning application being submitted;

(3) That the Leader of the Council be requested to amend the Terms of Reference for the Council Housebuilding Cabinet Committee to delegate authority to the Cabinet Committee to appropriate Council-owned land, held for housing purposes and identified for Council housebuilding for planning purposes under provisions laid out in Section 122 of the 1972 Act and Section 226 (1) (a) of the 1990 Act on the grounds that the land was no longer required for the purposes for which it was currently held in the Housing Revenue Account; and

(4) That, for future development sites where consent from the Secretary of State would be required and pursuant to Section 19 of the Housing Act 1985 insofar as required, the Director of Communities be given delegated authority to apply to the Secretary of State for Communities and Local Government for such consent, and subject to receipt of that consent, to advertise the Council's intention to make the appropriation in accordance with the provisions of Section 122(A) of the 1972 Act.

Reasons for Decision:

Appropriation of the land could not take place after a planning application had been submitted otherwise there was a risk that the proposed re-development scheme might be frustrated by third party rights, which would in turn frustrate the Council's regeneration objectives for the site. By appropriating land, once planning permission was obtained, the rights of affected third parties could be overridden to the extent that they became an entitlement to compensation rather than a right to obtain an injunction to prevent the scheme.

Other Options Considered and Rejected:

To not appropriate the land and take the risk that a third party would not try to prevent the development by laying claim to a long established right of access across the land.

66. EPPING TOWN NEIGHBOURHOOD AREA CONSULTATION

The Planning Portfolio Holder presented a report on the result of a public consultation following the submission of an application by Epping Town Council for the designation of a neighbourhood area in July 2014.

The Portfolio Holder stated that Neighbourhood Development Plans (NDPs) were introduced as part of the Localism Act 2011. They enabled local communities (Town/Parish Councils or designated neighbourhood forums) to shape the way that their local area developed over the coming years. Once approved, the Plans would form part of the statutory development plan, and were therefore a material consideration when deciding on planning applications.

The Portfolio Holder reported that the proposed neighbourhood area for Epping Town followed the parish boundary. During the public consultation, five responses were received: Buckhurst Hill Parish and Loughton Town Councils made no adverse comments; the Epping Society supported the designation; and two developers, Croudace Strategic and Persimmon Homes, asked to be kept informed of progress with the proposed Neighbourhood Plan.

The Portfolio Holder added that, to date, three neighbourhood areas had been designated, all of which covered the whole of the relevant parish area and none of which had attracted objections. Consequently, it was proposed to delegate authority to the Director of Neighbourhoods, following consultation with the Portfolio Holder, to designate those neighbourhood areas which covered the whole parish and generated no objections during the public consultation.

Decision:

(1) That, following the receipt of representations, a neighbourhood area be designated covering the Parish of Epping Town; and

(2) That future decisions to designate neighbourhood areas be delegated to the Director of Neighbourhoods, following consultation with the Portfolio Holder, where the area covered the whole parish and there were no objections.

Reasons for Decision:

To enable the Council to meet its statutory obligations and duties under the Localism Act 2011, and to make the best use of available resources when considering such applications on the future.

Other Options Considered and Rejected:

To not designate the proposed neighbourhood area or to designate a different area, however there was no evidence to support either approach.

To maintain the current arrangements for approving Neighbourhood areas, however this would entail reports to the Cabinet to approve non-contentious applications.

67. INTEGRATED PAYROLL/HUMAN RESOURCES ICT SYSTEM

The Portfolio Holder for Technology & Support Services presented a report for the purchase of a new integrated Payroll/Human Resources ICT system.

The Portfolio Holder reported that the current Payroll/Human Resources ICT system, Payroll+, was not fit for purpose, as it could not meet a number of key requirements. This was mainly as a result of the current system being an employee based system (used mainly in the private sector) rather than a post based system which the Council required. In addition, the system was unable to automate the new pension auto enrolment processes or the regular reports and information required by the Local Government Pension Scheme fund administrators. The deficiencies of the system required manual interventions and processes which had a significant impact on staff time as well as the potential to result in errors.

The Portfolio Holder added that, as well as wishing to eliminate the problems with the current system, it was recognised that technology had progressed since 2004 when the Council first updated the Payroll/Human Resources ICT system. Many systems now had self-service functionality which enabled employees and managers to access certain functions of the system, which in turn would reduce the likelihood in data input errors. Officers had carried out a soft market testing exercise and approximate prices for an appropriate system varied between £60,000 and £165,000, although £80,000 was considered sufficient to purchase a system to meet the Council's needs. If the capital bid for 2015/16 was successful then a procurement exercise would take place in accordance with the Council's Contract Standing Orders, and it was proposed that the evaluation criteria should be on a 60% price and 40% quality basis.

In response to questions from other Members of the Cabinet, the Portfolio Holder reassured the Cabinet that the annual maintenance charges for the first two or three years of the life of the new system would be factored into the capital cost of the new system. It was envisaged that the new system would both improve efficiency and save resources, and once the new system had been implemented then the Council would look to provide payroll or personnel services to other smaller Councils and possibly other charitable organisations.

Decision:

(1) That a bid for capital expenditure in the sum of £80,000 in 2015/16 be made to purchase an Integrated Payroll/Human Resources ICT System; and

(2) That the procurement evaluation criteria for selecting a provider be based on 60% price and 40% quality.

Reasons for Decision:

The functionality of the current Payroll/Human Resources ICT system was no further advanced than in 2004 and not fit for purpose, as there were a number of basic requirements which were not and could not be met by the current system. Other functionality also required manual interventions.

Other Options Considered and Rejected:

To not purchase a new ICT System. However the current system lacked crucial functionality and required a number of manual interventions which had a significant impact on reliability and efficiency.

68. ICT CAPITAL REQUIREMENTS - 2015/16

The Portfolio Holder for Technology & Support Services presented a report on the Capital requirements for the proposed ICT projects in 2015/16.

The Portfolio Holder reminded the Cabinet that ICT were historically allocated £300,000 per annum in the Capital programme for the updating and maintenance of the core technical infrastructure. Following the revision of the Capital programme, this blanket allocation had been removed and now all proposed ICT projects had to be considered and agreed on an annual basis.

The Portfolio Holder informed the Cabinet that three priority Strategy projects had been identified, namely: replacement of the Banker Automated Clearing Service (BACS) electronic payment system; replacement of the Uninterruptable Power Supply (UPS) to provide back-up to the Council's servers in the event of a power loss; and PC Remote Management Tools to allow the remote deployment of software and management of hardware. The estimated cost of these projects for 2015/16 was £67,000. Further projects had been identified from the ICT Strategy, including: upgrades to the Citrix system used to deliver software applications to users; a replacement ICT Service Desk System which had been in place for seven years and was no longer fit for purpose; the replacement of the Council's iPhones issued to staff; and integration between the corporate Land and Property Gazetteer and the Academy system used by Revenues & Benefits and the Northgate OHMS system used by Housing. The estimated cost for these 12 projects for 2015/16 was £133,000. Finally, £75,000 was being requested as a contingency sum in the Capital Programme for the Corporate Flexible Working roll-out project, to equip staff with

tablets, laptops, terminals and smart phones as required. The total sum requested for inclusion in the Capital Programme for 2015/16 was £275,000.

In response to questions from the Members present, the Assistant Director of Resources (ICT) stated that the purchase of systems on a 'support-and-upgrade' basis was considered but often this option was more expensive. For example, a previous agreement with Microsoft on a similar basis had cost the Council £60,000 per annum. The general policy employed was to get as much value as possible from the existing systems until they were no longer supported and then upgrade. However, this would be reviewed for the proposed system purchases, such as the Citrix upgrade. The Portfolio Holder agreed that the replacement ICT Service Desk System could be a cloud based system and this option would be examined. However, the Assistant Director highlighted that cloud based systems tended to be revenue based for costs rather than capital based, but that the proposed solution would be reviewed to ensure that the Council was getting the best possible value.

The Assistant Director assured the Cabinet that the Council's old iPhones would be resold to recoup some of the costs of the replacement units; currently, old iPhones were valued at £40-45 per unit. The Portfolio Holder for Governance and Development Management wanted reassurance that if either the Academy or Northgate OHMS systems were upgraded, then this would incorporate the integration with the Corporate Land & Property Gazetteer system. The Assistant Director stated that much of the integration was undertaken in-house by the ICT department, and that the integration would be maintained in the event of system upgrades.

The Portfolio Holder for Planning Policy supported the inclusion of the UPS replacement. This item was expensive due to the number of batteries involved but would prevent damage to the Council's systems if the power supply to the Civic Offices was cut.

Decision:

- (1) That the proposed projects scheduled for progress during the financial year 2015/16 be agreed;
- (2) That a sum of £200,000 be included in the Capital Programme for 2015/16 for the following ICT projects:
 - (a) BACS (Banker Automated Clearing Service) electronic payment system replacement;
 - (b) UPS (Uninterruptable Power Supply) Replacement;
 - (c) PC Remote management tools; and
 - (d) implementation of other projects identified from the ICT Strategy to improve productivity/efficiency or maintain service; and
- (3) That £75,000 be included in the Capital programme for 2015/16, as a contingency sum for the Corporate Flexible working roll-out.

Reasons for Decision:

To maintain the current ICT infrastructure, improve business continuity within the Council and allow staff to fully utilise the benefits available from modern technology.

Other Options Considered and Rejected:

To not approve the three projects identified as critical. However, this would adversely impact upon the reliability of the ICT infrastructure and delay the long term vision of flexible working and improved processes.

To not approve the implementation of the corporate Flexible Working projects. However, this would inhibit the benefits to the Council of more efficient working practices and the usage of office space.

69. REVIEW OF FLEET OPERATIONS SERVICE

The Environment Portfolio Holder presented a report on the review of the Fleet Operations Service.

The Portfolio Holder reminded the Cabinet that the Council provided an in-house Fleet Operations Service from the Langston Road Depot in Loughton, which offered a number of services for all Directorates of the Council. In addition, the Service provided services to the public and private companies in the form of MOT tests. Overall, the Service had made a loss of £22,833 in 2013/14.

The Portfolio Holder reported that the Service was intended to be relocated to the new proposed depot at Oakwood Hill as a result of the redevelopment of the Langston Road Depot into a retail park. This offered an opportunity to review the way the Service was provided. WYG Environmental Ltd was engaged to carry out a review of the Service and their full report was attached at Appendix 1 of the report. The review concluded that there were a number of options available to the Council and at this stage it was proposed that the current service should be scaled back and relocated to a smaller workshop in the new depot at Oakwood Hill. The operational costs would be reduced, which in turn would make the Service more economic. This two-stage approach to scaling down the Service would allow a full assessment of the extent of the services required before a competitive procurement exercise could be carried out.

A local Member for Loughton Roding opined that the Service charged approximately £5 more for Mot tests than other providers, although it was acknowledged that they provided an excellent service. It was also felt that energy efficiency should be an important consideration when constructing the new depot. The Assistant Director of Neighbourhoods (Technical Services) highlighted that the report from the Consultants showed the charge levied by the Service to be approximately £5 less than other providers, although this could be increased in the future to generate more income. The Portfolio Holder emphasised that the £22,000 operating loss for 2013/14 by the Service did include the income from servicing the Council's Fleet vehicles. Members of the Cabinet highlighted the benefits for the Council from the Service and agreed to retain the Service in the future but scale down its operations.

Decision:

- (1) That the report produced by WYG Environment Limited on the review of the in-house Fleet Operation Service (FOS) be noted; and
- (2) That a two staged approach for scaling down the Fleet Operation Service and relocating to a smaller vehicle maintenance workshop at Oakwood Hill be agreed.

Reasons for Decision:

The volume of work carried out by the Fleet Operations Service for the private sector and the associated income was significantly higher than the Council's own work. This exposed the Council to the risk of a legal challenge and a decision was required on how the Service should be provided in future.

Other Options Considered and Rejected:

To outsource the service in its current form. However, the Council's consultants were advising that there was less certainty about whether the Council would achieve value for money through this option.

To create an Arms Length Management Organisation (ALMO) to run the service. However, the Council's Consultants were advising that the scale of the operation was not large enough to make this option feasible.

70. ANY OTHER BUSINESS

The Cabinet noted that there was no other urgent business for consideration.

71. EXCLUSION OF PUBLIC AND PRESS**Resolved:**

(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 items 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 was considered to outweigh the potential public interest in disclosing the information:

<u>Agenda Item</u>	<u>Subject</u>	<u>Paragraph No.</u>
22	Re-purchase of the former Council property at 79 London Road, Stanford Rivers	3
23	Proposed Development of St Johns Road, Epping	3

72. RE-PURCHASE OF THE FORMER COUNCIL PROPERTY AT 79 LONDON ROAD, STANFORD RIVERS

The Housing Portfolio Holder introduced a report concerning the re-purchase of the former Council property at 79 London Road, Stanford Rivers.

The Portfolio Holder informed the Cabinet that the Council made a Section 156a Restriction on the Title of all Council properties sold under the Right to Buy scheme, in line with The Housing Act (Right of First Refusal) (England) Regulations 2005. This required owners of former Council properties sold under the Right to Buy scheme to offer them to the Council for re-purchase before placing them on the open market. In the past, the Council had never exercised its pre-emption right when properties were then sold on within 10 years. However, from time to time, the Council might wish to exercise its pre-exemption rights, especially as this could be part funded, up to 30%, from 1-4-1 Right to Buy receipts or Section 106 financial contributions.

The Portfolio Holder stated that the owners of 79 London Road in Stamford Rivers had indicated their intention to sell and had offered the property back to the Council. The property had development potential which, subject to planning consent, could see the garden sub-divided and an additional new three-bed home constructed as part of the Council's Housebuilding Programme. It was intended to fund the purchase from the existing capital programme for Council Housebuilding and, once purchased, the property would be re-let to an applicant on the Council's Housing Register at a social rent level. It was also intended to request the Chairman of Council to waive the call-in for this item as there was insufficient time under the legislative timetable to wait for this period to expire.

The Assistant Director of Communities (Property) reassured the Cabinet that Officers examined all Council-owned sites for development potential. The Director of Governance highlighted that the first recommendation should read "...pre-emption rights...", not "...pre-exemption rights..." as described in the actual report.

Decision:

(1) That the pre-emption rights right under the Housing Act (Right of First Refusal) (England) Regulations 2005 be exercised by the Council to re-purchase the three bedroom former Council Property at 79 London Road, Stamford Rivers, Ongar for an agreed sum plus stamp duty, legal expenses and costs;

(2) That, once re-purchased, the garden be subdivided to form a development site and the land be added to the list of potential development sites for either future Council housebuilding (subject to planning approval), or disposed of as determined by the Council Housebuilding Cabinet Committee;

(3) That the property at 79 London Road, Stamford Rivers be re-let at a social rent level through the Council's Choice-based lettings procedure to an applicant on the Council's Housing Register;

(4) That the re-purchase be funded from the existing Capital Programme Budget for Council Housebuilding, funded by an appropriate mixture of 1-4-1 Right to Buy (RTB) Receipts, Section 106 contributions identified for use on affordable housing and Revenue Contributions for Capital Outlay (RCCO) as determined by the Council Housebuilding Cabinet Committee; and

(5) That the Chairman of Council be requested to waive the call-in for this decision on the grounds that there was insufficient time to wait for the call-in period to expire before the very tight and prescriptive timescales set out in The Housing Act (Right of First Refusal) (England) Regulations 2005 expired on 9 October 2014.

Reasons for Decision:

The Housing Portfolio Holder had indicated that he intended to study each offer to re-purchase under The Housing Act (Right of First Refusal) (England) Regulations 2005 on an individual basis, and where a decision to buy-back was agreed then that property was rented out at "Social Rents".

There was no specific budget provision for such acquisitions, and Financial Regulations required a Cabinet decision for the appropriate funding to be made available.

Other Options Considered and Rejected:

That in this instance, the Council does not exercise its pre-exemption rights under The Housing Act (Right of First Refusal) (England) Regulations 2005.

That the property at 79 London Road be re-let at “Affordable Rents” as opposed to “Social Rent”, capped at £180 per week in line with the Council’s Affordable Rents Policy.

73. PROPOSED DEVELOPMENT OF ST JOHNS ROAD, EPPING

The Portfolio Holder for Asset Management & Economic Development presented a report on the proposed development at St John’s Road in Epping.

The Portfolio Holder informed the Cabinet of proposals to acquire Essex County Council’s land interest at the St John’s Road site in order to progress the development in accordance with the scheme proposed by the preferred bidder, Frontier Estates. The acquisition was expedient as the County Council had received a higher alternative bid for their land holding in St John’s Road. The alternative bid was unconditional and of a magnitude that created a potential ‘best value’ problem for the County Council, should they accept the Frontier bid. Officers from the County Council had been instructed by their Members to offer the District Council the opportunity to purchase their land so that the preferred bid by Frontier could proceed.

The Portfolio Holder stated that, whilst under this proposal the scheme promoted by Frontier would remain essentially unchanged, the Heads of Terms previously agreed with Frontier and the Town Council would need to be revised to reflect the change in land ownership and share of the offer price. The County Council had indicated that they would accept a consideration from the Council comprising Lindsay House and the balance in money. Whilst the total consideration must improve on the proposed share that the Frontier bid would have yielded, they would be able to accept a lower capital sum than that offered by the alternative bidder. This was due to there being employment, economic regeneration and other local issues which they had considered, together with future revenue benefits in relation to their use of Lindsay House.

The Director of Governance added that this course of action represented the best consideration, including planning gain, for the residents of Epping through the proposed development. The District and Town Councils had always had a different objective to the site than the County Council. The Portfolio Holder clarified that the garage site behind Epping Library was not included in the proposals, and that the Town Council was broadly supportive, in principle, of this course of action. The Chief Executive confirmed that the Town Council was due to debate the issue at a meeting next week.

Decision:

- (1) That Essex County Council’s land holding in the St John’s Road Development site be acquired for a consideration not exceeding the sum agreed by the Cabinet;
- (2) That the consideration be comprised of a combination of land, being Lindsey House, Epping at a value negotiated by the Council’s agent, Savills, and the balance in money;
- (3) That a supplementary Capital estimate in the sum of £1million be recommended to the Council for approval;

(4) That negotiations to defray the additional cost to the Council be continued with both Epping Town Council and Frontier Estates; and

(5) That authority be delegated to the Portfolio Holder for Asset Management and Economic Development in consultation with the Director of Governance to agree amendments to the Heads of Terms approved on 21 July 2014 to reflect any consequential changes arising from the decisions above.

Reasons for Decision:

To ensure that the District and Town Council's preferred option for this important development site in St John's Road, Epping was deliverable and costs incurred in marketing and developing the preferred scheme were not written off as abortive.

To prevent inappropriate or speculative development proposals for part of the site.

Other Options Considered and Rejected:

To return to the market. However, this would involve further time and cost and the two local Councils were supportive of the current scheme.

To market just the Depot site. However, this would be contrary to the partnership approach and the aim of the development brief which promoted a collaborative approach to maximise both the financial and community benefits.

CHAIRMAN